

**STATE OF MICHIGAN**  
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET  
 PROCUREMENT

525 W. ALLEGAN STREET  
 LANSING, MI 48933

P.O. BOX 30026  
 LANSING, MI 48909

**NOTICE OF CONTRACT NO. 071B6600065**

between  
 THE STATE OF MICHIGAN  
 and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
Delta Dental of Michigan, Inc. 4100 Okemos Rd. Okemos, MI. 48864	Randy McCowan	Rmccowan@deltadentalmi.com
	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
	(517) 347-5201	1480

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER	DHHS	Pam Manning	(517) 241-5920	ManningP3@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	Dan Stevens	(517) 284-7049	StevensD6@michigan.gov

**CONTRACT SUMMARY**

**DESCRIPTION:**  
 Department of Health and Human Services (DHHS) – Dental Benefits Administrator for HIV/AIDS Michigan Dental Program (MDP)

INITIAL TERM	EFFECTIVE DATE	INITIAL EXPIRATION DATE	AVAILABLE OPTIONS
3 Years	August 1, 2016	July 31, 2019	2, 1-year
PAYMENT TERMS	F.O.B.	SHIPPED TO	
NET 30	N/A	N/A	

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**MINIMUM DELIVERY REQUIREMENTS**  
 N/A

**MISCELLANEOUS INFORMATION**  
**THIS IS NOT AN ORDER:** This Contract Agreement is awarded on the basis of our inquiry bearing RFP No. 007116B0006696. Orders for delivery will be issued directly by Departments through the issuance of a Purchase Order Form.

<b>ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION</b>	<b>\$5,187,924.00</b>
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**For the Contractor:**



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**Jonathan S. Groat**  
**Vice President & General Counsel**  
**Contract Administrator**

12 Aug 2016  
Date

**For the State:**

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**Tom Falik,**  
**Services Division Director**  
**State of Michigan**

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**Date**

**Reviewed by**  
**Legal Department**

MRS 08-12-2016

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# STATE OF MICHIGAN

## STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Delta Dental of Michigan, Inc. (“**Contractor**”), a Michigan Corporation, This Contract is effective on August 1, 2016 and unless terminated, expires on July 31, 2019.

This Contract may be renewed for up to 2 additional 1 year renewal year period(s). Renewal must be by written agreement of the parties and will automatically extend the Term of this Contract.

The parties agree as follows:

1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Dan Stevens 525 West Allegan St., 1 <sup>st</sup> flr. NE Lansing, MI, 48909-7526 StevensD6@michigan.gov (517) 284-7049	Randy McCowan 4100 Okemos Rd Okemos, MI, 48864 Rmccowan@deltadentalmi.com (517) 347-5201



3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms and conditions of this Contract (each a “**Contract Administrator**”):

State:	Contractor:
Dan Stevens 525 West Allegan St., 1 <sup>st</sup> FLR. NE Lansing, MI. 48909-7256 StevensD6@michigan.gov (517) 284-7049	Randy McCowan 4100 Okemos Rd Okemos, MI,48864 Rmccowan@deltadentalmi.com (517) 347-5201

4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: day-to-day  Pam Manning 109 W. Michigan Ave 8 <sup>th</sup> Floor Lansing, MI 48913 Email: ManningP3@Michigan.gov Phone: (517) 241-5920	If to Contractor:  Randy McCowan 4100 Okemos Rd Okemos, MI,48864 Rmccowan@deltadentalmi.com (517) 347-5201
State: non day-to-day  Shirley Martin 235 So. Grand Ave Grand Tower, Suite 1201 Lansing, MI 48933 Email: <a href="mailto:martins@michigan.gov">martins@michigan.gov</a> Phone: (517) 241-2305	If to Contractor:  Randy McCowan 4100 Okemos Rd Okemos, MI,48864 Rmccowan@deltadentalmi.com (517) 347-5201

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by an company with an A.M. Best rating of "A" or better and a financial size of VII or better.



Insurance Type	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$1,000,000 Each Occurrence Limit</p> <p>\$1,000,000 Personal &amp; Advertising Injury Limit</p> <p>\$2,000,000 General Aggregate Limit</p> <p>\$2,000,000 Products/Completed Operations</p> <p><u>Deductible Maximum:</u></p> <p>\$50,000 Each Occurrence</p>	<p>Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.</p>
<b>Umbrella or Excess Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$5,000,000 General Aggregate</p>	<p>Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds.</p>
<b>Workers' Compensation Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>Coverage according to applicable laws governing work activities.</p>	<p>Waiver of subrogation, except where waiver is prohibited by law.</p>
<b>Employers Liability Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$500,000 Each Accident</p> <p>\$500,000 Each Employee by Disease</p> <p>\$500,000 Aggregate Disease.</p>	
<b>Privacy and Security Liability (Cyber Liability) Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$1,000,000 Each Occurrence</p> <p>\$1,000,000 Annual Aggregate</p>	<p>Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability</p>



<b>Crime Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$1,000,000 Employee Theft Per Loss</p>	<p>Contractor must have their policy: (1) cover forgery and alteration, theft of money and securities, robbery and safe burglary, computer fraud, funds transfer fraud, money order and counterfeit currency, and (2) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as Loss Payees.</p>
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<p><u>Minimal Limits:</u></p> <p>\$3,000,000 Each Occurrence</p> <p>\$3,000,000 Annual Aggregate</p> <p><u>Deductible Maximum:</u></p> <p>\$50,000 Per Loss</p>	

If any of the required policies provide **claim-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 30 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **RESERVED.**

8. **RESERVED.**

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract.



Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.

10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation, provide all necessary documentation and signatures, and continue to perform, with the third party, its obligations under the Contract.
14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Exhibit A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Exhibit A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed



Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

**17. RESERVED.**

**18. RESERVED.**

**19. RESERVED.**

**20. Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 30 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time, but no less than 30 days after receipt of disputed invoice. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

**21. Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Exhibit A.

**22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

**23. Termination for Cause.** The State or Contractor may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a



specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs for State approved Transition Responsibilities.
- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 120 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
- 26. General Indemnification.** Each party shall assume liability solely for its own actions and shall not be responsible for the actions or omissions of the other party.
- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
- 28. Limitation of Liability.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a



Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

### 30. RESERVED.

### 31. State Data.

- a. Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. In the event the return or destruction of such PHI or PII is infeasible, then Contractor shall continue to extend the protections required hereunder to the PHI and PII for as long as it maintains the PHI or PII. Further, Contractor shall limit any further use or disclosure of the PHI or PII to those purposes that make its return or destruction infeasible. This Section survives the termination of this Contract.
- b. Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This section survives the termination of this Contract.
- c. Extraction of State Data. Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. Backup and Recovery of State Data. Unless otherwise specified in Exhibit A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Exhibit A, Contractor must maintain a daily backup of State Data that can be recovered within seventy two (72) hours at any point in time.
- e. Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable:
  - (a) notify the State as soon as practicable but no later five (5) days of becoming aware of such occurrence;
  - (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State;
  - (c) in the case of PII or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as

practical but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days of notification to the State; or (ii) reimburse the State for any reasonable costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, to the extent reasonably required for no less than twelve (12) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; and, to the extent applicable, contact information for major credit card reporting agencies; and, information regarding the credit monitoring services to be provided by Contractor. This Section survives the termination of this Contract.

**32. Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights;
  - (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the



subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any non-State Data Confidential Information is not feasible, such party must destroy the non-State Data Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party.

### **33. Data Privacy and Information Security.**

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. No less than annually, Contractor must conduct a comprehensive internal audit/risk assessment of its data privacy and information security program and provide a summary of findings to the State upon request.
- c. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an



audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

- d. Audit Findings. Contractor must implement commercially reasonable safeguards, as required by this agreement. The State and Contractor shall mutually agree on mitigation and implementation schedule of any identified findings.
- e. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

**34. RESERVED.**

**35. RESERVED.**

**36. Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

**37. Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

**38. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract



Activities in connection with this Contract.

- 39. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 40. RESERVED.**
- 41. RESERVED.**
- 42. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
- 43. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 44. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 45. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 46. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
- 47. Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.
- Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
- 48. Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
- 49. Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
- 50. Order of Precedence.** In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the purchase order; (b) the amendment; (c) Exhibit A; (d) any other exhibits; and (e) the Contract.



- 51. Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
- 52. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 53. Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
- 54. Entire Contract and Modification.** This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**").



**STATE OF MICHIGAN**  
Contract No.071B6600065  
HIV Dental Program Administrator  
**EXHIBIT A**  
**STATEMENT OF WORK**  
**CONTRACT ACTIVITIES**

## **Project Request**

This is a Contract for a Dental Benefits Administrator (DBA) for the HIV/AIDS Michigan Dental Program (MDP) administered by the Michigan Department of Health and Human Services (MDHHS), Division of Chronic Disease and Injury Control.

### **Background**

The Michigan Dental Program (MDP) is a comprehensive dental access program for persons living with HIV/AIDS, funded under the Federal Ryan White CARE Act. The MDP was initiated to enhance the continuum of care for individuals living with HIV/AIDS disease and to ensure they can obtain optimum oral health. Michigan's Ryan White HIV/AIDS Program part B grant is a formula grant administered by MDHHS through the HIV Care Section. The funding for this grant in FY 13 was \$1.2 million and FY 14 was \$1.6 million for the MDP. The Part B grant supports the delivery of HIV/AIDS medications, care-related health services, and other supportive services to people who are HIV-infected (or in some cases "affected") in the State of Michigan. The MDP currently provides dental services to over 3,000 of the estimated 18,438 HIV+ residents in the State of Michigan.

Due to the continued efforts of the MI Drug Assistance program and the MI Dental Program along with its partners to control costs while continuing to serve a growing need, it is expected that through this critical partnership the contractor will assist the MDP in its efforts to maintain fiscal solvency for as long as feasibly possible. It is expected that this critical partnership takes a proactive approach to creatively and efficiently maintain the current level of coverage for as long as possible. This includes maintaining program adaptability to a member's individual need for dental coverage as it relates to coordination of benefits between private dental insurance companies and adult Medicaid system and/or other issues/challenges that may arise during the contract period. All funding from Ryan White Part B must be payer of last resort. All other forms of payment must be exhausted before Ryan White funds are used.

The primary Contractor functions are expected to include: management information services to include claims payment, provider network maintenance, quality assurance/program integrity including an annual client satisfaction survey, and eligibility management information system.

### **1. Specifications**

- 1.1 The Contractor will provide all its own staffing, hardware, and documentation for all work described in any resulting contract.
- 1.2 The Contractor must provide an information and claims management system capable of providing fiscal intermediary services to pay claims on a fee-for-service basis using the Delta Dental PPO fee schedule set by the Contractor for participating Delta Dental PPO dentists only.
- 1.3 The State will continue to determine eligibility and will require access to the Contractor's system to load eligibility data directly.
- 1.4 In addition, State authorized employees can access system to review, add, and update eligibility information 24 hours a day, seven days a week. All changes are integrated real-time in system.

No retroactive eligibility updates will be accepted for an effective date more than six months from the date of notification. If the State requests that a clients's eligibility be terminated retroactively and a claim was incurred for that client after the requested termination date, the client's eligibility will continue until the end of the month in which the claim occurred.



- 1.5 The Contractor must also coordinate benefits with other potential sources of payment to ensure that MDP is the payer of last resort.
- 1.6 The Contractor is responsible for provider network maintenance which includes developing a statewide network, credentialing and monitoring provider performance.
- 1.7 The Contractor is responsible for providing services in accordance with the scope of coverage of the MDP as described in the Michigan Dental Program Handbook (See Appendix A).
- 1.8 The Contractor must also provide a call center for Service Level Agreement (SLA) providers and for clients.

Contractor providers and clients have access to Customer Service Center via a nationwide toll-free number, (800) 524-0149, Monday through Friday from 8:30 a.m. to 8 p.m. Eastern Standard Time (EST). To supplement that service, Contractor's system can provide callers with answers to many routine inquiries via the same number 24 hours a day, seven days a week.

- 1.9 The Contractor will be responsible for mailing/emailing an annual client satisfaction survey.
- 1.10 The Contractor must have full knowledge of and remain in compliance with Health Resource and Services Administration (HRSA's) Ryan White HIV/AIDS Program National Monitoring Standards and support MDP's ability to correctly and timely report.
- 1.11 Client Confidentiality: The DBA will comply with all relevant HIPAA standards, according to the terms and schedules in federal regulations. The data system that manages claims and any other information must be HIPAA compliant by the dates specified in federal regulations. Call center staff must also comply with applicable confidentiality laws. Michigan law provides for the following penalties regarding the improper disclosure of confidential information concerning HIV infection in its various stages including AIDS:

"A person who violates this section is guilty of a misdemeanor, punishable by imprisonment for not more than one (1) year or a fine of not more than \$5,000.00, or both, and is liable in a civil action for actual damages or \$1,000.00, whichever is greater, and costs and reasonable attorney fees. This subsection also applies to the employer of a person who violates this section, unless the employer had in effect at the time of the violation reasonable precautions designed to prevent the violation." MCLA 333.5131 (8).

Contractor must complete the attached HIPAA Addendum (Exhibit D).

### **1.12 Management Information Services**

- A. Management information systems capabilities are necessary for at least the following areas:
  - Claims processing (paper and electronic), pricing and at least biweekly payment to providers including annual IRS form 1099 reporting of provider earnings.
  - Third party liability activity, including coordination of benefits with commercial insurance, Medicaid or any other third party payer ensuring MDP is the payer of last resort
  - Beneficiary enrollment maintenance
  - Provider enrollment
  - Utilization & Review to assure services are medically necessary and to reduce fraud, abuse and waste.
- B. State staff will continue to process applications and determine eligibility.
- C. The Contractor must provide State staff with access to its system in order to enter and maintain client eligibility information.

All changes are integrated real-time in Contractor systems.

- D. The Contractor's claims and eligibility system must have the capacity to capture the following data



elements, and others as needed, for reporting purposes and for purposes of data entry by State staff:

- Unique member number
- Age
- Gender – male, female,
- Social Security Number
- Name
- Address
- Primary insurance carrier information

Contractor maintains only those items that are specific to the administration of dental plans. If the Contractor's standard approach is not sufficient, alternatives must be provided to State.

