

## PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT (the “Agreement”) is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_ 2023 (the “Effective Date”) between Heritage Health Solutions Inc., a Texas Corporation, having its principal office located at 750 Canyon Dr., Suite 120, Coppell, TX 75019 (“Heritage”), and Oklahoma County Criminal Justice Authority, located at 201 N. Shartel Ave. Oklahoma City, OK 73102 (“Authority”). Heritage and Authority may each be referred to herein individually as a “Party” and collectively as the “Parties”.

WHEREAS, Heritage has considerable expertise in providing off-site administrative healthcare services as described in Attachment A (the “Services”); and

WHEREAS, the Authority desires to contract with Heritage to provide administrative healthcare services of certain medical care and prescription plan services not provided at the jail facilities for inmates at the Authority; and

WHEREAS, Heritage is able and agreeable to provide the Authority with administrative healthcare services and represents that it is competent, qualified, capable, and prepared to do so according to the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreement hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Term. The initial term of this Agreement shall commence on the date first written above and shall continue through June 30, 2025 (the “Initial Term”). Unless either party gives the other written notice within sixty (60) days of the expiration of the Initial Term, this Agreement will automatically renew for twelve (12) months after the Initial Term and will continue to renew at the expiration of each subsequent term.
2. Scope of Services. Heritage agrees to perform the Services described in Attachment A (“Services”). The intervals at which the Services will be provided and other details regarding the Services are set forth in the attachments to this Agreement.
3. Preferred Provider. Heritage is Authority’s preferred provider for those Services identified as preferred in Attachment A (“Preferred Services”). The Authority agrees to purchase from Heritage all of its requirements for the Preferred Services during the term of this Agreement.
4. Price and Payment.
  - a. Prices for the Services are listed in Attachment B (“Price Offering”). Applicable taxes and similar assessments are not included in the prices and will be billed separately on the Authority’s invoice.
  - b. Payments are due within thirty (30) days of the invoice date. All payments by the Authority under this Agreement shall be made by electronic funds transfer. Heritage and Authority agree that, in the event the Authority fails to make payment when due, an amount equal to the lesser of (i) 1.5% per month (18% per annum) or (ii) the maximum amount allowed by law, will be added to all amounts outstanding which have not in good faith been disputed by Authority. In the event that Authority in good faith disputes the charges set forth in an invoice, Authority shall notify Heritage within thirty (30) days of its receipt of such invoice. Authority will pay all undisputed charges in accordance with this Section 4.
  - c. Upon anniversary of the Initial Term and subsequent renewal term, the Prices will be automatically adjusted (“CPI Price Adjustment”) by an amount equal to the greater of (a) the

percentage change in the Consumer Price Index ("CPI") for the most recently available previous twelve months or (b) 5%. The CPI used to calculate the CPI Price Adjustment will be the Consumer Price Index All Items, All Urban Consumers as published by the U.S. Department of Labor. Authority will be given 30 days written notice of any CPI Price Adjustment.

5. Termination. Either party may terminate this Agreement if the other party fails to perform in accordance with this Agreement and the breaching party fails to correct such default or neglect within thirty (30) days after written notice thereof. Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to the Authority.

6. Representations, Warranties, and Additional Covenants.

- a. Heritage is engaged in the business of providing the Services.

- b. Heritage covenants that it will use its best efforts to perform all work in a safe and efficient manner and using industry accepted practices.

- c. Heritage covenants that it will not knowingly fail to comply with any requirements of federal, state, provincial and local laws, rules, regulations, by-laws, ordinances, and orders ("Laws") applicable to the Services to be performed herein.

- d. Heritage covenants that the Services shall substantially conform to the description set forth in the applicable attachment and that Services provided by Heritage employees will be provided by individuals possessing appropriate qualifications.

- e. Authority represents and warrants to Heritage that it is and shall remain in compliance with any and all federal, state and local laws, rules and regulations applicable to Authority's business and that Authority shall implement, maintain and document comprehensive privacy and security policies and procedures in accordance with leading industry standards and all applicable laws, rules and regulations.

- f. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES BY HERITAGE, AND AUTHORITY HAS NOT RELIED ON ANY OTHER REPRESENTATION OR WARRANTY, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT OR ANY WARRANTY IMPLIED BY COURSE OF PERFORMANCE OF USAGE OF TRADE. WITHOUT IN ANY WAY LIMITING THE FOREGOING, AUTHORITY FURTHER ACKNOWLEDGES AND AGREES THAT THE SERVICES INCORPORATE THIRD PARTY SERVICES OR MATERIALS, WITH RESPECT TO WHICH HERITAGE MAKES NO REPRESENTATION OR WARRANTY; THAT HERITAGE MAKES NO REPRESENTATION OR WARRANTY THAT THE SERVICES WILL BE ERROR OR INTERRUPTION FREE, WILL BE PERFORMED OR ACHIEVED BY ANY PARTICULAR DEADLINE OR WILL ACHIEVE OR ACCOMPLISH ANY PARTICULAR RESULTS; AND THAT THE SERVICES ARE INTENDED TO SUPPLEMENT, BUT NOT COMPLETELY REPLACE, TRADITIONAL MEDICAL OR PSYCHIATRIC CARE.

