

## CONTRACT FOR COLLECTION SERVICES

AGREEMENT entered into this 2nd day of February, 2002 Washakie Medical Center hereinafter referred to as "Creditor" and *COLLECTIONCENTER, INC./ACT, INC.*, hereinafter referred to as "Collector".

In consideration of the mutual promises set forth herein, it is agreed by the parties as follows:

1. Collector agrees to accept and use its best efforts to collect the claims of Creditor. The activities of Collector shall be carried out in compliance with all applicable federal, state, and local laws including Public Law 95-109 (Fair Debt Collection Practices Act).
2. Creditor warrants that all claims assigned to Collector are legally enforceable debts and that the names and amounts are correct to the best of his knowledge and belief. Creditor agrees to provide, whenever requested to do so by Collector, a written verification of any claim or a copy of the judgment, if any, on which the claim is based.
3. Creditor agrees that Collector may place the account information of creditor on the credit record of the Debtor unless specifically excluded in writing by Creditor. Creditor specifically agrees that Creditor will promptly notify Collector of any dispute by the Debtor, whether the dispute is verbal or in writing.
4. Creditor agrees that if legal action is taken to recover his claim, he will undertake all efforts to assist Collector including providing evidence and witnesses where necessary.
5. Creditor agrees to promptly report all payments made directly to Creditor, bankruptcy notices, and any materials from the debtor or any representative of the debtor.
6. Creditor agrees that, any funds received by Creditor or Collector from Debtor or his agents or third parties after assignment of the account will be regarded as payment on the assigned account and is subject to payment of commission to Collector.
7. This agreement constitutes an automatically renewable one-year listing agreement, providing however, that for good cause shown, this agreement may be canceled by either party upon 30 days written notice.
8. The following commission rates shall apply to any of the services listed and utilized by the Creditor:
  - a. A commission of 25% shall be paid on the monies recovered on any accounts assigned for collection. This commission shall increase to 35% in the event that *CollectionCenter, Inc./A.C.T., Inc.*, based on pre-approval of Creditor, proceeds to litigate or forward the account to another collection agency for recovery.

9. This agreement constitutes authority for Collector to add interest as provided by law unless specifically excluded by Creditor.
10. Collector may receive payment in cash, check, or other negotiable instrument and endorse same on behalf of Creditor.
11. Collector is independent contractor, free of all control of Creditor, and all employees of Collector shall perform their duties solely under the control of Collector and not as agents, servants, or employees of Creditor.
12. Creditor may withdraw any account not in the process of collection. A claim is in process of collection if:
  - a. Within six (6) months immediately preceding the withdrawal, a payment has been received by either Creditor or Collector.
  - b. Collector has obtained from the debtor a promise of payment on the account.
  - c. Legal action has been filed or the account has been reduced to judgment.
  - d. The account has been forwarded to an independent collection agency out of the Collector's service area.
  - e. Payment is assured because of an ascertained future event.

For good cause shown, Creditor may withdraw any claim, the assignment of which is detrimental to the interest of Creditor, providing however, that withdrawn claims will not be reassigned to another third party collector.

13. Creditor will hold Collector harmless from any losses caused by the expiration on any statute of limitations.
14. Collector and Creditor hereby release, relinquish, and discharge and agree to indemnify and hold harmless the other party from any claims, demands, actions, or causes of action caused, growing out of, or happening in connection with, the negligence, of himself, his agents, servants, or employees.

IN WITNESS WHEREOF, the parties set their hands and seal the day and year first above written.

Washakie Medical Center

CollectionCenter, Inc./ICT, Inc.

By:

By:

Vice President of Marketing

## ADDENDUM TO CONTRACT FOR SERVICES

THIS ADDENDUM TO THAT CONTRACT FOR SERVICES made and entered into this 2nd day of February, 2005 by and between **Washakie Medical Center** hereinafter referred to as "Health Care Provider (Provider)" or "Covered Entity" respectively and **CollectionCenter, Inc./I.C.T., Inc.** hereinafter referred to as "Business Associate"

IN CONSIDERATION of the terms, covenants and conditions contained in the CONTRACT FOR SERVICES and other good and valuable consideration the receipt and adequacy of which is hereby confessed and acknowledged, the receipt and adequacy of which is hereby confessed and acknowledged the Covered Entity and Business Associate agree as follows:

1. **Terms:** The terms used in this Addendum, but not otherwise defined, shall have the same meaning as those terms contained in 45 CFR Sections 160.103 and 164.501.

1.1 **Covered Entity.** "Covered Entity" shall mean Washakie Medical Center.

1.2 **Business Associate.** "Business Associate" shall mean CollectionCenter, Inc./I.C.T., Inc.