E. The Contractor must also provide State staff with access to the management information system in order to, for example, check the status of claims and review all other program information maintained by the Contractor. Remote access to the Contractor claim system must provide State staff with at least the following information:

- Provider (dentist) locator
- Real-time claim tracking/history
- Pricing information
- Patient benefit level information

F. Reserved.

### **1.13 Provider Network Services**

- A. The Contractor will be responsible for covered services to clients. Covered services must be administered by a dental provider who is a member of the Contractor's network, unless otherwise authorized by the Contractor. The Contractor must ensure that this delivery system will provide available, accessible and adequate numbers of facilities, locations and personnel for the provision of covered services.
- B. The Contractor must provide contract and education services for the Contractor's provider network and ensure proper maintenance of dental records and observance of confidentiality laws. The Contractor must have a written plan detailing methods of provider recruitment and education regarding contract policies and procedures.
- C. The Contractor must establish and maintain a regular means of communicating and providing information on changes in policies and procedures to its providers. This must include guidelines for answering written correspondence to providers and offering provider-dedicated telephone lines.
- D. The Contractor must provide a staff of sufficient size to respond timely to provider inquiries, questions, and concerns regarding covered services and claims. The Contractor must have written policies and procedures that describe how the Contractor will address provider inquiries and complaints.



- E. The Contractor must provide automated and self-service capabilities via an interactive voice response (IVR) system and internet to verify eligibility.
- F. The Contractor or its authorized delegate must have written credentialing and re-credentialing policies and procedures for ensuring quality of care and ensuring that all providers rendering services to clients are licensed by the State and are qualified to perform their services throughout the life of the Contract. The Contractor must routinely re-credential its providers. The Contractor must ensure that panel providers meet all applicable licensure and certification requirements within the state of Michigan. The Contractor must also have written policies and procedures for monitoring its providers and for sanctioning providers who are out of compliance with the Contractor's standards. If the Contractor declines to include providers in its panel, the plan must give the affected providers written notice of the reason for the decision.
- G. The State is interested in receiving feedback from MDP providers. Contractors must provide a mechanism for obtaining periodic feedback that can be used to identify and respond to issues of concern to providers. Examples of methods that the Contractor might consider using are: an advisory panel that meets periodically, focus groups, surveys. The State expresses no preference for any particular method, but encourages Contractors to provide creative and cost-effective solutions for obtaining provider input.

#### **1.14 Quality Assurance and Program Integrity**

- A. The Contractor must have data mining/analysis capabilities to monitor and report on quality; detect fraud, abuse and waste; and take corrective actions in response to identified issues. The Contractors' approach must include the following components:
- Written policies and procedures that describe how the Contractor will address fraud, waste and abuse.
  - Provisions for internal monitoring and auditing of provider claims and services.
  - Provisions for prompt response to detected offenses and for the development of corrective action initiatives.
  - Reporting on quality and program integrity issues to MDP.
- B. Contractors, who have any suspicion or knowledge of fraud, waste and/or abuse within any of the Department's programs must report directly to the Office of Inspector General by calling (855) 643-7283, online at [www.michigan.gov/fraud](http://www.michigan.gov/fraud), or in writing to:
- Office of Inspector General PO Box 30479  
Lansing, Michigan 48909
- C. When reporting suspected fraud, waste and/or abuse, the contractor should provide to the MDP the following information:
- Nature of complaint
  - The name of the individuals and/or entity involved in the suspected fraud, waste and/or abuse, including their address, phone number, identification number, and any other identifying information.
- D. The Contractor must inform the MDP of actions taken to investigate or resolve the reported suspicion, knowledge, or action. The contractor must also cooperate fully in any investigation by the MDP or Office of Attorney General and any subsequent legal action that may result from such investigation.

#### **1.15 Training**

Contractor must provide training to State staff so that they can enter eligibility information and remotely access the Contractor's management information system.



Contractor's Senior Account Manager will provide client training in all facets of Contractor's management information systems web-based applications and capabilities. Upon request, Additional implementation and training may also include the testing of eligibility files to confirm they are production ready and the scheduling of regular file submissions. Training will take place at the State's site and will be considered complete once the State staff feels they have been instructed in a comprehensive fashion.

## **2. Acceptance**

### **2.1 Acceptance, Inspection and Testing**

The State will use the following criteria to determine acceptance of the Contract Activities:

Ability to provide benefits administration services for MDP clients that includes a claims adjudication system, make payments to providers, and provide data management services.

Ability to maintain a statewide dental network

Ability to provide MDP state staff with remote access to management information system and training to use it.

Ability to ensure that the MDP is payer of last resort.

Ability to provide quality oversight and program integrity services.

Ability to provide necessary reporting.

## **3. Staffing**

### **3.1 Contractor Representative**

The Contractor must appoint one Project Manager and one dental professional (preferably a dentist licensed in the State of Michigan) specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative"). (See Section 3.5 for Key Personnel.)

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

### **3.2 Customer Service Toll-Free Number**

A. The Contractor shall provide a toll free call center that may be accessed by both providers and clients.

Providers and clients can call the toll free customer service number, (800) 524-0149, and speak with a customer service representative.

Claims department's hours of operation are 7:30 a.m. – 5:00 p.m. EST.

B. Provider inquiries may include, but not be limited to: authorization requests, claims payment issues and eligibility matters.

C. Clients, and third parties such as case managers acting on their behalf, may contact the Contractor when they have questions about denials of treatment requests or bills they may have received from providers. Clients may also contact the call center for assistance in locating a provider.

D. The Contractor's toll free call center must be sufficiently staffed to ensure that 90% of calls are answered within 45 seconds.

E. The call abandonment rates shall not exceed three percent. The call center shall operate Monday through Friday from 8:30 a.m. to 8 p.m. Eastern Standard Time (EST).

F. The Contractor must have policies and procedures in place to ensure confidentiality and ensure that any information provided through the call center is only provided to an authorized provider, client, or a third



party with authority to make inquiries on behalf of the client.

### 3.3 Technical Support

The Contractor must provide a toll-free number for the State to make contact with the Contractor for technical support and maintenance for access to the Contractor's system. The Contractor must be available for calls and service during the hours of 8 am to 5 pm EST.

The Contractor' system support team is available via toll free number (866) 356-0301 Monday thru Friday, 8:30 a.m. – 8:00 p.m. EST with questions regarding any of the online toolkits.

### 3.4 Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday 8:00 a.m. to 5:00 p.m. EST (also see Sections 3.2 and 3.3).

### 3.5 Key Personnel

- A. The Contractor must appoint two individuals (a Project Manager and dental professional per Section 3.1) who will be directly responsible for the day-to-day operations of the Contract ("Key Personnel"). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquires within one business day.

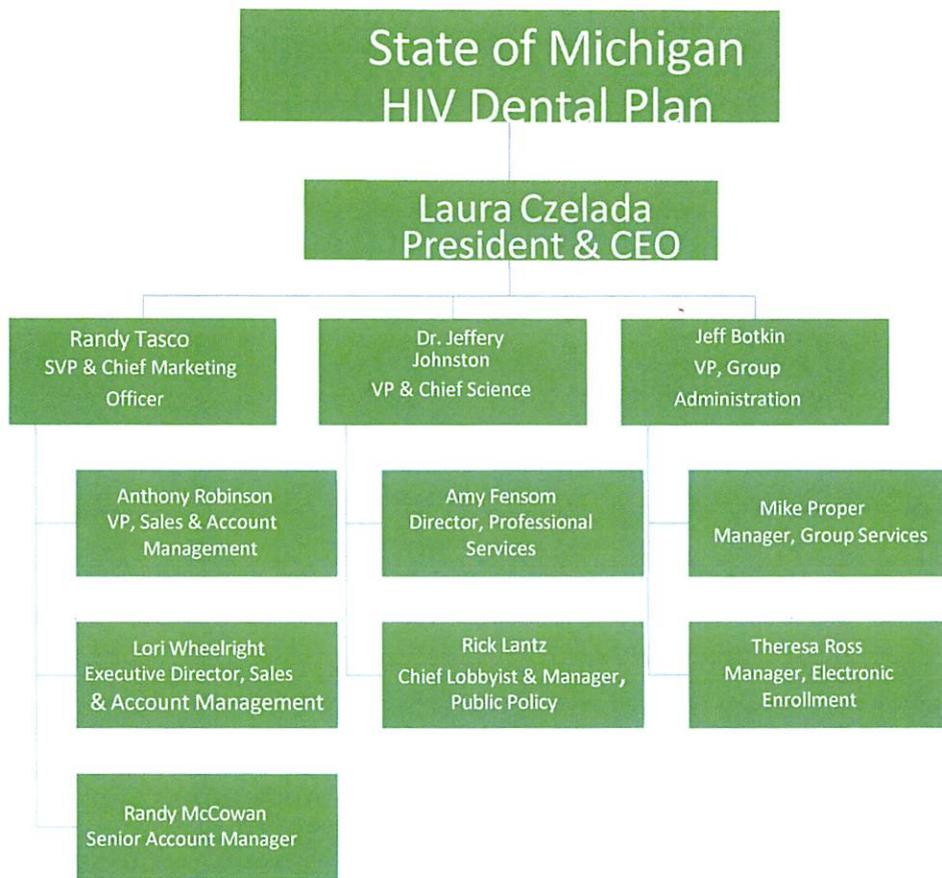
Senior Account Manager Randy McCowan will be the contact for any day-to-day issues that may arise (Project Manager).

Senior Account Manager Randy McCowan and Dr. Jeffery Johnston (dental professional) will be the Key Personnel assigned to this account.

- B. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30 calendar day training period for replacement personnel.
- C. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms.
- D. Reserved.



3.6 Organizational Chart



3.7 Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

The legal business name; address; telephone number; a description of subcontractor’s organization and the services it will provide; and information concerning subcontractor’s ability to provide the Contract Activities.

The relationship between the subcontractor and the Contractor. Does the Contractor have a previous working experience with the subcontractor? If yes, provide the details of that previous relationship. Provide a complete description of the Contract Activities that will be performed or provided by the subcontractor.

4. Project Management

4.1 Project Plan

- A. The Contractor will carry out this project under the direction and control of the MDHHS MDP Program Manager. Within 5 calendar days of the Effective Date, the Contractor must submit a project plan to the MDP for final approval. The plan must include: (a) the Contractor’s organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; (b) the project breakdown showing sub-projects, tasks, and resources required (c) a timeline that provides the contractor will take over operations 90 days after contract execution.



## B. Project Management Approach

Contractor's implementation team will meet with the State to discuss expectations for the timing of the steps with Contractor's implementation process and to establish key contacts. The Contractor's implementation team will regularly be in contact to share progress information and make sure all are on track to meet goals. Contractor will work directly with State staff to identify any areas of concern and immediately address any questions. Before the effective date of the program, Contractor will ensure that skilled Customer Service representatives understand the State's benefit structure so they can respond with the expertise expected.

After implementation, Contractor's Senior Account Manager will be the State's dedicated account manager for day-to-day concerns, and will ensure that any questions or issues raised are resolved.

### 4.2 Meetings

The Contractor must attend the following meetings: Kick-off

meeting one week after contract execution.

Periodic meetings during implementation as set forth in the contractor's project plan and approved by the State.

Periodic meetings, no less than quarterly, during the operations phase as agreed to by the contractor and the State during the implementation phase.

The State may request other meetings with the Contractor as it deems appropriate.

### 4.3 Reporting

- A. The Contractor must provide comprehensive reporting to MDP to enable the State to manage resources, monitor and evaluate the MDHHS MDP, and meet State and Federal reporting requirements. Comprehensive reports will include clients, providers, and encounters.
- B. The Contractor must provide assistance and access to data monthly, in an electronic and written format that allows MDP to meet federal reporting deadlines to assure continued funding. Data reports shall include information on clients, providers, claims, budget and administration.
- C. The content, frequency, and number of copies for reports will be specified in more detail during implementation and in the MDHHS contract language.
- D. Contractor's Reporting Capabilities

Contractor's reporting system provides access to all standard reports. In addition, Contractor is able to run ad hoc reporting requests to assist the State in satisfying the Ryan White HIV/AIDS Program National Monitoring Standards.

Contractor's reports are divided into five categories. The following is an overview of those categories and descriptions of the types of reports available.

- **Utilization of services and networks** – These reports show which treatments and provider networks your members are using. Each report "slices and dices" the information a little differently. Use the "How are treatments distributed by network?" report to see which treatments are more common, and to see if there are differences in provider network distribution from one treatment category to the next.
- **Treatment savings** – These reports show how your dental benefits plan is saving you money on your dental treatments. The report that gives the best overall view is entitled "How much have we saved?" This report gives an overall total, which is the sum of total savings and total paid claims dollars, and breaks out the total savings by category.



- **Demographics and financials** – The demographics and financials reports show the composition of your membership both by member type (employee, spouse, other dependent) and by rate code (family composition). They also provide data needed for ERISA reporting to the federal government, and other miscellaneous financial data related to your dental benefits plan.

The data view of the Totals by Month report contains all the various demographic and financial measures in one place, with monthly totals. Use this to download and transfer monthly numbers to a spreadsheet or other application and recombine them to suit specific needs.

- **Peer group reports** – The peer group reports allow a comparison between one client and a group of six comparable "peers" in the areas of treatment distribution, cost per subscriber, and cost per member.

The report "How does my cost per subscriber compare to my peers'?" shows if costs are climbing, how quickly they are climbing, and if they are in line with other similar customers. This report, in conjunction with the treatment distribution report, may provide important information about where costs do not fit expected patterns.

- **Claims Operations** – The "How are customer service and claims processing doing?" report shows commonly requested statistics on Contractor's claims operations such as payment and financial accuracy, turnaround time, Customer Service average speed of answer, and abandonment rate.

These reports are provided free of charge to the State, and they are available online on an ongoing basis. Client Knowledge is updated monthly and data for the previous month is generally available by the 10th day of the month.

## 5. Ordering

### 5.1 Authorizing Document

A signed Blanket Purchase Order as well as an Agency issued Purchase Order.

## 6. Invoice and Payment

### 6.1 Invoice Requirements

Contractor's standard invoices include date, client name, client number, billing period, number of claims paid, and depending on the type of invoice offered either the percent of claims, unit price of claims, or total claims cost per billing period.

### 6.2 Payment Methods

The State will make payment for Contract activities through Electronic Funds Transfer (EFT) as stated in 1984 PA 431, all contracts that the state enters into for the purchase of goods and service must provide that payment will be EFT.

- (a) State agrees to reimburse Contractor for the actual cost of claims on a monthly basis and the administrative service fee on a monthly basis. Contractor shall not be obligated to accept partial or late payments and acceptances of a partial or late payment will not waive State's remedies under this Contract, or otherwise modify the terms herein.
- (b) The State shall maintain funds necessary to satisfy its obligations under this Contract.
- (c) Payment for the administrative service fees shall be due on the fifth of each month.
- (d) Contractor shall invoice the State for the cost of claims for the month. Payment for claims shall be due

on the 20<sup>th</sup> of each month.