7. Insurance. Heritage agrees to procure and maintain at least the following insurance (where applicable) covering the Services:

- a. Workers' Compensation  
Statutory

- b. Employer's Liability  
\$1,000,000 per occurrence
- c. General Liability (bodily injury and property damage - combined single limit)  
\$1,000,000 per occurrence, \$2,000,000 annual aggregate
- d. Automobile Liability (and MCS-90 Motor Carriers Act of 1980 endorsement)  
\$1,000,000 combined single limit

Upon request, Heritage shall furnish certificates of such insurance to the Authority.

8. Indemnification. EACH PARTY AGREES TO INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY, ITS DIRECTORS, OFFICERS, EMPLOYEES AND AGREEMENTS, FROM AND AGAINST ANY AND ALL LOSSES, TO THE EXTENT THAT SUCH LOSSES WERE CAUSED IN WHOLE BY: (I) BREACH OF ANY TERM OR PROVISION OF THIS AGREEMENT; (II) THE FAILURE OF ANY REPRESENTATION OR WARRANTY OF EITHER PARTY TO BE TRUE, ACCURATE, AND COMPLETE; OR (III) ANY NEGLIGENT ACT OR OMISSION OR WILLFUL MISCONDUCT OF THE OTHER PARTY OR ITS EMPLOYEES OR AGENTS. EACH PARTY SHALL BE EXCLUSIVELY LIABLE FOR THE LOSS RESULTING FROM ITS TORTS OR THE TORTS OF ITS EMPLOYEES ACTING WITHIN THE SCOPE OF THEIR EMPLOYMENT, SUBJECT TO THE LIMITATIONS AND EXCEPTIONS SPECIFIED IN THE OKLAHOMA GOVERNMENTAL TORT CLAIMS ACT, TITLE 51, SECTION 151, ET SEQ.
9. Attorneys' Fees. If any legal action is commenced because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs (including costs of collection), in addition to any other relief to which it may be entitled.
10. Limitation of Liability. IN NO EVENT SHALL HERITAGE BE LIABLE FOR INDIRECT INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, INCLUDING LOSS OF PROFIT, WHETHER FORESEEABLE OR NOT, ARISING OUT OF OR RESULTING FROM THE NONPERFORMANCE OR BREACH OF THIS CONTRACT, WHETHER BASED IN CONTRACT, COMMON LAW, WARRANTY, TORT, STRICT LIABILITY, CONTRIBUTION, INDEMNITY OR OTHERWISE. WITHOUT IN ANY WAY LIMITING THE FOREGOING, HERITAGE'S LIABILITY SHALL FURTHER IN NO EVENT EXCEED THE AMOUNT PAID TO HERITAGE DURING THE MOST RECENT SIX-MONTH PERIOD.
11. Confidentiality. For purposes of this Agreement, "Confidential Information" shall mean any non-public, confidential or proprietary information or data, whether communicated in writing, orally, or by any other method, and whether or not patentable or copyrightable, that is provided by one party (including any Authorized User or any party's affiliates) ("Discloser") to the other party ("Recipient") under this Agreement and that is (i) marked as "confidential" or "proprietary" by the Discloser at the time of disclosure, or within thirty (30) days after disclosure in written form; or (ii) information which a reasonable person engaged in a similar transaction would consider to be confidential information; further provided that, if such information or data relates to the Services, then such information and data will be "Confidential Information" whether or not it has been marked as "confidential" or "proprietary" by the Discloser. Without limitation, Confidential Information also includes Protected Health Information ("PHI"), as defined by Health Insurance Portability and Accountability Act of 1996 ("HIPAA") accessed in connection with the Services. Heritage's Confidential Information will include the terms of this Agreement and any SOW, web site architecture and content, any of Heritage's or its third party service providers' or vendors' technology, or computer software in all versions and forms of expression, manuals, notes, documentation, technical information, drawings,

