CHOICE Administrators®

Addendum to Broker Business Associate Agreement

THIS ADDENDUM TO THE BROKER BUSINESS ASSOCIATE AGREEMENT (the "Addendum") is entered into effective this _____ of _____, 20__ (the "Effective Date") by and between *CHOICE* Administrators®, Inc. (the "Company") and _____, a(n) _____ ("Broker Business Associate").

PREAMBLE

WHEREAS, Company and Broker Business Associate entered into that certain Broker Business Associate Agreement effective as of _____, 20___ (the "Broker Business Associate Agreement"); and

WHEREAS, the parties now wish to amend the Broker Business Associate Agreement to incorporate certain breach notification requirements established under regulations promulgated by the U.S. Department of Health and Human Services that implement certain provisions of Health Information Technology for Economic and Clinical Health Act (HITECH Act), part of the American Recovery and Reinvestment Act of 2009 (ARRA).

NOW, THEREFORE, in consideration of the above premises and the representations, warranties, and covenants set forth herein, and with the intent to be legally bound hereby, agree as follows:

AGREEMENT

1) The following terms shall have the definitions provided below:
   a) **"Breach"** (with respect to Unsecured PHI) shall have the meaning set forth in 45 C.F.R. § 164.402, as amended from time to time, and currently means the acquisition, access, use or disclosure of protected health information in a manner not permitted under the HIPAA Privacy or Security Standards and which compromises the security or privacy of the PHI.
   b) **"Unsecured PHI"** shall have the meaning set forth in 45 CFR § 164.402, as amended from time to time, and currently means PHI that has not been rendered unusable, unreadable or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary.
2) Broker Business Associate shall, within five (5) days of becoming aware of a Breach of Unsecured PHI or any other disclosure of protected health information in violation of this Agreement by Broker Business Associate, its officers, directors, employees, contractors or agents or by a third party to which Broker Business Associate disclosed protected health information pursuant to Broker Business Associate Agreement, report any such Breach or disclosure to the Company. Such notification shall include, to the extent possible, the identification of each individual whose protected health information has been, or is reasonably believed by Broker Business Associate to have been, accessed, acquired, used, or disclosed during the Breach. In addition, Broker Business Associate shall provide Company with the following information, to the extent available at the time initial notice to Company is provided, or promptly thereafter as such information becomes available:
   - A brief description of what happened, including the date of the Breach or wrongful disclosure and the date of discovery.
   - A description of the type of protected health information that was involved (e.g., name, Social Security Number, procedure, diagnosis, treatment, etc.).
   - The steps that BROKER BUSINESS ASSOCIATE recommends that the individual should take to protect himself or herself.
   - A brief description of the steps that BROKER BUSINESS ASSOCIATE is taking to investigate, mitigate harm, and protect against future similar breaches.
3) By signing this Addendum, the parties acknowledge and agree that they are modifying the Broker Business Associate Agreement. Where the Broker Business Associate Agreement and this Addendum conflict, this Addendum will control.
4) The Broker Business Associate Agreement, except as modified in this Addendum, is and remains in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their duly authorized respective officers or representatives as of the Effective Date.

***CHOICE* Administrators, Inc.**		**Broker Business Associate**	
Signature		Signature	
John M. Word III			
Print Name		Print Name	
President	***February 12, 2010***		
Title	Date	Title	Date

Fax to New Business Unit at: (714) 542-9334 or (866) 388-8324