- (e) The State is responsible for the full amount of all invoices regardless of any contribution owed by the subscribers.
- (f) If required by Contractor, State shall deposit an amount specified as a "Prefund" with Contractor. The Prefund shall serve as a deposit to offset against any untimely or partial payments from the State. In the event Contractor uses any of the Prefund to offset untimely or partial payments, Contractor shall submit an invoice to the State in the amount necessary to replenish the Prefund. If the Contractor fails to timely replenish the Prefund, Delta Dental shall be entitled to suspend services, place claims on hold, terminate the Contract following fifteen days written notice to cure and other remedies allowed by law.

**7. RESERVED.**

**8. General Provisions**

**8.1** The State shall retain all subrogation rights resulting from claims paid by Contractor. In the event the State elects to pursue a subrogation matter, Contractor shall provide reasonable assistance to the State. Such assistance shall be limited to providing the State with documents, records and demand letters.

**8.2** In accordance with the terms in Sections 23-25 of the Contract, there shall be a six month run-out period for all claims incurred prior to the termination date, except in cases where the State has terminated this Contract for cause. All claims paid by the State during this run-out period shall be invoiced to the State in accordance with terms in Exhibit A, Section 6.2 (a) – (f) of this Contract. Any claims for services rendered after the termination date shall be denied. After the conclusion of the six month run out period, claims shall be denied and Contractor shall not have any further obligations to the State.

Following the claims run-out period, Contractor shall prepare a final settlement statement and invoice for the State. Such settlement statement and invoice shall detail the final amounts due and owing between the Parties including, to the extent applicable, any remaining Prefund deposited by the State, all outstanding Administrative Service Fees and all remaining claims payments made during the run-out period."



**STATE OF MICHIGAN**

Contract 071B6600065

HIV Dental Services Administrator

**EXHIBIT B  
GENERAL PROPOSAL REQUIREMENTS**

**RESERVED.**



**STATE OF MICHIGAN**

Contract No.071B6600065  
 HIV Dental Program Administrator

**EXHIBIT C  
 PRICING**

- Price proposals must include all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).

<b>Michigan Dental Program (MDP) Price Schedule</b>			
<b>Required Services</b>	<b>Price Per Transaction or Month</b>	<b>Estimated Number Per Year</b>	<b>Yearly Total</b>
<b>1. Electronic:</b>			
Claims	\$196.00	8400	\$1,646,400
Transaction Fee	\$9.87 per transaction (\$2.04 per member per month)	8400	\$82,908
<b>2. Implementation Fee</b>	Included	1	
<b>3. Administration Rate Includes:</b>			
call center	Included	12	
Provider Recruitment/Network	Included	12	
Utilization Review	Included	12	
Claims Payment	Included	12	
Pre-Authorization	Included	1440	
Audit/Fraud	Included	12	
Eligibility Information System	Included	12	
Salary & Wages	Included	12	
Annual Client Satisfaction Survey	Included	1	
<b>4. Training Fees</b>	Included	3	
<b>5. Reporting Fees</b>	Included	12	
<b>Estimated Yearly Total</b>			\$1,729,308
<b>Estimated Three (3) Year Total:</b>			\$5,187,924



**STATE OF MICHIGAN**

Contract No. 071B6600065  
HIV Dental Program Administrator

**EXHIBIT D  
HIPAA Addendum  
RESERVED.**

# Welcome to the Michigan Dental Program

## DENTAL HANDBOOK



## HIPAA BUSINESS ASSOCIATE ADDENDUM

[Rev. 9-20-13]

The parties to this Business Associate Addendum (Addendum) are the State of Michigan, acting by and through the Department of Technology, Management and Budget, on behalf of Department of Health and Human Services (State) and Delta Dental of Michigan, Inc. (Contractor). This Addendum supplements and is made a part of the existing contracts between the parties including the following Contract(s): Dental Benefits Administrator #071B6600065 (Contract).

For purposes of this Addendum, the State is (check one):

- Covered Entity (CE)  
 Business Associate (Associate)

and the Contractor is (check one):

- Covered Entity (CE)  
 Business Associate (Associate)

### RECITALS

- A. Under the terms of the Contract, CE wishes to disclose certain information to Associate, some of which may constitute Protected Health Information or Personally Identifiable Information (collectively, Protected Information). In consideration of the receipt of such information, Associate agrees to protect the privacy and security of the information as set forth in this Addendum.
- B. CE and Associate intend to protect the privacy and provide for the security of Protected Information disclosed to Associate under the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), the Health Information Technology for Economic and Clinical Health Act (HITECH Act), Public Law 111-5, regulations promulgated by the U.S. Department of Health and Human Services (DHHS) (HIPAA Rules) and other applicable laws, as amended.
- C. As part of the HIPAA Rules, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with Associate prior to the disclosure of Protected Health Information, as set forth in, but not limited to, 45 CFR Parts 160 and 164 and the HITECH Act, and as otherwise contained in this Addendum.

In consideration of the mutual promises below and the exchange of information pursuant to this Addendum, the parties agree as follows:

1. Definitions.

- a. Except as otherwise defined herein, capitalized terms in this Addendum have the same meaning as those terms under HIPAA, the HITECH Act, and the HIPAA Rules.
- b. “Agent” has the same meaning given to the term under the federal common law of agency.
- c. “Agreement” means the Contract and this Addendum, as read together.
- d. “Breach” means the acquisition, access, Use or Disclosure of Protected Health Information or Personal Identifying Information in a manner not permitted under the Privacy Rule or the Michigan Identify Theft Protection Act, as applicable, which compromises the security or privacy of such information.
- e. “Contract” means the underlying written agreement or purchase order between the parties for the goods or services to which this Addendum is added. Contract also includes all amendments and addendums to the original contract, both effective before and effective after the date of this Addendum.
- f. “Designated Record Set” has the same meaning as the term under 45 CFR §164.501.
- g. “Disclosure” means, the release, transfer, provision of access to, or divulging of Protected Information in any manner outside the entity holding the information.
- h. “Electronic Health Record” has the same meaning as the term under Section 13400 of the HITECH Act.
- i. “Electronic Protected Health Information” or “Electronic PHI” has the same meaning as the term under 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Associate on behalf of CE.
- j. “HIPAA Rules” means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

k. “HITECH Act” means The Health Information Technology for Economic and Clinical Health Act, part of the American Recovery and Reinvestment Act of 2009, specifically Division A: Title XIII Subtitle D—Privacy, and its corresponding regulations as enacted under the authority of the Act.

l. “Identity Theft Protection Act” means Public Act 452 of 2004, MCL 445.61, *et seq.*

m. “Individual” has the same meaning as the term under 45 CFR §160.103 and includes a person who qualifies as a personal representative in accordance with 45 CFR §165.502(g).

n. “Personal Identifying Information” or “PII” has the same meaning as the term Section 3(q) of the Identity Theft Protection Act.

o. “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

p. “Protected Health Information” or “PHI” has the meaning given to the term under the Privacy Rule, 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Associate on behalf of CE.

q. “Protected Information” means PHI and PII created, received, maintained or transmitted by Associate on behalf of CE.

r. “Security Incident” means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of Protected Information or interference with system operations in an information system.

s. “Security Rule” means the Standards for Security of Electronic Protected Health Information at 45 CFR Part 160 and Subparts A and C of Part 164.

t. “Subcontractor” means a person or entity that creates, receives, maintains, or transmits Protected Information on behalf of Associate and who is now considered a Business Associate, as the latter term is defined in 45 CFR §160.103.

u. “Unsecured Protected Health Information” or “Unsecured PHI” means Protected Health Information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of technology or methodology specified by DHHS as defined in the Breach Rule, 45 CFR §164.402.

v. “Use” means, with respect to Protected Information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.

2. Obligations and Activities of Associate.

- a. Permitted Uses and Disclosures. Associate may Use and Disclose Protected Information only as necessary to perform services owed CE under the Contract and meet its obligations under this Addendum, provided that such Use or Disclosure would not violate the Privacy Rule, the privacy provisions of the HITECH Act or the Identity Theft Protection Act, if done by CE. All other Uses or Disclosures by Associate not authorized by this Addendum, or by specific written instruction of CE, are prohibited. Except as otherwise limited by this Addendum, Associate may Use and Disclose Protected Information as follows:
- i. Associate may Use Protected Information for the proper management and administration of the Associate or to carry out the legal responsibilities of the Associate.
  - ii. Associate may Disclose Protected Information for the proper management and administration of the Associate, provided that Disclosures are Required by Law; or Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and Used, or further Disclosed, only as Required by Law, or for the purpose for which it was Disclosed to the person, and the person notifies the Associate of any instances of which it is aware that the confidentiality of the information has been breached.
  - iii. Associate may Use Protected Health Information to provide Data Aggregation services to CE for the Health Care Operations of CE, as permitted by 45 CFR §164.504(e)(2)(i)(B). Associate agrees that said services shall not be provided in a manner that would result in Disclosure of Protected Health Information to another CE who was not the originator or lawful possessor of said information. Further, Associate agrees that any such wrongful Disclosure of Protected Health Information constitutes a Breach and shall be reported to CE in accordance with this Addendum.
  - iv. Associate may Use Protected Health Information to report violations of law to appropriate federal and state authorities, consistent with 45 CFR §164.502(j)(1).

b. Appropriate Safeguards. Associate must implement appropriate safeguards to protect against the Use or Disclosure of Protected Information other than as permitted by this Addendum so as to comply with the HIPAA Rules, the HITECH Act, and applicable state laws and maintain written policies concerning the same. Associate must implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Protected Information, including specifically Electronic PHI, as provided for in the Security Rule and as mandated by Section 13401 of the HITECH Act. These safeguards shall include, at minimum:

- i. Achieving and maintaining compliance with the HIPAA Security Rule, as necessary in conducting operations on behalf of CE under this Addendum.
- ii. Providing a level and scope of security that is at least comparable to the level and scope of security established by the National Institute of Standards and Technology (NIST) in NIST 800-53, Recommended Security Controls for Federal Information Systems, Annex 2: Consolidated Security Controls-Moderate Baseline. The oldest acceptable version is the most recently approved version of NIST that has been approved for 6 months or more; however, Associate is encouraged to adopt newly approved versions of NIST as soon as practicable. If Associate chooses to use the Control Objectives for Information and Related Technology (COBIT), Information Systems Audit and Control Association (ISACA), or International Organization for Standardization (ISO) standards, Associate must demonstrate and document how each aspect of the chosen standard comports with the applicable version of NIST and make such documentation available to CE upon request. If Associate uses a standard other than those described in this subsection, Associate must demonstrate and document how each aspect of the chosen standard comports with the appropriate version of NIST and present to CE for review and approval. Additionally, whichever standard is chosen must comport with HIPAA Rules, including specifically the Security Rule and Privacy Rule.
- iii. Achieving and maintaining compliance with the Michigan Information Technology Security Policies set forth by the Office of Michigan Cyber Security and Infrastructure Protection.
- iv. In case of a conflict between any of the security standards contained in any of these enumerated sources, the most

stringent shall apply. The most stringent means those safeguards that provide the highest level of protection to Protected Information from unauthorized Disclosure. Further, Associate must comply with changes to these standards that occur after the effective date of this Addendum.

- v. Upon request, Associate must provide CE with all information security and privacy policies, disaster recovery and business continuity policies, network connectivity diagrams, and all other security measures implemented by Associate.
- c. Security Incidents. Associate must notify and report to CE in the manner described herein any Security Incident, whether actual or suspected, and any Use or Disclosure of Protected Information in violation of this Addendum, and take the following actions:
  - i. Notice to CE. Associate must notify CE, via e-mail and telephone, within five (5) business days of the discovery of any Security Incident or any Use or Disclosure of Protected Information in violation of this Addendum. Associate must follow its notification to CE with a report that meets the requirements outlined immediately below.
  - ii. Investigation: Report to CE. Associate must promptly investigate any Security Incident. Within ten (10) business days of the discovery, Associate must submit a preliminary report to CE identifying, to the extent known at the time, any information relevant to ascertaining the nature and scope of the Security Incident. Within fifteen (15) business days of the discovery of the Security Incident and unless otherwise directed by CE in writing, Associate must provide a complete report of the investigation to CE. Such report shall identify, to the extent possible: (a) each individual whose Protected Information has been, or is reasonably believed by Associate to have been accessed, acquired, Used or Disclosed; (b) the type of Protected Information accessed, Used or Disclosed (e.g., name, social security number, date of birth) and whether such information was Unsecured; (c) who made the access, Use, or Disclosure; and (d) an assessment of all known factors relevant to a determination of whether a Breach occurred under applicable provisions of HIPAA, the HIPAA Rules, the HITECH Act, or a Breach of Security under the Identity Theft Protection Act, and any other applicable federal or state regulations. The report shall also include a full, detailed corrective action plan,

including information on measures that were taken to halt and contain any improper Use or Disclosure. If CE requests information in addition to that listed in the report, Associate shall make reasonable efforts to provide CE with such information. Associate agrees that CE reserves the right to review and recommend changes to any corrective action plan and make a final determination as to whether a Breach of PHI or PII occurred and whether any notifications may be required under applicable state or federal regulations, including Section 13402 of the HITECH Act. In the event of a Breach of Unsecured PHI, as determined by CE, Associate agrees, consistent with 45 CFR §164.404(c), Section 13402 of the HITECH Act and Section 12 of the Identity Theft Protection Act, as applicable, to provide CE with information and documentation in its control necessary to meet the requirements of said sections, and in a manner and format to be reasonably specified by CE.