diagrams, or specifications. Authority's Confidential Information shall include Authority Data, which means any non-public, proprietary data, information, or material provided or submitted to Heritage by the Authority in connection with the Authority's use of the Services. All Confidential Information will be maintained in confidence by the Recipient using at least the same degree of care as the Recipient uses to protect its own Confidential Information, but in no event less than a reasonable degree of care, and will not be disclosed to a third party or used for any purposes except as set forth in this Agreement. The obligations described in this Section 11 will not apply to any Confidential Information that (i) is known by the Recipient at the time of receipt, and not through a prior disclosure by the Discloser, as documented by the Recipient's business records; is known to the public before its receipt from the Discloser, or thereafter becomes known to the public through no breach of this Agreement by the Recipient; (ii) is subsequently disclosed to the Recipient by a third party who is not under an obligation of confidentiality to the Discloser; or (iii) is developed by the Recipient independently of Confidential Information received from the Discloser, as documented by the Recipient's business records. Notwithstanding the obligations of confidentiality and non-use set forth in Section 11, the Recipient may use and disclose Confidential Information as may be reasonably required by it in order for the Recipient to perform its obligations and to exercise its rights under this Agreement. The Recipient may disclose Confidential Information: (a) to its employees, directors, agents, consultants, advisors, or other third parties for the performance of its obligations and exercise of its rights hereunder, provided such entities are under an obligation of confidentiality with respect to such information that is no less stringent than those of this Section 11; and (b) to the extent necessary to comply with a court order, or as otherwise required by law or by a regulatory agency or government body, provided that the Recipient shall first give notice to the Discloser (so long as such notice is not prohibited by law) and assist the Discloser, at the Discloser's expense, to block such disclosure and/or obtain a protective order to protect the confidentiality of such information. If the Recipient is nevertheless required to make such disclosure, the Recipient agrees to disclose only that portion of the Confidential Information that it is legally required to disclose, provided, however, the Recipient shall continue to be bound by the confidentiality and non-use provisions of Section 11 with respect to any Confidential Information disclosed by the Recipient pursuant to this Section 11. The Recipient shall immediately notify the Discloser of any actual or suspected unauthorized disclosure of Confidential Information. The parties agree that a breach or threatened breach of this Section 11 would result in irreparable harm to the non-breaching party, which breach would be inadequately compensated by money damages. Accordingly, the non-breaching party may, in addition to any other legal remedies that may be available, seek injunctive relief, including, without limitation, preliminary injunctive relief, prohibiting or enjoining any such actual or threatened breach of this Section 11. The parties agree that the non-breaching party will not be required to post a bond in seeking such injunctive relief.

12. Force Majeure. No delay or failure in performance by either party hereto, except for the payment for Services previously performed, shall constitute default hereunder or give rise to any claim for damages, if, and to the extent, such delay or failure is caused by an occurrence beyond the reasonable control and without the fault or negligence of the party affected and which said party is unable to prevent or provide against by exercise of reasonable diligence, including, but not limited to, acts of God or the public enemy, unavoidable casualties, expropriation or confiscation of facilities, changes in applicable law, court orders, acts, orders or regulations of any governmental agency, revocation or modification of governmental permits or other required licenses or approvals, war, rebellion, sabotage or riots, unavailability of labor, equipment, supplies, materials or work, floods, adverse weather conditions, fires, explosions, or other catastrophes, strikes or any other considered acts of employees, lockouts or similar occurrences (collectively, "Force Majeure").
13. Independent Contractor. Heritage is and shall perform this Agreement as an independent contractor and, as such, shall have and maintain complete control over all of its employees and operations. Neither Heritage nor anyone employed by it shall be, represent, act, purport to act, or be deemed to be the agent, representative, employee, or servant of Authority.

14. Notice.

- a. All notices required or permitted to be given under this Agreement shall be in writing and addressed or delivered by certified mail or overnight courier with tracking capabilities to the parties at the following addresses:

Heritage Health Solutions, Inc.  
750 Canyon Dr. Suite 120  
Coppell, Texas 75019  
Attn: Director, Contract Management

The County Clerk's Office  
320 Robert S. Kerr Avenue, #203  
Oklahoma City, OK 73102  
Attn: Marissa Treat

- b. Authority will give written notice to Heritage of a claim for indemnification under Section 8 promptly following the Authority's first knowledge of the event or occurrence which gives rise to that claim. Upon receipt of notice, and determination by Heritage that Authority has a valid claim for indemnification, Heritage shall have the right to retain counsel to defend, negotiate, adjust, and/or settle a claim against Authority. Heritage has no obligation to indemnify Authority when Authority does not provide timely notice of a claim, allowing Heritage the timely opportunity to defend, negotiate, adjust, and/or settle the claim. For avoidance of doubt, Heritage's defense, negotiation, adjustment, and/or settlement of a claim against Authority shall not constitute an admission or acceptance of any duty or obligation of Heritage to indemnify Authority, and shall be deemed to be subject to a reservation of rights by Heritage to dispute such duty or obligation.
15. Assignment or Delegation. Heritage may delegate, assign, or subcontract its rights and/or responsibilities under this Agreement without the consent of Authority. Authority may not assign or subcontract its rights and/or responsibilities under this Agreement without Heritage's prior written approval.
16. Governing Laws. This Agreement shall be governed by the State of Texas and the venue for all disputed matters shall be the State of Texas without regard for choice of law or conflict of law provisions.
17. Defined Terms. All defined terms herein, designated by initial capitalization, shall have the meaning so ascribed, said meaning being equally applicable to both singular and plural forms or to grammatical variations (including but not limited to masculine, feminine, and neuter pronouns), as the case may be. The paragraph headings in this Agreement are inserted for the convenience of the parties only and shall not in any manner define, limit, or describe the intent or scope or in any manner affect this Agreement.
18. Waiver. Any waiver by either party of any provision or condition of this Agreement shall not be construed or deemed to be a waiver of any other provisions or conditions.
19. Severability. If any section of this Agreement shall be found to be unenforceable, such finding shall not affect the enforceability of any other section or the Agreement as a whole.
20. Electronic Signature. This Agreement may be executed and delivered by facsimile transmission, email, PDF, electronic signature or other similar electronic means, and such signature shall create a valid and binding obligation of the party executing with the same force and effect as if such signature page were an original thereof.