- iii. Mitigation. Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a Security Incident or a Use or Disclosure of Protected Information in violation of the requirements of this Addendum. Associate must take: (a) prompt corrective action to cure any such violation and (b) any other action pertaining to such unauthorized Use or Disclosure required by applicable federal and state laws and regulations.
- d. Responsibility for Notifications. If the cause of a Breach of Protected Information is attributable to Associate or its Agents or Subcontractors, Associate is responsible for all required reporting and notifications of the Breach as specified in and in accordance with Section 13402 of the HITECH Act and the Identity Theft Protection Act, as applicable, unless CE notifies Associate in writing that CE intends to be responsible for said reporting and notifications. In all cases, CE's authorized representative shall approve the time, manner, and content of any such notification and its approval must be obtained before the notification is made. In the event of such Breach, and without limiting Associate's obligations of indemnification as further described in this Addendum, Associate must indemnify, defend, and hold harmless CE for any and all claims or losses, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from CE in connection with the occurrence.
- e. Associate's Agents and Subcontractors. If Associate uses one or more Subcontractors or Agents to provide services under the Agreement, and such Agents

or Subcontractors receive or have access to Protected Information, each Subcontractor or Agent must sign an agreement with Associate containing substantially the same provisions as this Addendum and in conformance with 45 CFR §164.504(e)(2), and to assume toward Associate all of the obligations and responsibilities that the Associate, by this Addendum, assumes toward CE. Associate agrees to provide said Agents or Subcontractors PHI in accordance with the HIPAA Rules, the HITECH Act, and PII in accordance with applicable federal and state law and must: (i) implement and maintain sanctions against Subcontractors and Agents that violate such restrictions and conditions; and (ii) mitigate, to the extent practicable, the effects of any such violation.

f. Access to Protected Health Information. Associate agrees to make PHI regarding an Individual maintained by Associate or its Agents or Subcontractors in a Designated Record Set available to such Individual for inspection and copying in order to meet CE's obligations under 45 CFR §164.524. An Individual's request for access must be submitted on standard request forms available from Associate. If CE receives a request for access, CE, in addition to addressing the request on its behalf, will forward the request in writing to Associate in a timely manner. If Associate or its Agents or Subcontractors maintain Electronic Health Records for CE, then Associate must provide, where applicable, electronic access to the Electronic Health Records to CE.

g. Amendment of Protected Health Information. Associate agrees to make any amendment(s) to PHI in a Designated Record Set to meet CE's obligations under 45 CFR §164.526. An Individual's amendment request must be submitted on standard forms available from Associate. If CE receives a request for an amendment, CE, in addition to addressing the request on its behalf, will forward the request in writing to Associate in a timely manner.

h. Accounting Rights. Associate agrees to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR §164.528. Associate must maintain necessary and sufficient documentation of Disclosures of PHI and information related to such Disclosures as would be required for CE to respond to a request by an Individual for an accounting of Disclosures under 45 CFR §164.528. An Individual's request for a report of accounting must be submitted on standard request forms available from Associate. If CE receives a request for an accounting, CE, in addition to addressing the request on its own behalf, will forward the request in writing to Associate in a timely manner. Associate must also comply with the requirements of Section 13405(c) of the HITECH Act, as applicable.

i. Access to Records and Internal Practices. Unless otherwise protected or prohibited from discovery or Disclosure by law, Associate must make its internal practices, books, and records, including policies and procedures (collectively,

Compliance Information), relating to the Use or Disclosure of PHI and PII and the protection of same, available to CE or to the Secretary of DHHS (Secretary) for purposes of the Secretary determining CE's compliance with the HIPAA Rules and the HITECH Act. Associate shall have a reasonable time within which to comply with requests for such access, consistent with this Addendum. In no case shall access be required in less than five (5) business days after Associate's receipt of such request, unless otherwise designated by the Secretary.

j. Minimum Necessary. Associate (and its Agents or Subcontractors) shall only request, Use and Disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, Use or Disclosure, in accordance with the Minimum Necessary requirements of the Privacy Rule, including, but not limited to 45 CFR §§ 164.502(b) and 164.514(d) and the HITECH Act.

k. Compliance.

- i. To the extent that Associate carries out one or more of CE's obligations under the HIPAA Rules, Associate must comply with all requirements that would be applicable to CE.
- ii. Associate must honor all restrictions consistent with 45 CFR §164.522 that CE or the Individual makes Associate aware of, including the Individual's right to restrict certain Disclosures of PHI to a health plan where the Individual pays out of pocket or in full for the healthcare item or service, in accordance with Section 13405(a) of the HITECH Act.

l. Data Ownership. Unless otherwise specified in this Addendum, Associate agrees that Associate has no ownership rights with respect to the Protected Information and that CE retains all rights with respect to ownership of such information. Associate further agrees not to receive remuneration, directly or indirectly, in exchange for Protected Information, except with the prior written consent of CE.

m. Retention of Protected Information. Notwithstanding Section 5(d) of this Addendum, Associate and its Subcontractors or Agents shall retain all Protected Information throughout the term of the Contract and shall continue to maintain the information required under Section 2(h) of this Addendum for a period of six (6) years from the date of creation or the date when it last was in effect, whichever is later, or as Required by Law. This obligation shall survive the termination of the Contract.

n. Destruction of Protected Information. Associate must implement policies and procedures for the final disposition of Protected Information, including

electronic PHI, and the hardware and equipment on which it is stored, including but not limited to, removal before re-Use, in accordance with the Security Rule, the HITECH Act, and other applicable laws relating to the final disposition of Protected Information.

o. Audits, Inspection, and Enforcement. Within ten (10) days of a written request by CE, Associate and its Agents or Subcontractors must allow CE to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the Use or Disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether Associate has complied with this Addendum; provided, however, that: (i) Associate and CE shall mutually agree in advance upon the scope, timing and location of such an inspection; (ii) CE shall protect the confidentiality of all confidential and proprietary information of Associate to which CE has access during the course of such inspection; and (iii) CE or Associate shall execute a nondisclosure agreement, if requested by Associate or CE. The fact that CE inspects, or fails to inspect, or has the right to inspect, Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Associate of its responsibility to comply with this Addendum, nor does CE's (i) failure to detect or (ii) detection, but failure to notify Associate or require Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under this Addendum. If Associate is the subject of an audit, compliance review, or complaint investigation by DHHS that is related to the performance of its obligations pursuant to this Addendum, Associate must notify CE and provide CE with a copy of any PHI that Associate provides to DHHS concurrently with providing such information to DHHS. If, as a result of an audit or other investigation of Associate, DHHS assesses any civil penalties, Associate shall pay such penalties.

p. Audit Findings. Associate must implement any appropriate Safeguards, as identified by CE in an audit conducted under paragraph 2(o).

q. Reserved.

r. Safeguards During Transmission. Associate must utilize safeguards that reasonably and appropriately maintain and ensure the confidentiality, integrity, and availability of Protected Information transmitted to CE under this Addendum, in accordance with the standards and requirements of the HIPAA Rules and other applicable federal or state regulations, until such Protected Information is received by CE, and in accordance with any specifications set forth in Attachment A.

s. Due Diligence. Associate must exercise due diligence and take reasonable steps to ensure that it remains in compliance with this Addendum and is

in compliance with applicable provisions of HIPAA, the HIPAA Rules, the HITECH Act and other applicable laws or regulations pertaining to Protected Information, and that its Agents, Subcontractors and vendors are in compliance with their obligations as required by this Addendum.

t. Sanctions and Penalties. Associate understands that a failure to comply with the provisions of HIPAA, the HITECH Act, the HIPAA Rules or any other state or federal regulation that is applicable to Associate may result in the imposition of sanctions or penalties on Associate under HIPAA, the HIPAA Rules, the HITECH Act, or any other applicable laws or regulations pertaining to PHI and PII.

u. Indemnification. Associate shall indemnify, hold harmless and defend CE from and against any and all claims, losses, liabilities, costs and other expenses resulting from, or relating to, the acts or omissions of Associate or its Agents or Subcontractors in connection with the representations, duties, and obligations of Associate under this Addendum, including but not limited to any unauthorized Use or Disclosure of Protected Information. This includes credit-monitoring services, third party audits of Associate's handling and remediation of the Breach, and reimbursement for State employee time spent handling the Security Incident, as reasonably deemed appropriate by CE. The parties' respective rights and obligations under this subsection shall survive termination of the Agreement.

### 3. Obligations of CE.

a. Safeguards During Transmission. CE must utilize safeguards that reasonably and appropriately maintain and ensure the confidentiality, integrity, and availability of Protected Information transmitted to Associate under this Addendum, in accordance with the standards and requirements of the HIPAA Rules and other applicable federal or state regulations, until such Protected Information is received by Associate, and in accordance with any specifications set forth in Attachment A.

b. Notice of Limitations and Changes. CE must notify Associate of any limitations in its notice of privacy practices in accordance with 45 CFR §164.520, or any restriction to the Use or Disclosure of PHI that CE has agreed to in accordance with 45 CFR §164.528, to the extent that such limitation may affect Associate's Use or Disclosure of PHI. CE must also notify Associate of any changes in, or revocation of, permission by Individual to Use or Disclose PHI of which it becomes aware, to the extent that such changes may affect Associate's Use or Disclosure of PHI.

4. Term. This Addendum shall continue in effect as to each Contract to which it applies until such Contract is terminated or is replaced with a new contract between the parties containing provisions meeting the requirements of the HIPAA

Rules and the HITECH Act, whichever first occurs. However, certain obligations will continue as specified in this Addendum.

5. Termination.

a. Material Breach. Except as otherwise provided in the Contract, a breach by Associate of any provision of this Addendum, as determined by CE, shall constitute a material breach of the Agreement and provide grounds for CE to terminate the Agreement for cause, subject to section 5(b):

i. Default. If Associate refuses or fails to timely perform any of the provisions of this Addendum, CE may notify Associate in writing of the non-performance, and if not corrected within thirty (30) days, CE may immediately terminate the Agreement. Associate agrees to continue performance of the Agreement to the extent it is not terminated.

ii. Duties. Notwithstanding termination of the Agreement, and subject to any reasonable directions from the CE, Associate agrees to take timely, reasonable and necessary action to protect and preserve property in the possession of the Associate in which CE has an interest.

iii. Erroneous Termination for Default. If after such termination it is determined, for any reason, that Associate was not in default, or that Associate's action or inaction was excusable, such termination shall be treated as a termination for convenience, and the rights and obligations of the parties shall be the same as if the Contract had been terminated for convenience, as described in this Addendum or in the Contract.

b. Reasonable Steps to Cure Breach. If CE knows of a pattern of activity or practice of Associate that constitutes a material breach or violation of the Associate's obligations under the provisions of this Addendum or another arrangement and does not terminate the Agreement under Section 5(a), then CE shall take reasonable steps to cure such breach or end such violation, as applicable. If CE's efforts to cure such breach or end such violation are unsuccessful, CE shall either (i) terminate the Agreement, if feasible or (ii) if termination of the Agreement is not feasible, CE shall report Associate's breach or violation to the Secretary.

c. Reserved.

d. Effect of Termination.

(i) At the direction of CE, and except as provided in section 5(d)(ii), upon termination of the Agreement for any reason, Associate must return or destroy all Protected Information that Associate or its Agents or Subcontractors still maintain in any form, and shall retain no copies of such information. If CE directs

Associate to destroy the Protected Information, Associate must certify in writing to CE that such information has been destroyed. If CE directs associate to return such information, Associate must do so promptly in any format reasonably specified by CE.

(ii) If Associate believes that returning or destroying the Protected Information is not feasible, including but not limited to, a finding that record retention requirements provided by law make return or destruction infeasible, Associate must promptly provide CE written notice of the conditions making return or destruction infeasible. Upon mutual agreement of CE and Associate that return or destruction of Protected Information is infeasible, Associate must continue to extend the protections of this Addendum to such information, and must limit further Use of such Protected Information to those purposes that make the return or destruction of such Protected Information infeasible.

6. Reserved.

7. No Waiver of Immunity. No term or condition of this Addendum shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of applicable laws, including the Michigan Governmental Immunity Act, MCL 691.1401, *et seq.*, the Court of Claims Act, MCL 600.6401, *et seq.*, the Federal Tort Claims Act, 28 U.S.C. 2671, *et seq.*, or the common law, as applicable, as now in effect or hereafter amended.

8. Reserved.

9. Disclaimer. CE makes no warranty or representation that compliance by Associate with this Addendum, HIPAA, the HIPAA Rules, the HITECH Act or other applicable laws pertaining to Protected Information will be adequate or satisfactory for Associate's own purposes. Associate is solely responsible for all decisions made by Associate regarding the safeguarding of Protected Information.

10. Reserved.

11. Amendment.

a. Amendment to Comply with Law. The parties agree to take such action as is necessary to amend this Addendum from time to time as may be necessary for CE and Associate to comply with and implement the standards and requirements of HIPAA, the Privacy Rule, the Security Rule, the Breach Rule, the HITECH Act, the Identity Theft Protection Act, and other applicable laws relating to the security or privacy of PHI and PII. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the

standards and requirements of HIPAA, the Privacy Rule, the Security Rule, the Breach Rule, the HITECH Act, the Identity Theft Protection Act, or other applicable laws. Either party may terminate the Agreement upon thirty (30) days written notice if (i) the other does not promptly enter into negotiations to amend this Agreement when requested by the requesting party under this Section or (ii) the non-requesting party does not enter into an amendment to this Agreement when requested providing assurances regarding the safeguarding of PHI and PII that the requesting party, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA, the HIPAA Rules, the HITECH Act, the Identity Theft Protection Act, and other applicable laws.

b. Amendment of Attachment A. Attachment A may be modified or amended by mutual agreement of the parties in writing from time to time without formal amendment of this Addendum.

12. Assistance in Litigation or Administrative Proceedings. Associate must make itself, and any Subcontractors, employees or Agents assisting it in the performance of its obligations under this Addendum available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against a party, its directors, officers or employees, departments, agencies, or divisions based upon a claimed violation of HIPAA, the HITECH Act, the HIPAA Rules, the Identity Theft Protection Act, or other laws relating to security and privacy of Protected Information, except where the other party or its Subcontractor, employee or Agent is a named adverse party.

13. No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than CE, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

14. Effect on Contract. Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract shall remain in force and effect. This Addendum is incorporated into the Contract as if set forth in full therein. The parties expressly acknowledge and agree that sufficient mutual consideration exists to make this Addendum legally binding in accordance with its terms. Associate and CE expressly waive any claim or defense that this Addendum is not part of the Agreement between the parties under the Contract.

15. Interpretation and Order of Precedence. This Addendum is incorporated into and becomes part of each Contract identified herein. Together, this Addendum and each separate Contract constitute the Agreement of the parties with respect to their Business Associate relationship under HIPAA, the HIPAA Rules, and the HITECH Act. The provisions of this Addendum shall prevail over any provisions in the

Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA Rules, and applicable state laws. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, and the HIPAA Rules. This Addendum supersedes and replaces any previous separately executed HIPAA addendum between the parties. In the event of any conflict between the mandatory provisions of the HIPAA Rules and the HITECH Act and the provisions of this Addendum, the HIPAA Rules and the HITECH Act shall control. Where the provisions of this Addendum differ from those mandated by the HIPAA Rules or the HITECH Act, but are nonetheless permitted by the HIPAA Rules and the HITECH Act, the provisions of this Addendum shall control.

16. Effective Date. This Addendum is effective upon receipt of the last approval necessary and the affixing of the last signature required.

17. Survival of Certain Contract Terms. Notwithstanding anything herein to the contrary, Associate's obligations under Section 2(d) (Responsibility for Notifications), Section 2(u) (Indemnification), Section 5(d) (Effect of Termination), Section 12 (Assistance in Litigation or Administrative Proceedings), Section 13 (No Third Party Beneficiaries), and applicable record retention laws shall survive termination of this Agreement and shall be enforceable by CE as provided herein in the event of such failure to perform or comply by the Associate.

18. Representatives and Notice.

a. Representatives. For the purpose of this Addendum, the individuals identified in the Contract shall be the representatives of the respective parties. If no representatives are identified in the Contract, the individuals listed below are hereby designated as the parties' respective representatives for purposes of this Addendum. Either party may from time to time designate in writing new or substitute representatives.

b. Notices. Except as otherwise provided in this Addendum, all required notices shall be in writing and shall be hand delivered or given by certified or registered mail to the representatives at the addresses set forth below.

Covered Entity Representative:

Name:	_____
Title:	_____
Department:	_____
Division:	_____
Address:	_____

Business Associate Representative:

Name:	Attn: Legal
Title:	
Department:	Legal and Compliance
Division:	DDMI
Address:	4100 Okemos Road Okemos, MI 48864

Any notice given to a party under this Addendum shall be deemed effective, if addressed to such party, upon: (i) delivery, if hand delivered; or (ii) the third (3<sup>rd</sup>) business day after being sent by certified or registered mail.

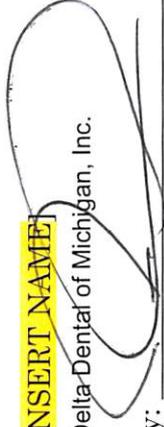
IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum as of the Addendum Effective Date.

Associate

[INSERT NAME]

Delta-Dental of Michigan, Inc.

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



Print Name: Tim But

Title: VP & General Counsel

Covered Entity

[INSERT NAME]

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

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

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

Reviewed by  
Legal Department

MES 8-12-14



## ATTACHMENT A

This Attachment sets forth additional terms to the HIPAA Business Associate Addendum dated April 1, 2016, between the State of Michigan and Delta Dental of Michigan, Inc. (Addendum) and is effective as of April 1, 2016 (the Attachment Effective Date). This Attachment applies to the specific contracts listed below covered by the Addendum. This Attachment may be amended from time to time as provided in Section 11(b) of the Addendum.

1. Specific Contract Covered. This Attachment applies to the following specific contract covered by the Addendum: Dental Benefits Administrator Contract #071B6600065
2. Additional Permitted Uses. In addition to those purposes set forth in Section 2(a) of the Addendum, Associate may Use Protected Information as follows:

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3. Additional Permitted Disclosures. In addition to those purposes set forth in Section 2(b) of the Addendum, Associate may Disclose Protected Information as follows:

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4. Subcontractor(s). The parties acknowledge that the following subcontractors or agents of Associate shall receive Protected Information in the course of assisting Associate in the performance of its obligations under the Contract and the Addendum:

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5. Receipt. Associate's receipt of Protected Information pursuant to the Contract and Addendum shall be deemed to occur as follows, and Associate's obligations under the Addendum shall commence with respect to such Protected Information upon such receipt:

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6. Additional Restrictions on Use of Data. CE is a Business Associate of certain other Covered Entities and, pursuant to such obligations of CE, Associate shall comply with the following restrictions on the Use and Disclosure of Protected Information:

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7. Additional Terms.

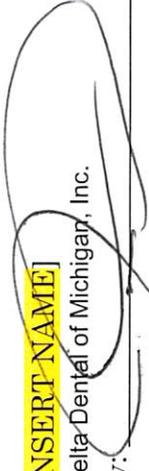
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**Associate**

**[INSERT NAME]**

Delta Dental of Michigan, Inc.

By: 

Print Name: John Grant

Title: VP of General Mkt

Date: 12 Aug 2011

**Covered Entity**

**[INSERT NAME]**

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

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

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

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

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## Questions/Help

If you have questions about your program, call our toll-free number, 1-800-524-0149. Be ready to tell us your name, your identification number from your Delta Dental Card, and your daytime telephone number. Please also tell us that your question is about the Michigan Dental Program. You can also write to Delta Dental's Customer Service department, P.O. Box 9089, Farmington Hills, Michigan 48333-9089. In your letter, please tell us this same information along with your question.

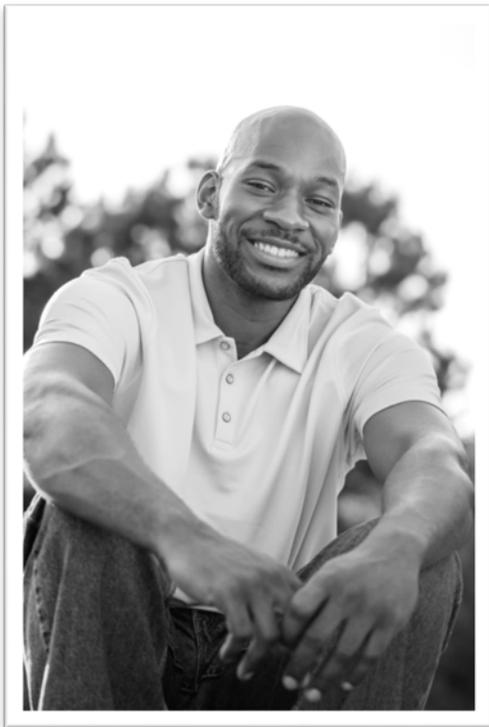
If you need to report a change of address, or questions about enrollment, call the Michigan Dental Program office at 1-844-648-3384.

# Welcome. . .

to the **Michigan Dental Program!**

This handbook tells you about the dental services covered by your dental program and how to get them.

**Michigan Dental Program** is a federally funded program administered by the Michigan Department of Health and Human Services (MDHHS). If any changes are made that affect your coverage, you will be told.



Good dental health plays a very important part in keeping your entire body healthy! Because of that, the purpose of the Michigan Dental Program is to help individuals get dental care. We are glad you are part of this program, and we encourage you to see a dentist soon!

You must go to a dentist who is part of the Delta Dental PPO network. Be sure to ask your dentist if they are a Delta Dental PPO dentist.

This plan does not cover treatment if the dentist does not participate in the Delta Dental PPO plan, except for dental emergencies when you are outside the State of Michigan. Please see “What should I do in case of a dental

emergency?” on page 5.

If you have any questions about the Michigan Dental Program, or if you need the name of a participating dentist in your area, call our Customer Service department at 1-800-524-0149. This call is free.

We at Delta Dental look forward to providing your Michigan Dental Program benefits.

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## 1 Definitions

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### Appeal

is a written request for Delta Dental or MDHHS to review a claim. See Section 5, Complaints and Appeals.

### Beneficiary

is a person who is enrolled in the Michigan Dental Program.

### Claim

is a detailed list of dental services provided by a dental office and given to Delta Dental for payment.

### Delta Dental

means Delta Dental Plan of Michigan, Inc., a service provider for dental benefits under the Michigan Dental Program.

### Delta Dental ID Card

is a permanent (not monthly) card. We send cards to each Beneficiary. Use this card whenever you see the Dentist. If you lose the card, call Delta Dental at 1-800-524-0149.

### Dentist

is a person licensed to practice dentistry.

### Delta Dental PPO Dentist (“PPO Dentist”)

is a Dentist who has signed an agreement with Delta Dental to participate in Delta Dental PPO.

### MDHHS

is the Michigan Department of Health and Human Services.

### Handbook

is this booklet. The Handbook tells you about the Michigan Dental Program dental benefits.

### Michigan Dental Program

is a comprehensive federally-funded dental access program for persons with certain qualifying conditions.



### Participating Dentist

is a Michigan Dentist who has agreed to participate in the Delta Dental PPO dental program with Delta Dental. You may go to any Delta Dental PPO Dentist in Michigan. **Delta Dental does not pay for any services from a nonparticipating Dentist in Michigan.**

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## 2 How to use the Michigan Dental Program

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To use Michigan Dental Program dental benefits, follow these steps:

- 1 Read your Handbook carefully to learn how the Michigan Dental Program works and what is covered.
- 2 Find a Delta Dental PPO Dentist by calling Customer Service at 1-800-524-0149 or you can use our online directory at [www.DeltaDentalMI.com](http://www.DeltaDentalMI.com). You can also download the Delta Dental smartphone app to find a Delta Dental PPO dentist near you.
- 3 Make an appointment with a Delta Dental PPO Dentist. Tell the Dentist you are covered by the Michigan Dental Program and ask if he or she is a Participating Dentist (Checking on this is

important because services are not covered if a nonparticipating Dentist provides them).

- ④ Be on time for your appointments, or call ahead if you must cancel. Delta Dental does not pay for missed or broken appointments.
- ⑤ Show your Delta Dental Card at each appointment.
- ⑥ After treatment, your Dentist sends a claim form to Delta Dental. To help them, tell the dental office staff:
  - The Beneficiary's full name and address.
  - The Beneficiary's Social Security or Delta Dental identification number.
  - The Beneficiary's date of birth.
  - The group name (Michigan Dental Program) and group number (#5000).
- ⑦ If your Dentist has any questions about the Michigan Dental Program, ask him or her to call Delta Dental at 1-800-524-0149.
- ⑧ Delta Dental will send you an Explanation of Benefits (EOB). It shows you how much Delta Dental paid. Remember, you must go to a Delta Dental PPO Dentist. If you do not go to a Delta Dental PPO Dentist, you must pay for your dental services.

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### ③ What the Michigan Dental Program Covers

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- Oral exams (2 per calendar year)
- Problem focused exams
- X-rays
  - Bitewing X-rays (1 per calendar year)
  - Full mouth or panoramic X-rays (1 in 5 years)
  - Other X-rays as needed
- Teeth cleaning (3 per calendar year)
- Full mouth debridement (1 per calendar year)

- Periodontal maintenance, with periodontal history (3 per calendar year)
- Fluoride treatment (3 per calendar year)
- Sealants are covered for 1<sup>st</sup> and 2<sup>nd</sup> permanent molars
- Brush Biopsy
- Filling of cavities
- Crowns and substructures for all teeth except the 2<sup>nd</sup> and 3<sup>rd</sup> molars, limited to two per calendar year once in five year period.
- Scaling and Root planing (once in a 24 month period)
- Gingivectomy and gingival flap surgery once in 36 mos.
- Bite guards (1 per lifetime)
- Root canal for all teeth except the 2nd and 3rd molars, limited to 2 per calendar year.
- Extractions, simple and surgical
- Limited other oral surgery
- I.V. sedation/anesthesia (when medically necessary)
- Complete denture (1 in 5 years)
- Partial denture (1 in 5 years)
- Denture adjustments and repairs
- Denture rebase and reline (1 time in 3 years)
- Tissue conditioning (2 times in 3 years)
- Re-cement crowns and bridges
- Bridges for the upper arch -3 unit fixed bridge only, to replace a missing tooth (1 per 5 years)
- Prescription toothpaste (3 per calendar year along with cleaning)
- Emergency treatment

**Any services not listed above are NOT covered benefits.**

**If you have a service that is not covered, you must pay for it. Some of the services that are NOT covered are:**

- Inlays and onlays
- Crowns for 2<sup>nd</sup> or 3<sup>rd</sup> molars
- Root canals for 2<sup>nd</sup> or 3<sup>rd</sup> molars
- Bridges for lower arch
- Bridges with 4 or more fixed units
- Periodontal surgery, other than gingivectomy and gingival flap surgery
- Braces
- Implants and implant prosthodontics
- Cosmetic dentistry including bleaching
- Services covered under a hospital, surgical/ medical or prescription drug program
- Treatment of TMJ (temporomandibular joint) disorder

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## **4 Coordination of Benefits**

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Coordination of Benefits (“COB”) applies to this Plan when you have dental benefits under more than one plan. The Michigan Dental Program is payer of last resort.

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## **5 Questions and Answers**

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### May I choose any Dentist?

You may choose any Delta Dental PPO Dentist. Although we update the Dentist Directory daily, ask the Dentist or the dental office staff if they are participating in the Delta Dental PPO network when you make an appointment.

You can find a Delta Dental PPO Dentist by calling Customer Service at 1-800-524-0149 or by visiting our website at [www.DeltaDentalMI.com](http://www.DeltaDentalMI.com). You can

also use our smartphone app to find a dentist near you.

### When does dental coverage begin?

When the Michigan Dental Program tells Delta Dental that you are eligible. Delta Dental will mail you a Delta Dental Card.

### When do I have to pay for dental services?

You do not have to pay for services that the Michigan Dental Program covers. If the Michigan Dental Program does not cover a service you would like your Dentist to provide, you must pay for that service. **You should discuss fees and payment process with the dentist before the service is provided for non-covered services.**

### Does the Michigan Dental Program cover all dental services?

**No.** The dental services covered are described in Section 3 of this Handbook.

### What should I do in case of a dental emergency?

A dental emergency is a service needed to control bleeding, relieve pain, or get rid of a sudden infection. The emergency services are needed to prevent pulpal tooth death, the imminent loss of teeth, and the treatment of injuries.

If a dental emergency happens, call your dentist’s office and ask them what you should do. If the emergency is life threatening, call 911 or the phone number for emergency medical services in your area.

If you are not in Michigan when the dental emergency happens, you can call Customer Service’s toll-free number, 1-800-524-0149, or check on our website, [www.DeltaDentalMI.com](http://www.DeltaDentalMI.com) to find a dentist that participates with Delta Dental PPO. However, you are not required to go to a Delta Dental dentist.

### **This is very important:**

Before you receive treatment, tell the dentist that you are in the Michigan Dental Program and that

they may call Customer Service at 1-800-524-0149 for additional information and billing assistance.

### What if I need specialty dental care?

If you need a specialist, talk to your regular Dentist. He or she can tell you how to get specialty care. Before visiting a specialist, be sure he or she is a Delta Dental PPO Dentist or the services will not be covered by Delta Dental. Also, check that the services needed are covered under the Michigan Dental Program. If the specialist is not a Delta Dental PPO Dentist or the services are not covered, you will be held responsible for the payment of those services.

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## **6** Complaints and Appeals

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If you have questions about a claim, or believe a claim has been denied incorrectly, call our Customer Services department at 1-800-524-0149 and talk to an advisor. You may also ask for a formal review of your claim.

- ① First, you should call Customer Service and ask them to check the claim.
- ② If you decide to ask for a formal review, submit a request as soon as possible. Reviews must be requested within 180 days of when you received the notice that the claim was denied.
- ③ Send your name, address, Delta Dental I.D. Number, the reason you believe your claim was wrongly denied, and any supporting information you have to the address below:

**Dental Director  
Delta Dental  
P.O. Box 30416  
Lansing, Michigan 48909-7916**

- ④ Your request will be reviewed by a dental professional and a decision will be made based on all of the available information provided. Including any new information that was not available when the claim was first decided.
- ⑤ The review may take up to 60 days after Delta Dental receives your request. If it is denied, you

will receive a notice in writing with the reason for the denial.