IN WITNESS WHEREOF, the parties have read, understand, and agree to be bound by the terms of this Agreement and have executed this Agreement by their duly authorized representatives as of the date first written above.

**HERITAGE HEALTH SOLUTIONS, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**OKLAHOMA COUNTY CRIMINAL JUSTICE AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT A - SERVICES

Heritage will manage medical claims administration, provider network contracting, and provider payment for all Outpatient, Emergency Room, and Hospital Inpatient claims when residents leave the Authority's detention facilities for medical services that are the financial responsibility of the Authority.

- Heritage will be responsible for medical claims processing of all off-site medical claims.
- Heritage will negotiate with local providers to participate in our Heritage Network.
- Heritage will pay providers at our negotiated contract rates.
- Heritage will pay in-network providers within 45 calendar days of receiving a valid claim.
- Heritage will invoice the Authority monthly for the previous month's processed claims.
- Heritage will provide a toll-free phone line with a customer service call center.
- Heritage will provide an account manager to assist with day-to-day issues or questions.
- Heritage will confirm eligibility and authorization of service prior to payment of claims based on information supplied by the Authority and/or jail facility. Claims that don't meet approval requirements will be denied.
- Heritage will manage the appeals process with providers.
- For full transparency, the Heritage invoice will include the billed amount from the provider, the Medicaid price, and the invoiced amount to the Authority.
- Heritage shall notify providers and facilities of the change in third party administrator if applicable.
- Heritage will provide a Standard Operating Procedure during the implementation phase of the Services.

### Invoicing:

- Monthly invoicing is based on the processed date of the claim and will reflect all claims that are processed within a given period. Once the monthly invoicing process is finalized, invoices are issued for payment. If "paid" claims are later identified as invalid, the reversal and credit for those claims will be included on the monthly invoice in which the reversal is processed. Since invoicing is based on processed date, once a period is closed, modifications to the invoice cannot be made. Any adjustments to previously processed claims will be made in subsequent periods and will be reflected on the invoice for the period the adjustment was processed.

### Reporting:

- Standard and Ad Hoc reporting will be provided.
- Data management and exchange including eligibility files and off-site authorization files.
- Invoices will be delivered via secure email or uploaded to our secure FTP site where the Authority can access them.
- As part of this service, if the Authority can provide a weekly off-site visit report that would make it apparent which off-site visits have been authorized, Heritage will use that information to produce a monthly accrual report. The accrual report will identify estimated costs associated with visits that have occurred, but for which claims have not yet been received. The accrual report will be delivered at the same time as the monthly invoice.
- Heritage will include a monthly claim detailed report with each monthly invoice that indicates the processed claims during that check cycle.
- The monthly claim detail report will include all processed claims paid in the claim cycle with supporting details including:

• Claim Number	• Member DOB	• Primary Diagnosis	• Billed Amount
• Member Name	• Provider Name	• Diagnosis Description	• Invoice Amount
• Member ID	• Provider Tax ID	• Date(s) of service	

**ATTACHMENT B – PRICE OFFERING**

Heritage will adjudicate and pay all the medical claims that occur outside the jail for the Authority. Heritage will negotiate, in good faith, with providers, to secure and maintain a comprehensive, countywide medical preferred provider network (PPN) to provide accessible offsite inpatient and outpatient healthcare to Authority inmates.

Processing Fee per claim:

- Fully Processed and Denials ..... \$40.00

All claims will be invoiced at 110% to Medicaid rates as of the date of service. Authority shall reimburse Heritage at the invoiced amount for all claims in addition to the processing fee referenced above.

Exceptions to invoiced amounts referenced above:

- Critical Access Hospitals (“CAH”) will be reimbursed according to the rate in place with the Centers for Medicaid Services (“CMS”). If the reimbursement rate to the hospital is greater than the invoice amount to Authority, the rate will be passed through to the Authority;
- If any state mandates a reimbursement rate that is greater than the invoice amount, the rate will be passed through to the Authority;
- For select providers that will not accept the applicable Medicaid rates, Heritage will charge the Authority 10% above the agreed upon rates.



## **ATTACHMENT C - MEDICAL CLAIMS PROCESSING STANDARD OPERATING PROCEDURES**

### **A. Background**

Heritage is responsible for adjudicating healthcare claims for off-site medical services. Internal reports will be generated daily, weekly, and monthly to produce the month-end invoice reporting.

### **B. Medical Claims Reprocessing and Pricing**

Heritage will utilize a claims adjudication system to process and reprice valid claims for healthcare services provided to contracted facilities/prisoners/patients.

- a) Heritage will maintain a list of in-network and out-of-network providers. A change date will be included on the list of providers to easily identify changes/updates.
- b) Contracted providers indicated with “Y” on the list will be indicated as In Network
- c) Heritage monitors financial error rates (providers paid incorrect amounts) quarterly. This report includes any claims paid in error (i.e., duplicate claims).
- d) Error rate will be less than 3% annually.

### **C. Service Metrics**

- a) Heritage will process 99% of clean claims within 8 business days.
- b) Heritage will maintain a financial accuracy > 98%
- c) Heritage will respond to appeals within 14 days of receipt.

### **D. Authority Requirements**

- a) To ensure proper claims processing, reporting and management, Authority will provide the following reports on a daily, or no less than weekly basis:
  - a. Eligibility File will be provided in a mutually agreeable format to identify all prisoners in custody as of the date of the report.
  - b. Authorization Log will be provided in a mutually agreeable format to identify all off-site medical visits that have been authorized by the appropriate personnel at the facility.

### **E. Received Claims**

- a) Claims will be scanned within 24 business hours of receipt.
- b) Heritage will receive, prepare, and process clean claims within 8 business days from receipt on average.

### **F. Processing Claims**

Clean valid claims up to but not including the last two business days of each calendar month are to be processed and included for payment consideration for the upcoming payment cycle. Claims are to meet the approved criteria of eligibility and authorization to be considered valid.

- a) Heritage will provide the SFTP site for the Authority to load daily eligibility files. Heritage will retrieve eligibility files from the SFTP site daily. Eligibility files should have a start/arrested date for each prisoner. If there is no end/release date populated, Heritage will “term by absence”, thus creating an end date effective the last date of the file the prisoner was present on.

- b) Authorization logs will be reviewed and loaded into claims adjudication system as Heritage receives them from facility. The goal is to obtain authorization logs from facilities at least weekly. Authorization logs will be in a consistent format and include an Admit and Discharge date. If logs are incomplete, this may cause a claim to be pended for further review and clarification. Authorization Files should be cumulative. Retroactive authorizations will be added to the spreadsheet with the date of the authorized visit. Authorizations that are to be considered for the current month's claims are to be received by end of day on the last business day of the month.
- c) Clean valid claims will be entered and processed within 8 business days on average. Once Claims are processed, they will be visible in the Heritage daily claims file.
- d) If claims do not meet the criteria for processing, Heritage will hold/pend the claim. Heritage reviews a pended claim report at least weekly to attempt to resolve whatever issues are preventing the claim from being processed. Heritage will work with the Authority to obtain information needed to determine whether the claim should be paid or denied. The claim will then be paid/denied within the pay cycle. If the required information is not received prior to the last two business days of the month, the claims in question will be pended and not included in that month's payment cycle.

#### G. Daily Claims Inventory

Heritage will produce claims inventory reporting Monday-Friday during each monthly cycle.

- a) Heritage will pull the reports daily to start the review process.
- b) Heritage will confirm Prisoner eligibility against the provided eligibility files when claim is entered into the system. Due to receiving multiple eligibility records, a secondary check is completed at month end and prior to preparing draft reports.
- c) On average, within 8 business days clean claims will be processed to include repricing. The details of any claim may change upon receipt of additional information, retrospective review or due to other reasons.

#### H. Invoicing

- a) Claims processing will be complete, and a master data file will be produced on business day 5 for the claims processed in the previous month. Data will be considered final unless Heritage identifies modifications that need to be made prior to invoicing, but no later than business day 8. After Heritage approves the data file, the payment cycle will be completed, check register generated, and all reports will be finalized no later than 5:00pm CST on business day 9.
- b) Heritage will endeavor to send finalized invoices to the Authority on business day the 10th of each month.
- c) Claim detail report that accompanies Authority invoice will include: claim number, prisoner/patient name, prisoner/patient ID, DOB, pre-booking status, network status, service from and to dates, billed amount, Medicaid amount and invoice charges for each claim processed.
- d) Monthly invoicing is based on the processed date of the claim and will reflect all claims that are processed within a given period. Once the monthly invoicing process is finalized, invoices are issued for payment. If "paid" claims are later identified as invalid,

the reversal and credit for those claims will be included on the monthly invoice in which the reversal is processed. Since invoicing is based on processed date, once a period is closed, modifications to the invoice cannot be made. Any adjustments to previously processed claims will be made in subsequent periods and will be reflected on the invoice for the period the adjustment was processed.

- e) Heritage will also prepare and maintain the accrual log for pre-booking, or prior to booking, and non-pre-booking per fiscal year for each applicable facility upon approval of the master data file. If alternate formats are required those parameters will be provided during implementation.

#### I. Provider Funding

Upon the final review and approval of the master data file, Heritage will fund the appropriate bank account for payment to providers, and receive a confirmation email that payment processing has been released and payments issued within 24 – 48 business hours later.

#### J. Portal Platform

- a) All Provider payments will be visible to Heritage customer service staff on a payment platform. The payment platform will also provide the Explanation of Benefits (EOB).
- b) It is Heritage's intent to make the payment information available to the Authority and providers on a proprietary portal platform at a future date.