If you have complaints or concerns with your Dentist or dental office, there are things you can do:

- ① First, you should talk to the Dentist who provided the service.
- ② If you aren't satisfied, you can request a formal review through the Quality of Care Complaint Procedure. To do this, send your complaint in writing and mail it to:

**Customer Service Department  
Delta Dental of Michigan  
P.O. Box 9089  
Farmington Hills, MI 48333-9089**

Send a copy of your Explanation of Benefits with a letter telling us about your problem and any other facts that would help us. Be sure to include your name, address, telephone number, the date, and the Beneficiary's name, Social Security or Delta Dental I.D. number, and address.

Delta Dental will investigate your complaint and notify you within 30 days of receiving your letter. We may refer the problem to the Michigan Dental Association. When the review is done, you are notified in writing within 15 days.

- ③ You can call or write MDHHS about your complaint.

**Department of Health and Human Services  
Michigan Dental Program  
109 W. Michigan Ave., 8<sup>th</sup> Floor  
Lansing, Michigan 48913  
1-844-648-3384**

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## **7** General Conditions

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These general rules apply to the Michigan Dental Program.

### Other Insurance or Lawsuit Settlement

If Delta Dental pays a claim for which another person or company is liable, Delta Dental has the right to

recover its payment from the other person or company.

#### Information and Dental Records

While you are covered by Delta Dental, you agree to give us any information we need to process your claims. This includes letting Delta Dental have access to your dental records.

#### Dentist-Patient Relationship

You may choose any Delta Dental PPO Dentist. He or she is solely responsible to you for dental advice and treatment and any resulting liability.

#### Loss of Eligibility During Treatment

If you lose eligibility during dental treatment, Delta Dental only pays for covered services while you are eligible. If you start a service that can only be finished with a series of appointments and lose eligibility before the service is done, we will pay for it if it is finished within 60 days from the date that you lost eligibility.

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## **8** Termination of Coverage

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When you lose eligibility, Delta Dental covers dental services up to the last day of that month.

Michigan Dental Program coverage may be automatically terminated on the last day of the month in which MDHHS tells Delta Dental your MDP coverage has ended.

**IF YOU HAVE AN EMERGENCY – CALL 911**

# NOTICE OF PRIVACY PRACTICES

Date of this notice: February 12, 2016

## **THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

This notice describes the privacy practices of Delta Dental Plan of Michigan, Inc., Delta Dental Plan of Ohio, Inc., Delta Dental Plan of Indiana, Inc., Delta Dental Plan of Arkansas, Inc., Delta Dental of Kentucky, Inc., Delta Dental Plan of New Mexico, Inc., Delta Dental of North Carolina, Delta Dental of Tennessee, Renaissance Life & Health Insurance Company of America, Renaissance Health Insurance Company of New York, and Renaissance Systems & Services, LLC (collectively, “we” or “us” or the “Plan”). These entities have designated themselves as a single affiliated covered entity for purposes of the privacy rules under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and each has agreed to abide by the terms of this notice and may share protected health information with each other as necessary for treatment, payment or to carry out health care operations, or as otherwise permitted by law.

The HIPAA Privacy Rule protects only certain medical information known as “protected health information” (“PHI”). Generally, PHI is individually identifiable health information, including demographic information, collected from you or received by a health care provider, a health care clearinghouse, a health plan or your employer on behalf of a group health plan that relates to:

1. your past, present or future physical or mental health or condition;
2. the provision of health care to you; or
3. the past, present or future payment for the provision of health care to you.

We are required by law to maintain the privacy of your health information and to provide you with this notice of our legal duties and privacy practices with respect to your health information. We are committed to protecting your health information.

We comply with the provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act. We maintain a breach reporting policy and have in place appropriate safeguards to track required disclosures and meet appropriate reporting obligations. We will notify you promptly in the event a breach occurs that may have compromised the security or privacy of your PHI. In addition, we comply with the “Minimum Necessary” requirements of HIPAA and the HITECH amendments.

For more information concerning this notice please see:  
[www.hhs.gov/hipaa/for-individuals/notice-privacy-practices/index.html](http://www.hhs.gov/hipaa/for-individuals/notice-privacy-practices/index.html).

## **HOW WE MAY USE AND DISCLOSE HEALTH INFORMATION ABOUT YOU**

The following categories describe different ways that we may use or disclose your PHI.

**For treatment**—We may use or disclose your PHI to facilitate medical treatment or services by providers. We may disclose PHI about you to providers, including dentists, doctors, nurses, or technicians, who are involved in taking care of you. For example, we might disclose information about your prior dental X-ray to a dentist to determine if the prior X-ray affects your current treatment.

**For payment**—We may use or disclose PHI about you to obtain payment for your treatment and to conduct other payment-related activities, such as determining eligibility for Plan benefits, obtaining customer payment for benefits, processing your claims, making coverage decisions, administering Plan benefits and coordinating benefits.

**For health care operations**—We may use and disclose PHI about you for other Plan operations, including setting rates, conducting quality assessment and improvement activities, reviewing your treatment, obtaining legal and audit services, detecting fraud and abuse, business planning and other general administration activities. In accordance with the Genetic Information and Nondiscrimination Act of 2008, we are prohibited from using your genetic information for underwriting purposes.

**To Business Associates**—We may contract with individuals or entities known as Business Associates to perform various functions or to provide certain types of services on the Plan’s behalf. In order to perform these functions or provide these services, Business Associates may receive, create, maintain, use and/or disclose your PHI, but only if they agree in writing with the Plan to implement appropriate safeguards regarding your PHI. For example, the Plan may disclose your PHI to a Business Associate to administer claims or provide support services, such as utilization management, quality assessment, billing and collection or audit services, but only after the Business Associate enters into a Business Associate Agreement with the Plan.

**Health-related benefits and services**—We may use or disclose health information about you to communicate to you about health-related benefits and services. For example, we may communicate to you about health-related benefits and services that add value to, but are not part of, your health plan.

**To avert a serious threat to health or safety**—We may use and disclose PHI about you to prevent or lessen a serious and imminent threat to the health or safety of a person or the general public.

**Military and veterans**—If you are a member of the armed forces, we may release PHI about you if required by military command authorities.

**Worker’s compensation**—We may release PHI about you as necessary to comply with worker’s compensation or similar programs.

**Public health risks**—We may release PHI about you for public health activities, such as to prevent or control disease, injury or disability, or to report child abuse, domestic violence, or disease or infection exposure.

**Health oversight activities**—We may release PHI to help health agencies during audits, investigations or inspections.

**Lawsuits and disputes**—If you are involved in a lawsuit or a dispute, we may disclose PHI about you in response to a court or administrative order. We also may disclose PHI about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request or to obtain an order protecting the information requested.

**Law enforcement**—We may release PHI if asked to do so by a law enforcement official:

- In response to a court order, subpoena, warrant, summons or similar process;
- To identify or locate a suspect, fugitive, material witness, or missing person;
- About the victim of a crime if, under certain limited circumstances, we are unable to obtain the person’s agreement;
- About a death we believe may be the result of criminal conduct; and
- In emergency circumstances to report a crime; the location of the crime or victims; or the identity, description or location of the person who committed the crime.

**Coroners, medical examiners and funeral directors**—We may release PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or determine the cause of death.

**National security and intelligence activities**—We may release PHI about you to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

**To Plan Sponsor**—We may disclose your PHI to certain employees of the Plan Sponsor (i.e., the company) for the purpose of administering the Plan. These employees will only use or disclose your PHI as necessary to perform Plan administrative functions or as otherwise required by HIPAA.

**Disclosure to others**—We may use or disclose your PHI to your family members and friends who are involved in your care or the payment for your care. We may also disclose PHI to an individual who has legal authority to make health care decisions on your behalf.

## REQUIRED DISCLOSURES

The following is a description of disclosures of your PHI the Plan is required to make:

**As required by law**—We will disclose PHI about you when required to do so by federal, state or local law. For example, we may disclose PHI when required by a court order in a litigation proceeding, such as a malpractice action.

**Government audits**—The Plan is required to disclose your PHI to the secretary of the United States Department of Health and Human Services when the secretary is investigating or determining the Plan's compliance with HIPAA.

**Disclosures to you**—Upon your request, the Plan is required to disclose to you the portion of your PHI that contains medical records, billing records, and any other records used to make decisions regarding your health care benefits.

## WRITTEN AUTHORIZATION

We will use or disclose your PHI only as described in this notice. **It is not necessary for you to do anything to allow us to disclose your PHI as described here.** If you want us to use or disclose your PHI for another purpose, you must authorize us in writing to do so. For example, we may use your PHI for research purposes if you provide us with written authorization to do so. You may revoke your authorization in writing at any time. When we receive your revocation, it will be effective only for future uses and disclosures. It will not be effective for any PHI that we may have used or disclosed in reliance upon your written authorization. We will never sell your PHI or use it for marketing purposes without your express written authorization. We cannot condition treatment, payment, enrollment in a health plan, or eligibility for benefits on your agreement to sign an authorization.

## ADDITIONAL INFORMATION REGARDING USES OR DISCLOSURES OF YOUR PHI

For additional information regarding the ways in which we are allowed or required to use or disclose your PHI, please see [www.hhs.gov/hipaa/for-individuals/guidance-materials-for-consumers/index.html](http://www.hhs.gov/hipaa/for-individuals/guidance-materials-for-consumers/index.html).

## YOUR RIGHTS REGARDING PHI THAT WE MAINTAIN

You have the following rights regarding PHI we maintain about you:

**Your right to inspect and copy your PHI**—You have the right to inspect and copy your PHI. You must submit your request in writing and if you request a copy of the information, we may charge you a reasonable fee to cover expenses associated with your request. A copy will be provided within 30 days of your request.

The Plan may deny your request to inspect and copy PHI in certain limited circumstances. If you are denied access to PHI, you may request that the denial be reviewed by submitting a written request to the contact person listed below.

**Your right to amend incorrect or incomplete information**—If you believe that the PHI the Plan has about you is incorrect or incomplete, you may request that we change your PHI by submitting a written request. You also must provide a reason for your request. We are not required to amend your PHI but if we deny your request, we will provide you with information about our denial and how you can disagree with the denial within 60 days of your request.

**Your right to request restrictions on disclosures to health plans**—Where applicable, you may request that restrictions be placed on disclosures of your PHI.

**Your right to an accounting of disclosures we have made**—You may request an accounting of disclosures of your PHI that we have made, except for disclosures we made to you or pursuant to your written authorization, or that were made for treatment, payment or health care operations. You must submit your request in writing. Your request may specify a time period of up to six years prior to the date of your request. We will provide one list of disclosures to you per 12-month period free of charge; we may charge you for additional lists.

**Your right to request restrictions on uses and disclosures**—You have the right to request restrictions or limitations on the way that we use or disclose PHI. You must submit a request for such restrictions in writing, including the information you wish to limit, the scope of the limitation and the persons to whom the limits apply. We may deny your request.

**Your right to request confidential communications through a reasonable alternative means or at an alternative location**—You may request that we direct confidential communications to you in an alternative manner (i.e., by facsimile or email). You must submit your request in writing. We are not required to agree to your request, however, we will accommodate your request if doing otherwise would place you in any danger.

**Your right to a paper copy of this notice**—To obtain a paper copy of this notice or a more detailed explanation of these rights, send us a written request at the address listed below. You may also obtain a copy of this notice at one of our websites:

[www.deltadentalmi.com](http://www.deltadentalmi.com),  
[www.deltadentaloh.com](http://www.deltadentaloh.com),  
[www.deltadentalin.com](http://www.deltadentalin.com),  
[www.deltadentalar.com](http://www.deltadentalar.com),  
[www.deltadentalky.com](http://www.deltadentalky.com),  
[www.deltadentalnc.com](http://www.deltadentalnc.com),  
[www.deltadentalnm.com](http://www.deltadentalnm.com),  
[www.deltadentaltn.com](http://www.deltadentaltn.com),  
[www.renaissancedental.com](http://www.renaissancedental.com), or  
[www.rss-llc.com](http://www.rss-llc.com).

**Your right to appoint a personal representative**—Upon receipt of appropriate documentation appointing an individual as your personal representative, medical power of attorney or legal guardian, that individual will be permitted to act on your behalf and make decisions regarding your health care.

## CHANGES TO THIS NOTICE

We may amend this Notice of Privacy Practices at any time in the future and make the new notice provisions effective for all PHI that we maintain. We will advise you of any significant changes to the notice. We are required by law to comply with the current version of this notice.

## COMPLAINTS

If you believe your privacy rights or rights to notification in the event of a breach of your PHI have been violated, you may file a complaint with us or with the Office of Civil Rights. Complaints about this notice or about how we handle your PHI should be submitted in writing to the contact person listed below.

A complaint to the Office of Civil Rights should be sent to Office of Civil Rights, U.S. Department of Health & Human Services, 200 Independence Ave., SW, Washington, D.C. 20201, 877-696-6775. You also may visit OCR's website at [www.hhs.gov/hipaa/filing-a-complaint/index.html](http://www.hhs.gov/hipaa/filing-a-complaint/index.html) for more information.

You will not be penalized, or in any other way retaliated against for filing a complaint with us or the Office of Civil Rights.

**SEND ALL WRITTEN REQUESTS REGARDING THIS PRIVACY NOTICE TO:**  
Jonathan S. Groat Chief Privacy Officer PO Box 30416Lansing, MI 48909-7916517-347-5451 (TTY users call 711)

Para asistencia en español, llame al número de servicio al cliente (customer service) que aparece en el reverso de su tarjeta para miembros.

This document is also available in alternative formats upon request and at no cost to persons with disabilities.

Notice of Privacy Policies LGL 2/12/16



## **Delta Dental of Michigan**

### **Claims, Pre-Treatment Estimates**

P.O. Box 9085  
Farmington Hills, MI 48333-9085

### **Inquiries, Review**

P.O. Box 9089  
Farmington Hills, MI 48333-9089  
1-800-524-0149

MDP CERT082016

*An Equal Opportunity Employer*

## HIPAA BUSINESS ASSOCIATE ADDENDUM

[Rev. 9-20-13]

The parties to this Business Associate Addendum (Addendum) are the State of Michigan, acting by and through the Department of Technology, Management and Budget, on behalf of Department of Health and Human Services (State) and Delta Dental of Michigan, Inc. (Contractor). This Addendum supplements and is made a part of the existing contracts between the parties including the following Contract(s): Dental Benefits Administrator #071B6600065 (Contract).