#### K. Appeals Process

- a) Heritage will receive, review, and respond to all appeals received within 14 days of receipt.
- b) Appeals will be logged to account for receipt of appeal, response date of appeal and resolution date.

#### L. Duplicate Claims

- a) Heritage has developed internal controls to prevent/minimize duplicate claims payment.
  - a. Any claim entered/loaded into the system is matched against an existing claim with the same provider tax id, prisoner number and dates of service. If a match is made the claim is flagged as a possible duplicate and an internal note is appended to identify the claim(s) that it may be a duplicate of. The supervisor or manager will review the claims and make the determination if the claim is a duplicate or not and annotate reasoning why it is not a duplicate.
  - b. A secondary process of reviewing a duplicate claim report that includes all claims processed and flagged for possible duplicates is completed prior to posting of estimates and draft master data file.
- b) If a duplicate claim is paid:
  - a. Heritage will send out a series of up to three (3) recoupment letters at day 30, 60, 90. If no response within 30 days of the first letter, Heritage will call the provider to ensure the overpayment letter and back up documentation were received.
  - b. If allowable under the provider agreement, Heritage will withhold the overpayment amount from a future provider payment.
  - c. Authority will be credited the overpayment amount on the next regularly scheduled invoice cycle.

- d. Claim detail report that accompanies the monthly invoice will show a negative claim count and negative payment adjustment to previous paid claim that will credit the original charge.
- e. Duplicate claims shall not exceed 0.1% of total claims processed per year.

M. Claim Adjustments

- a) If the previously paid amount on a claim needs to be adjusted, the new claim detail report will show a negative claim count and negative payment adjustment to previous paid claim that will credit the original charge. A separate line item with the adjusted invoice amount and positive claim count will be included to reflect that the claim has been reprocessed at a new invoice amount.
- b) Heritage will list adjustments on the claim detail report that accompanies the monthly Authority invoices as the adjustments are processed, and in accordance with the normal invoice cycle timeline. Claims that are adjusted after the close of an invoice cycle will appear on the next regularly scheduled invoice.

## ATTACHMENT D - BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“**Agreement**”) is entered into between Oklahoma County Criminal Justice Authority (“**Covered Entity**”) and Heritage Health Solutions, Inc., a Texas corporation. (“**Business Associate**”), with an effective date of \_\_\_\_\_ (“**Effective Date**”). This Agreement sets out the responsibilities and obligations of Business Associate as a business associate of Covered Entity under the Health Insurance Portability and Accountability Act (“**HIPAA**”) and the Health Information Technology for Economic and Clinical Health Act (“**HITECH Act**”).

### **RECITALS**

**A.** Covered Entity and Business Associate are parties to an agreement or arrangement pursuant to which Business Associate provides certain services to Covered Entity (“**Services**”).

**B.** In conjunction with Services, Covered Entity may make available to Business Associate Protected Health Information of Individuals, which Business Associate may only Use or Disclose in accordance with this Agreement.

### **AGREEMENT**

Business Associate and Covered Entity agree to the terms and conditions of this Agreement in order to comply with the rules on handling of Protected Health Information under the HIPAA Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subpart E (“**Privacy Rule**”), the HIPAA Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C (“**Security Rule**”), and the HIPAA Breach Notification Regulations, 45 C.F.R. Part 164, Subpart D (“**Breach Notification Rule**”), all as amended from time to time.

#### **1. Definitions.**

1.1. **Terms Defined in Regulation.** Unless otherwise provided in this Agreement, all capitalized terms in this Agreement will have the same meaning as provided under the Privacy Rule, the Security Rule and the Breach Notification Rule.

1.2. **Protected Health Information or PHI.** Protected Health Information (“**PHI**”) means PHI that is received from Covered Entity, or created, maintained or transmitted on behalf of Covered Entity, by Business Associate.

#### **2. Uses and Disclosures of Protected Health Information.**

2.1. **Performance of Services.** Business Associate will Use or Disclose PHI only for those purposes necessary to perform Services, or as otherwise expressly permitted in this Agreement or Required by Law, and will not further Use or Disclose such PHI.

2.2. **Subcontractors.** Business Associate agrees that, in accordance with 45 C.F.R. § 164.502(e)(1), if Business Associate’s Subcontractor creates, receives, maintains or transmits PHI on behalf of Business Associate, Business Associate will enter into an agreement with such Subcontractor that contains substantially the same restrictions and conditions on the Use and Disclosure of PHI as contained in this Agreement.

2.3. **Business Associate Management, Administration and Legal Responsibilities.** Business Associate may Use PHI for Business Associate’s management and administration, or to carry

out Business Associate's legal responsibilities. Business Associate may Disclose PHI to a third party for such purposes only if: (1) the Disclosure is Required by Law; or (2) Business Associate secures written assurance from the receiving party that the receiving party will: (i) hold the PHI confidentially; (ii) Use or Disclose the PHI only as Required by Law or for the purposes for which it was Disclosed to the recipient; and (iii) notify the Business Associate of any other Use or Disclosure of PHI.

2.4. **Data Aggregation and De-Identification.** Business Associate may Use PHI to perform data aggregation services as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B). Business Associate may also de-identify PHI in accordance with 45 C.F.R. § 164.514.

2.5. **Covered Entity Responsibilities.** To the extent Business Associate is to carry out Covered Entity's obligations under the Privacy Rule, Business Associate will comply with the requirements of the Privacy Rule that apply to Covered Entity's compliance with such obligations.

### 3. **Safeguards for Protected Health Information.**

3.1. **Adequate Safeguards.** Business Associate will implement and maintain appropriate safeguards to prevent any Use or Disclosure of PHI for purposes other than those permitted by this Agreement, including administrative, physical and technical safeguards to protect the confidentiality, integrity, and availability of any electronic protected health information ("**ePHI**"), if any, that Business Associate creates, receives, maintains, and transmits on behalf of Covered Entity.

3.2. **Compliance with HIPAA Security Rule.** Business Associate will comply with the applicable requirements of the HIPAA Security Rule.

### 4. **Reports of Improper Use or Disclosure of Protected Health Information, Security Incidents and Breaches.**

4.1. **Use or Disclosure Not Permitted by This Agreement.** Business Associate will report in writing to Covered Entity any Use or Disclosure of PHI for purposes other than those permitted by this Agreement within ten (10) business days of Business Associate's learning of such Use or Disclosure.

4.2. **Security Incidents.** Business Associate will report in writing to Covered Entity any Security Incident of which Business Associate becomes aware. Specifically, Business Associate will report to Covered Entity any successful unauthorized access, Use, Disclosure, modification, or destruction of ePHI or interference with system operations in an information system containing ePHI of which Business Associate becomes aware within ten (10) business days of Business Associate learning of such Security Incident. Business Associate also will report the aggregate number of unsuccessful, unauthorized attempts to access, Use, Disclose, modify, or destroy ePHI or interfere with system operations in an information system containing ePHI, of which Business Associate becomes aware, provided that: (i) such reports will be provided only as frequently as the parties mutually agree, but no more than once per month; and (ii) if the definition of "Security Incident" under the Security Standards is amended to remove the requirement for reporting "unsuccessful" attempts to Use, Disclose, modify or destroy ePHI, the portion of this Section 4 addressing the reporting of unsuccessful, unauthorized attempts will no longer apply as of the effective date of such amendment.

4.3. **Breaches of Unsecured PHI.** Business Associate will report in writing to Covered Entity any Breach of Unsecured Protected Health Information, as defined in the Breach Notification Rule, within ten (10) business days of the date Business Associate learns of the incident giving rise to the Breach. Business Associate will provide such information to Covered Entity as required in the Breach Notification Rule.

## **5. Access to Protected Health Information.**

5.1. **Covered Entity Access.** To the extent Business Associate maintains PHI in a Designated Record Set that is not duplicative of a Designated Record Set maintained by Covered Entity, Business Associate will make such PHI available to Covered Entity within ten (10) business days of a request by Covered Entity for access to such PHI.

5.2. **Individual Access.** If an Individual makes a request for access directly to Business Associate, Business Associate will within ten (10) business days forward such request in writing to Covered Entity. Covered Entity will be responsible for making all determinations regarding the grant or denial of an Individual's request for PHI and Business Associate will make no such determinations. Only Covered Entity will release PHI to an Individual pursuant to such a request, unless Covered Entity directs Business Associate to do so.

## **6. Amendment of Protected Health Information.**

6.1. **Covered Entity Request.** To the extent Business Associate maintains PHI in a Designated Record Set that is not duplicative of a Designated Record Set maintained by Covered Entity, Business Associate will provide such PHI to Covered Entity for amendment within ten (10) business days of receiving a request from Covered Entity to amend an Individual's PHI. Alternatively, if Covered Entity's request includes specific instructions on how to amend the PHI, Business Associate will incorporate such amendment into the PHI it holds in a Designated Record Set within ten (10) business days of receipt of the Covered Entity's request.

6.2. **Individual Request.** If an Individual makes a request for amendment directly to Business Associate, Business Associate will within ten (10) business days forward such request in writing to Covered Entity. Covered Entity will be responsible for making all determinations regarding amendments to PHI and Business Associate will make no such determinations unless Covered Entity directs Business Associate to do so.

## **7. Accounting of Disclosures of Protected Health Information.**

7.1. **Disclosure Records.** Business Associate will keep a record of any Disclosure of PHI that Business Associate makes, if Covered Entity would be required to provide an accounting to Individuals of such Disclosures under 45 C.F.R. § 164.528. Business Associate will maintain its record of such Disclosures for six (6) years from the date of the Disclosure.

7.2. **Data Regarding Disclosures.** For each Disclosure for which it is required to keep a record under paragraph 7(a), Business Associate will record and maintain the following information: (1) the date of Disclosure; (2) the name of the entity or person who received the PHI and the address of such entity or person, if known; (3) a description of the PHI Disclosed; and (4) a brief statement of the purpose of the Disclosure.

7.3. **Provision to Covered Entity.** Within ten (10) business days of receiving a notice from Covered Entity, Business Associate will provide to Covered Entity its records of Disclosures.