For purposes of this Addendum, the State is (check one):

- Covered Entity (CE)
- Business Associate (Associate)

and the Contractor is (check one):

- Covered Entity (CE)
- Business Associate (Associate)

### RECITALS

- A. Under the terms of the Contract, CE wishes to disclose certain information to Associate, some of which may constitute Protected Health Information or Personally Identifiable Information (collectively, Protected Information). In consideration of the receipt of such information, Associate agrees to protect the privacy and security of the information as set forth in this Addendum.
- B. CE and Associate intend to protect the privacy and provide for the security of Protected Information disclosed to Associate under the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), the Health Information Technology for Economic and Clinical Health Act (HITECH Act), Public Law 111-5, regulations promulgated by the U.S. Department of Health and Human Services (DHHS) (HIPAA Rules) and other applicable laws, as amended.
- C. As part of the HIPAA Rules, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with Associate prior to the disclosure of Protected Health Information, as set forth in, but not limited to, 45 CFR Parts 160 and 164 and the HITECH Act, and as otherwise contained in this Addendum.

In consideration of the mutual promises below and the exchange of information pursuant to this Addendum, the parties agree as follows:

1. Definitions.

a. Except as otherwise defined herein, capitalized terms in this Addendum have the same meaning as those terms under HIPAA, the HITECH Act, and the HIPAA Rules.

b. “Agent” has the same meaning given to the term under the federal common law of agency.

c. “Agreement” means the Contract and this Addendum, as read together.

d. “Breach” means the acquisition, access, Use or Disclosure of Protected Health Information or Personal Identifying Information in a manner not permitted under the Privacy Rule or the Michigan Identify Theft Protection Act, as applicable, which compromises the security or privacy of such information.

e. “Contract” means the underlying written agreement or purchase order between the parties for the goods or services to which this Addendum is added. Contract also includes all amendments and addendums to the original contract, both effective before and effective after the date of this Addendum.

f. “Designated Record Set” has the same meaning as the term under 45 CFR §164.501.

g. “Disclosure” means, the release, transfer, provision of access to, or divulging of Protected Information in any manner outside the entity holding the information.

h. “Electronic Health Record” has the same meaning as the term under Section 13400 of the HITECH Act.

i. “Electronic Protected Health Information” or “Electronic PHI” has the same meaning as the term under 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Associate on behalf of CE.

j. “HIPAA Rules” means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

k. “HITECH Act” means The Health Information Technology for Economic and Clinical Health Act, part of the American Recovery and Reinvestment Act of 2009, specifically Division A: Title XIII Subtitle D—Privacy, and its corresponding regulations as enacted under the authority of the Act.

l. “Identity Theft Protection Act” means Public Act 452 of 2004, MCL 445.61, *et seq.*

m. “Individual” has the same meaning as the term under 45 CFR §160.103 and includes a person who qualifies as a personal representative in accordance with 45 CFR §165.502(g).

n. “Personal Identifying Information” or “PII” has the same meaning as the term Section 3(q) of the Identity Theft Protection Act.

o. “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

p. “Protected Health Information” or “PHI” has the meaning given to the term under the Privacy Rule, 45 CFR §160.103, limited to the information created, received, maintained or transmitted by Associate on behalf of CE.

q. “Protected Information” means PHI and PII created, received, maintained or transmitted by Associate on behalf of CE.

r. “Security Incident” means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of Protected Information or interference with system operations in an information system.

s. “Security Rule” means the Standards for Security of Electronic Protected Health Information at 45 CFR Part 160 and Subparts A and C of Part 164.

t. “Subcontractor” means a person or entity that creates, receives, maintains, or transmits Protected Information on behalf of Associate and who is now considered a Business Associate, as the latter term is defined in 45 CFR §160.103.

u. “Unsecured Protected Health Information” or “Unsecured PHI” means Protected Health Information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of technology or methodology specified by DHHS as defined in the Breach Rule, 45 CFR §164.402.

v. “Use” means, with respect to Protected Information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.

2. Obligations and Activities of Associate.

a. Permitted Uses and Disclosures. Associate may Use and Disclose Protected Information only as necessary to perform services owed CE under the Contract and meet its obligations under this Addendum, provided that such Use or Disclosure would not violate the Privacy Rule, the privacy provisions of the HITECH Act or the Identity Theft Protection Act, if done by CE. All other Uses or Disclosures by Associate not authorized by this Addendum, or by specific written instruction of CE, are prohibited. Except as otherwise limited by this Addendum, Associate may Use and Disclose Protected Information as follows:

- i. Associate may Use Protected Information for the proper management and administration of the Associate or to carry out the legal responsibilities of the Associate.
- ii. Associate may Disclose Protected Information for the proper management and administration of the Associate, provided that Disclosures are Required by Law; or Associate obtains reasonable assurances from the person to whom the information is Disclosed that it will remain confidential and Used, or further Disclosed, only as Required by Law, or for the purpose for which it was Disclosed to the person, and the person notifies the Associate of any instances of which it is aware that the confidentiality of the information has been breached.
- iii. Associate may Use Protected Health Information to provide Data Aggregation services to CE for the Health Care Operations of CE, as permitted by 45 CFR §164.504(e)(2)(i)(B). Associate agrees that said services shall not be provided in a manner that would result in Disclosure of Protected Health Information to another CE who was not the originator or lawful possessor of said information. Further, Associate agrees that any such wrongful Disclosure of Protected Health Information constitutes a Breach and shall be reported to CE in accordance with this Addendum.
- iv. Associate may Use Protected Health Information to report violations of law to appropriate federal and state authorities, consistent with 45 CFR §164.502(j)(1).

b. Appropriate Safeguards. Associate must implement appropriate safeguards to protect against the Use or Disclosure of Protected Information other than as permitted by this Addendum so as to comply with the HIPAA Rules, the HITECH Act, and applicable state laws and maintain written policies concerning the same. Associate must implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Protected Information, including specifically Electronic PHI, as provided for in the Security Rule and as mandated by Section 13401 of the HITECH Act. These safeguards shall include, at minimum:

- i. Achieving and maintaining compliance with the HIPAA Security Rule, as necessary in conducting operations on behalf of CE under this Addendum.
- ii. Providing a level and scope of security that is at least comparable to the level and scope of security established by the National Institute of Standards and Technology (NIST) in NIST 800-53, Recommended Security Controls for Federal Information Systems, Annex 2: Consolidated Security Controls-Moderate Baseline. The oldest acceptable version is the most recently approved version of NIST that has been approved for 6 months or more; however, Associate is encouraged to adopt newly approved versions of NIST as soon as practicable. If Associate chooses to use the Control Objectives for Information and Related Technology (COBIT), Information Systems Audit and Control Association (ISACA), or International Organization for Standardization (ISO) standards, Associate must demonstrate and document how each aspect of the chosen standard comports with the applicable version of NIST and make such documentation available to CE upon request. If Associate uses a standard other than those described in this subsection, Associate must demonstrate and document how each aspect of the chosen standard comports with the appropriate version of NIST and present to CE for review and approval. Additionally, whichever standard is chosen must comport with HIPAA Rules, including specifically the Security Rule and Privacy Rule.
- iii. Achieving and maintaining compliance with the Michigan Information Technology Security Policies set forth by the Office of Michigan Cyber Security and Infrastructure Protection.
- iv. In case of a conflict between any of the security standards contained in any of these enumerated sources, the most

stringent shall apply. The most stringent means those safeguards that provide the highest level of protection to Protected Information from unauthorized Disclosure. Further, Associate must comply with changes to these standards that occur after the effective date of this Addendum.

- v. Upon request, Associate must provide CE with all information security and privacy policies, disaster recovery and business continuity policies, network connectivity diagrams, and all other security measures implemented by Associate.

c. Security Incidents. Associate must notify and report to CE in the manner described herein any Security Incident, whether actual or suspected, and any Use or Disclosure of Protected Information in violation of this Addendum, and take the following actions:

- i. Notice to CE. Associate must notify CE, via e-mail and telephone, within five (5) business days of the discovery of any Security Incident or any Use or Disclosure of Protected Information in violation of this Addendum. Associate must follow its notification to CE with a report that meets the requirements outlined immediately below.
- ii. Investigation; Report to CE. Associate must promptly investigate any Security Incident. Within ten (10) business days of the discovery, Associate must submit a preliminary report to CE identifying, to the extent known at the time, any information relevant to ascertaining the nature and scope of the Security Incident. Within fifteen (15) business days of the discovery of the Security Incident and unless otherwise directed by CE in writing, Associate must provide a complete report of the investigation to CE. Such report shall identify, to the extent possible: (a) each individual whose Protected Information has been, or is reasonably believed by Associate to have been accessed, acquired, Used or Disclosed; (b) the type of Protected Information accessed, Used or Disclosed (e.g., name, social security number, date of birth) and whether such information was Unsecured; (c) who made the access, Use, or Disclosure; and (d) an assessment of all known factors relevant to a determination of whether a Breach occurred under applicable provisions of HIPAA, the HIPAA Rules, the HITECH Act, or a Breach of Security under the Identity Theft Protection Act, and any other applicable federal or state regulations. The report shall also include a full, detailed corrective action plan,

including information on measures that were taken to halt and contain any improper Use or Disclosure. If CE requests information in addition to that listed in the report, Associate shall make reasonable efforts to provide CE with such information. Associate agrees that CE reserves the right to review and recommend changes to any corrective action plan and make a final determination as to whether a Breach of PHI or PII occurred and whether any notifications may be required under applicable state or federal regulations, including Section 13402 of the HITECH Act. In the event of a Breach of Unsecured PHI, as determined by CE, Associate agrees, consistent with 45 CFR §164.404(c), Section 13402 of the HITECH Act and Section 12 of the Identity Theft Protection Act, as applicable, to provide CE with information and documentation in its control necessary to meet the requirements of said sections, and in a manner and format to be reasonably specified by CE.

iii. Mitigation. Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a Security Incident or a Use or Disclosure of Protected Information in violation of the requirements of this Addendum. Associate must take: (a) prompt corrective action to cure any such violation and (b) any other action pertaining to such unauthorized Use or Disclosure required by applicable federal and state laws and regulations.

d. Responsibility for Notifications. If the cause of a Breach of Protected Information is attributable to Associate or its Agents or Subcontractors, Associate is responsible for all required reporting and notifications of the Breach as specified in and in accordance with Section 13402 of the HITECH Act and the Identity Theft Protection Act, as applicable, unless CE notifies Associate in writing that CE intends to be responsible for said reporting and notifications. In all cases, CE's authorized representative shall approve the time, manner, and content of any such notification and its approval must be obtained before the notification is made. In the event of such Breach, and without limiting Associate's obligations of indemnification as further described in this Addendum, Associate must indemnify, defend, and hold harmless CE for any and all claims or losses, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from CE in connection with the occurrence.

e. Associate's Agents and Subcontractors. If Associate uses one or more Subcontractors or Agents to provide services under the Agreement, and such Agents

or Subcontractors receive or have access to Protected Information, each Subcontractor or Agent must sign an agreement with Associate containing substantially the same provisions as this Addendum and in conformance with 45 CFR §164.504(e)(2), and to assume toward Associate all of the obligations and responsibilities that the Associate, by this Addendum, assumes toward CE. Associate agrees to provide said Agents or Subcontractors PHI in accordance with the HIPAA Rules, the HITECH Act, and PII in accordance with applicable federal and state law and must: (i) implement and maintain sanctions against Subcontractors and Agents that violate such restrictions and conditions; and (ii) mitigate, to the extent practicable, the effects of any such violation.

f. Access to Protected Health Information. Associate agrees to make PHI regarding an Individual maintained by Associate or its Agents or Subcontractors in a Designated Record Set available to such Individual for inspection and copying in order to meet CE's obligations under 45 CFR §164.524. An Individual's request for access must be submitted on standard request forms available from Associate. If CE receives a request for access, CE, in addition to addressing the request on its behalf, will forward the request in writing to Associate in a timely manner. If Associate or its Agents or Subcontractors maintain Electronic Health Records for CE, then Associate must provide, where applicable, electronic access to the Electronic Health Records to CE.

g. Amendment of Protected Health Information. Associate agrees to make any amendment(s) to PHI in a Designated Record Set to meet CE's obligations under 45 CFR §164.526. An Individual's amendment request must be submitted on standard forms available from Associate. If CE receives a request for an amendment, CE, in addition to addressing the request on its behalf, will forward the request in writing to Associate in a timely manner.

h. Accounting Rights. Associate agrees to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR §164.528. Associate must maintain necessary and sufficient documentation of Disclosures of PHI and information related to such Disclosures as would be required for CE to respond to a request by an Individual for an accounting of Disclosures under 45 CFR §164.528. An Individual's request for a report of accounting must be submitted on standard request forms available from Associate. If CE receives a request for an accounting, CE, in addition to addressing the request on its own behalf, will forward the request in writing to Associate in a timely manner. Associate must also comply with the requirements of Section 13405(c) of the HITECH Act, as applicable.

i. Access to Records and Internal Practices. Unless otherwise protected or prohibited from discovery or Disclosure by law, Associate must make its internal practices, books, and records, including policies and procedures (collectively,

Compliance Information), relating to the Use or Disclosure of PHI and PII and the protection of same, available to CE or to the Secretary of DHHS (Secretary) for purposes of the Secretary determining CE's compliance with the HIPAA Rules and the HITECH Act. Associate shall have a reasonable time within which to comply with requests for such access, consistent with this Addendum. In no case shall access be required in less than five (5) business days after Associate's receipt of such request, unless otherwise designated by the Secretary.

j. Minimum Necessary. Associate (and its Agents or Subcontractors) shall only request, Use and Disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, Use or Disclosure, in accordance with the Minimum Necessary requirements of the Privacy Rule, including, but not limited to 45 CFR §§ 164.502(b) and 164.514(d) and the HITECH Act.

k. Compliance.

i. To the extent that Associate carries out one or more of CE's obligations under the HIPAA Rules, Associate must comply with all requirements that would be applicable to CE.

ii. Associate must honor all restrictions consistent with 45 CFR §164.522 that CE or the Individual makes Associate aware of, including the Individual's right to restrict certain Disclosures of PHI to a health plan where the Individual pays out of pocket or in full for the healthcare item or service, in accordance with Section 13405(a) of the HITECH Act.

l. Data Ownership. Unless otherwise specified in this Addendum, Associate agrees that Associate has no ownership rights with respect to the Protected Information and that CE retains all rights with respect to ownership of such information. Associate further agrees not to receive remuneration, directly or indirectly, in exchange for Protected Information, except with the prior written consent of CE.