7.4. **Request by Individual.** If an Individual requests an accounting of Disclosures directly from Business Associate, Business Associate will forward the request and its record of Disclosures to Covered Entity within ten (10) business days of Business Associate's receipt of the Individual's request. Covered Entity will be responsible for preparing and delivering the accounting to the Individual.

Business Associate will not provide an accounting of its Disclosures directly to any Individual, unless directed by Covered Entity to do so.

## **8. Access to Books and Records.**

Business Associate will make its internal practices, books and records on the Use and Disclosure of PHI available to the Secretary to the extent required for determining compliance with the Privacy Rule, the Security Rule, or the Breach Notification Rule. No attorney-client, accountant-client or other legal privilege will be deemed waived by Business Associate or Covered Entity as a result of this Section.

## **9. Termination.**

Either party may terminate this Agreement upon the other party's material breach of this Agreement. The non-breaching party will provide the breaching party with written notice of the breach of this Agreement and will afford the breaching party the opportunity to cure the breach to the satisfaction of the non-breaching party within thirty (30) days of the date of such notice. If the breaching party fails to timely cure the breach, as determined by non-breaching party in its sole discretion, the non-breaching party may terminate this Agreement.

## **10. Return or Destruction of Protected Health Information.**

10.1. **Return or Destruction of PHI.** Within thirty (30) days of termination of this Agreement, Business Associate will return to Covered Entity all PHI that Business Associate or its Subcontractors maintain in any form or format. Alternatively, Business Associate may, upon Covered Entity's consent, destroy all such PHI and provide Covered Entity with written documentation of such destruction.

10.2. **Retention of PHI if Return or Destruction is Infeasible.** If Business Associate believes that returning or destroying PHI at the termination of this Agreement is infeasible, it will provide written notice to Covered Entity within thirty (30) days of the effective date of termination of this Agreement. Such notice will set forth the circumstances that Business Associate believes makes the return or destruction of PHI infeasible and the measures that Business Associate will take for assuring the continued confidentiality and security of the PHI. Business Associate will extend all protections, limitations and restrictions of this Agreement to Business Associate's Use or Disclosure of the PHI retained after termination of this Agreement and will limit further Uses or Disclosures of such PHI to those purposes that make the return or destruction of the PHI infeasible.

## **11. Miscellaneous.**

11.1. **Compliance with Laws.** The parties are required to comply with federal and state laws. If this Agreement must be amended to secure such compliance, the parties will meet in good faith to agree upon such amendments. If the parties cannot agree upon such amendments, then either party may terminate this Agreement upon thirty (30) days' written notice to the other party.

11.2. **Construction of Terms.** The terms of this Agreement will be construed in light of any applicable interpretation or guidance on the Privacy Rule, the Security Rule or the Breach Notification Rule issued by HHS.

11.3. **No Third Party Beneficiaries.** Nothing in this Agreement will confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.



- 11.4. **Notices.** All notices required under the Agreement will be given in writing and will be delivered by (1) personal service, (2) first class mail, or (3) messenger or courier. All notices shall be addressed and delivered to the contact designated in the signature block, or other address provided by the party from time to time in writing to the other party. Notices given by mail will be deemed for all purposes to have been given forty-eight hours after deposit with the United States Postal Service. Notices delivered by any other authorized means will be deemed to have been given upon actual delivery.
- 11.5. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with regard to the Privacy Rule, the Security Rule and the Breach Notification Rule, there are no understandings or agreements relating to this Agreement that are not fully expressed in this Agreement and no change, waiver or discharge of obligations arising under this Agreement will be valid unless in writing and executed by the party against whom such change, waiver or discharge is sought to be enforced.
- 11.6. **Waiver of Default.** The waiver by either party of any one or more breaches or defaults of the other party will not be construed to operate as a waiver of any other future breaches or defaults, either under the same or different terms, conditions, or covenants contained in this Agreement or in written notice pursuant to this Agreement.
- 11.7. **Severability.** In the event any term or provision of this Agreement is rendered invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect.
- 11.8. **Written Agreement.** This Agreement will be considered an attachment to the underlying agreement or arrangement and is incorporated as though fully set forth within the underlying agreement or arrangement. This Agreement will govern in the event of conflict or inconsistency with any provision of the underlying agreement or arrangement.
- 11.9. **Counterparts and Signature.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and when taken together shall constitute one agreement. Facsimile and electronic signatures shall be deemed to be original signatures for all purposes of this Agreement.
- 11.10. **Choice of Law.** The validity, construction and effect of this Agreement will be governed by the laws of the State of Texas, without giving effect to that state's conflict of laws rules. Any Dispute will be resolved in a forum located in the State of Texas.

*[Signature Page Follows]*

**COVERED ENTITY**

**OKLAHOMA COUNTY CRIMINAL  
JUSTICE AUTHORITY**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**BUSINESS ASSOCIATE**

**HERITAGE HEALTH SOLUTIONS, INC.**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Contacts for Notices under this Agreement:**

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_