m. Retention of Protected Information. Notwithstanding Section 5(d) of this Addendum, Associate and its Subcontractors or Agents shall retain all Protected Information throughout the term of the Contract and shall continue to maintain the information required under Section 2(h) of this Addendum for a period of six (6) years from the date of creation or the date when it last was in effect, whichever is later, or as Required by Law. This obligation shall survive the termination of the Contract.

n. Destruction of Protected Information. Associate must implement policies and procedures for the final disposition of Protected Information, including

electronic PHI, and the hardware and equipment on which it is stored, including but not limited to, removal before re-Use, in accordance with the Security Rule, the HITECH Act, and other applicable laws relating to the final disposition of Protected Information.

o. Audits, Inspection, and Enforcement. Within ten (10) days of a written request by CE, Associate and its Agents or Subcontractors must allow CE to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the Use or Disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether Associate has complied with this Addendum; provided, however, that: (i) Associate and CE shall mutually agree in advance upon the scope, timing and location of such an inspection; (ii) CE shall protect the confidentiality of all confidential and proprietary information of Associate to which CE has access during the course of such inspection; and (iii) CE or Associate shall execute a nondisclosure agreement, if requested by Associate or CE. The fact that CE inspects, or fails to inspect, or has the right to inspect, Associate's facilities, systems, books, records, agreements, policies and procedures does not relieve Associate of its responsibility to comply with this Addendum, nor does CE's (i) failure to detect or (ii) detection, but failure to notify Associate or require Associate's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under this Addendum. If Associate is the subject of an audit, compliance review, or complaint investigation by DHHS that is related to the performance of its obligations pursuant to this Addendum, Associate must notify CE and provide CE with a copy of any PHI that Associate provides to DHHS concurrently with providing such information to DHHS. If, as a result of an audit or other investigation of Associate, DHHS assesses any civil penalties, Associate shall pay such penalties.

p. Audit Findings. Associate must implement any appropriate Safeguards, as identified by CE in an audit conducted under paragraph 2(o).

q. Reserved.

r. Safeguards During Transmission. Associate must utilize safeguards that reasonably and appropriately maintain and ensure the confidentiality, integrity, and availability of Protected Information transmitted to CE under this Addendum, in accordance with the standards and requirements of the HIPAA Rules and other applicable federal or state regulations, until such Protected Information is received by CE, and in accordance with any specifications set forth in Attachment A.

s. Due Diligence. Associate must exercise due diligence and take reasonable steps to ensure that it remains in compliance with this Addendum and is

in compliance with applicable provisions of HIPAA, the HIPAA Rules, the HITECH Act and other applicable laws or regulations pertaining to Protected Information, and that its Agents, Subcontractors and vendors are in compliance with their obligations as required by this Addendum.

t. Sanctions and Penalties. Associate understands that a failure to comply with the provisions of HIPAA, the HITECH Act, the HIPAA Rules or any other state or federal regulation that is applicable to Associate may result in the imposition of sanctions or penalties on Associate under HIPAA, the HIPAA Rules, the HITECH Act, or any other applicable laws or regulations pertaining to PHI and PII.

u. Indemnification. Associate shall indemnify, hold harmless and defend CE from and against any and all claims, losses, liabilities, costs and other expenses resulting from, or relating to, the acts or omissions of Associate or its Agents or Subcontractors in connection with the representations, duties, and obligations of Associate under this Addendum, including but not limited to any unauthorized Use or Disclosure of Protected Information. This includes credit-monitoring services, third party audits of Associate's handling and remediation of the Breach, and reimbursement for State employee time spent handling the Security Incident, as reasonably deemed appropriate by CE. The parties' respective rights and obligations under this subsection shall survive termination of the Agreement.

### 3. Obligations of CE.

a. Safeguards During Transmission. CE must utilize safeguards that reasonably and appropriately maintain and ensure the confidentiality, integrity, and availability of Protected Information transmitted to Associate under this Addendum, in accordance with the standards and requirements of the HIPAA Rules and other applicable federal or state regulations, until such Protected Information is received by Associate, and in accordance with any specifications set forth in Attachment A.

b. Notice of Limitations and Changes. CE must notify Associate of any limitations in its notice of privacy practices in accordance with 45 CFR §164.520, or any restriction to the Use or Disclosure of PHI that CE has agreed to in accordance with 45 CFR §164.528, to the extent that such limitation may affect Associate's Use or Disclosure of PHI. CE must also notify Associate of any changes in, or revocation of, permission by Individual to Use or Disclose PHI of which it becomes aware, to the extent that such changes may affect Associate's Use or Disclosure of PHI.

4. Term. This Addendum shall continue in effect as to each Contract to which it applies until such Contract is terminated or is replaced with a new contract between the parties containing provisions meeting the requirements of the HIPAA

Rules and the HITECH Act, whichever first occurs. However, certain obligations will continue as specified in this Addendum.

5. Termination.

a. Material Breach. Except as otherwise provided in the Contract, a breach by Associate of any provision of this Addendum, as determined by CE, shall constitute a material breach of the Agreement and provide grounds for CE to terminate the Agreement for cause, subject to section 5(b):

i. Default. If Associate refuses or fails to timely perform any of the provisions of this Addendum, CE may notify Associate in writing of the non-performance, and if not corrected within thirty (30) days, CE may immediately terminate the Agreement. Associate agrees to continue performance of the Agreement to the extent it is not terminated.

ii. Duties. Notwithstanding termination of the Agreement, and subject to any reasonable directions from the CE, Associate agrees to take timely, reasonable and necessary action to protect and preserve property in the possession of the Associate in which CE has an interest.

iii. Erroneous Termination for Default. If after such termination it is determined, for any reason, that Associate was not in default, or that Associate's action or inaction was excusable, such termination shall be treated as a termination for convenience, and the rights and obligations of the parties shall be the same as if the Contract had been terminated for convenience, as described in this Addendum or in the Contract.

b. Reasonable Steps to Cure Breach. If CE knows of a pattern of activity or practice of Associate that constitutes a material breach or violation of the Associate's obligations under the provisions of this Addendum or another arrangement and does not terminate the Agreement under Section 5(a), then CE shall take reasonable steps to cure such breach or end such violation, as applicable. If CE's efforts to cure such breach or end such violation are unsuccessful, CE shall either (i) terminate the Agreement, if feasible or (ii) if termination of the Agreement is not feasible, CE shall report Associate's breach or violation to the Secretary.

c. Reserved.

d. Effect of Termination.

(i) At the direction of CE, and except as provided in section 5(d)(ii), upon termination of the Agreement for any reason, Associate must return or destroy all Protected Information that Associate or its Agents or Subcontractors still maintain in any form, and shall retain no copies of such information. If CE directs

Associate to destroy the Protected Information, Associate must certify in writing to CE that such information has been destroyed. If CE directs associate to return such information, Associate must do so promptly in any format reasonably specified by CE.

(ii) If Associate believes that returning or destroying the Protected Information is not feasible, including but not limited to, a finding that record retention requirements provided by law make return or destruction infeasible, Associate must promptly provide CE written notice of the conditions making return or destruction infeasible. Upon mutual agreement of CE and Associate that return or destruction of Protected Information is infeasible, Associate must continue to extend the protections of this Addendum to such information, and must limit further Use of such Protected Information to those purposes that make the return or destruction of such Protected Information infeasible.

6. Reserved.

7. No Waiver of Immunity. No term or condition of this Addendum shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of applicable laws, including the Michigan Governmental Immunity Act, MCL 691.1401, *et seq.*, the Court of Claims Act, MCL 600.6401, *et seq.*, the Federal Tort Claims Act, 28 U.S.C. 2671, *et seq.*, or the common law, as applicable, as now in effect or hereafter amended.

8. Reserved.

9. Disclaimer. CE makes no warranty or representation that compliance by Associate with this Addendum, HIPAA, the HIPAA Rules, the HITECH Act or other applicable laws pertaining to Protected Information will be adequate or satisfactory for Associate's own purposes. Associate is solely responsible for all decisions made by Associate regarding the safeguarding of Protected Information.

10. Reserved.

11. Amendment.

a. Amendment to Comply with Law. The parties agree to take such action as is necessary to amend this Addendum from time to time as may be necessary for CE and Associate to comply with and implement the standards and requirements of HIPAA, the Privacy Rule, the Security Rule, the Breach Rule, the HITECH Act, the Identity Theft Protection Act, and other applicable laws relating to the security or privacy of PHI and PII. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum embodying written assurances consistent with the

standards and requirements of HIPAA, the Privacy Rule, the Security Rule, the Breach Rule, the HITECH Act, the Identity Theft Protection Act, or other applicable laws. Either party may terminate the Agreement upon thirty (30) days written notice if (i) the other does not promptly enter into negotiations to amend this Agreement when requested by the requesting party under this Section or (ii) the non-requesting party does not enter into an amendment to this Agreement when requested providing assurances regarding the safeguarding of PHI and PII that the requesting party, in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA, the HIPAA Rules, the HITECH Act, the Identity Theft Protection Act, and other applicable laws.

b. Amendment of Attachment A. Attachment A may be modified or amended by mutual agreement of the parties in writing from time to time without formal amendment of this Addendum.

12. Assistance in Litigation or Administrative Proceedings. Associate must make itself, and any Subcontractors, employees or Agents assisting it in the performance of its obligations under this Addendum available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against a party, its directors, officers or employees, departments, agencies, or divisions based upon a claimed violation of HIPAA, the HITECH Act, the HIPAA Rules, the Identity Theft Protection Act, or other laws relating to security and privacy of Protected Information, except where the other party or its Subcontractor, employee or Agent is a named adverse party.

13. No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than CE, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

14. Effect on Contract. Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract shall remain in force and effect. This Addendum is incorporated into the Contract as if set forth in full therein. The parties expressly acknowledge and agree that sufficient mutual consideration exists to make this Addendum legally binding in accordance with its terms. Associate and CE expressly waive any claim or defense that this Addendum is not part of the Agreement between the parties under the Contract.

15. Interpretation and Order of Precedence. This Addendum is incorporated into and becomes part of each Contract identified herein. Together, this Addendum and each separate Contract constitute the Agreement of the parties with respect to their Business Associate relationship under HIPAA, the HIPAA Rules, and the HITECH Act. The provisions of this Addendum shall prevail over any provisions in the

Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA Rules, and applicable state laws. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, and the HIPAA Rules. This Addendum supersedes and replaces any previous separately executed HIPAA addendum between the parties. In the event of any conflict between the mandatory provisions of the HIPAA Rules and the HITECH Act and the provisions of this Addendum, the HIPAA Rules and the HITECH Act shall control. Where the provisions of this Addendum differ from those mandated by the HIPAA Rules or the HITECH Act, but are nonetheless permitted by the HIPAA Rules and the HITECH Act, the provisions of this Addendum shall control.

16. Effective Date. This Addendum is effective upon receipt of the last approval necessary and the affixing of the last signature required.

17. Survival of Certain Contract Terms. Notwithstanding anything herein to the contrary, Associate's obligations under Section 2(d) (Responsibility for Notifications), Section 2(u) (Indemnification), Section 5(d) (Effect of Termination), Section 12 (Assistance in Litigation or Administrative Proceedings), Section 13 (No Third Party Beneficiaries), and applicable record retention laws shall survive termination of this Agreement and shall be enforceable by CE as provided herein in the event of such failure to perform or comply by the Associate.

18. Representatives and Notice.

a. Representatives. For the purpose of this Addendum, the individuals identified in the Contract shall be the representatives of the respective parties. If no representatives are identified in the Contract, the individuals listed below are hereby designated as the parties' respective representatives for purposes of this Addendum. Either party may from time to time designate in writing new or substitute representatives.

b. Notices. Except as otherwise provided in this Addendum, all required notices shall be in writing and shall be hand delivered or given by certified or registered mail to the representatives at the addresses set forth below.

Covered Entity Representative:

Name:	_____
Title:	_____
Department:	_____
Division:	_____
Address:	_____

Business Associate Representative:

Name:	Attn: Legal
Title:	
Department:	Legal and Compliance
Division:	DDMI
Address:	4100 Okemos Road
	Okemos, MI 48864

Any notice given to a party under this Addendum shall be deemed effective, if addressed to such party, upon: (i) delivery, if hand delivered; or (ii) the third (3<sup>rd</sup>) business day after being sent by certified or registered mail.

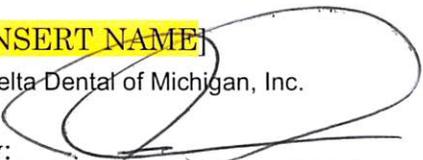
IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum as of the Addendum Effective Date.

**Associate**

**Covered Entity**

[INSERT NAME]

Delta Dental of Michigan, Inc.

By: 

Print Name: Don Brut

Title: VP & General Counsel

[INSERT NAME]

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

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

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

**Reviewed by  
Legal Department**

MRS 8-12-14

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Technical Page I

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## ATTACHMENT A

This Attachment sets forth additional terms to the HIPAA Business Associate Addendum dated April 1, 2016, between the State of Michigan and Delta Dental of Michigan, Inc. (Addendum) and is effective as of April 1, 2016 (the Attachment Effective Date). This Attachment applies to the specific contracts listed below covered by the Addendum. This Attachment may be amended from time to time as provided in Section 11(b) of the Addendum.

1. Specific Contract Covered. This Attachment applies to the following specific contract covered by the Addendum: Dental Benefits Administrator Contract #071B6600065

2. Additional Permitted Uses. In addition to those purposes set forth in Section 2(a) of the Addendum, Associate may Use Protected Information as follows:

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3. Additional Permitted Disclosures. In addition to those purposes set forth in Section 2(b) of the Addendum, Associate may Disclose Protected Information as follows:

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4. Subcontractor(s). The parties acknowledge that the following subcontractors or agents of Associate shall receive Protected Information in the course of assisting Associate in the performance of its obligations under the Contract and the Addendum:

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5. Receipt. Associate's receipt of Protected Information pursuant to the Contract and Addendum shall be deemed to occur as follows, and Associate's obligations under the Addendum shall commence with respect to such Protected Information upon such receipt:

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6. Additional Restrictions on Use of Data. CE is a Business Associate of certain other Covered Entities and, pursuant to such obligations of CE, Associate shall comply with the following restrictions on the Use and Disclosure of Protected Information:

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7. Additional Terms.

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**Associate**

[INSERT NAME]

Delta Dental of Michigan, Inc.

By: 

Print Name: Jim Grant

Title: VP & Gen'l Mgr

Date: 12 Aug 2011

**Covered Entity**

[INSERT NAME]

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

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

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

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