1.3 **PHI.** "Protected Health Information".

2. **Use and Disclosure of Protected Health Information (PHI):** The parties hereto agree that in order for the Business Associate to perform its duties under this Addendum and the underlying Contract for Services, it will be necessary for the Business Associate to use and disclose Protected Health Information (PHI), as such terms defined at 45 CFR Section 164.501.

2.1 **Permitted and Required Uses and Disclosures of PHI.** The parties hereto agree that the Business Associate may use and disclose PHI in order to carry out any Payment function covered under the definition of "Payment" contained in 45 CFR Section 164.501. The parties hereto further agree that the Business Associate may use or disclose PHI for any use or disclosure that is required by law.

2.2 **Use and Disclosure of Minimum Necessary Amount of PHI.** The parties hereto desire to ensure that the Covered Entity only discloses to the Business Associate the minimum amount of PHI necessary for the Business Associate to perform its duties under this Addendum and the underlying Contract for Services. The parties hereto agree that the following information is the minimum necessary in order for the Business Associate to perform the duties under this Addendum and the underlying Contract for Services:

- (A) Name, address, and telephone number of responsible parties;
- (B) Name, address, and telephone number of patient;
- (C) Date of birth of responsible parties;
- (D) Date of birth of patient;
- (E) Social security number of responsible parties;
- (F) Social security number of patient;
- (G) Place of employment of responsible party
- (H) Place of employment of patient.
- (I) Name, address, and telephone number of nearest relative not living in patient's home.
- (J) Payment history pertaining to the account;
- (K) Name and address of any healthcare provider and/or health plan pertaining to the account;
- (L) Driver's license number of responsible parties if available;
- (M) Driver's license number of patient if available;
- (N) Upon the Business Associate's receipt of a written request from patient requesting verification of the account information, the Covered Entity shall provide the Business Associate with an itemization of the services and the date(s) such service(s) were rendered to the patient and which pertain to the account receivable referred to the Business Associate pursuant to this Agreement, and
- (O) Insurance information.

3. **Term and Termination.**

3.1 *Term.* The term of this Addendum shall be effective as of the date first above written, and shall terminate when all of the Protected Health Information provided by the Covered Entity to the Business Associate or created or received by the Business Associate on behalf of the Covered Entity, is destroyed or returned to the Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections extended to such information, in accordance with the termination provisions of Section 3.2.2.

3.2 *Termination by the Covered Entity for Breach.* Pursuant to 45 CFR Section 164.504(e)(2)(iii), the Covered Entity may terminate this Addendum and the underlying Contract for Services if the Covered Entity determines that the Business Associate has breached a material term of this Addendum. In the event of a material breach of the Business Associate's duties and responsibilities contained in Section 4 through and including 4.10 of this Addendum, the Covered Entity may immediately terminate this Addendum and the underlying Contract for Services upon written notice to the Business Associate. In the event of a claimed material breach of any other provision of this Addendum by the Business Associate, the Covered Entity shall give the Business Associate written notice of the alleged material breach. The Business Associate shall have ten (10) days from the date of any written notice of breach to cure the alleged breach or, if it is not possible to cure the breach within ten (10) days, then to begin curing of the breach within ten (10) days and to complete curing of the breach with continuing effort and as soon as reasonably possible. In the event the Business Associate cures the alleged breach or, if curing of the breach is not possible within ten (10) days, the Business Entity begins steps to cure the breach within the ten (10) day time period and completes curing of the breach with reasonable dispatch, this Addendum and the underlying Contract of Services shall remain in full force and effect. In the event that the Business Associate fails to cure the alleged breach within the aforescribed time period, this Addendum and the underlying Contract for Services shall terminate.

3.3 *Effect of Termination.*

3.3.1 Except as provided in paragraph 3.2.2 of this section, upon termination of this Addendum and the underlying agreement, for any reason, the Business Associate shall return or destroy all Protected Health Information received from the Covered Entity, or created or received by the Business Associate on behalf of the Covered Entity. The Business Associate shall retain no copies of the Protected Health Information.

3.3.2 In the event that the Business Associate determines that returning or destroying the Protected Health Information is infeasible, the Business Associate shall provide to the Covered Entity notification of the conditions that make return or destruction infeasible. If return or destruction of Protected Health Information is infeasible, the Business Associate shall extend the protections of this Addendum to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as the Business Associate maintains such Protected Health Information.

3.4 *Termination by the Business Associate for Breach.* In the event of a claimed material breach of any provision of this Addendum by the Covered Entity, the Business Associate shall give the Covered Entity written notice of the alleged material breach. The Covered Entity shall have ten (10) days from the date of the written notice of breach to cure the alleged breach or, if it is not possible to cure the breach within ten (10) days, then to begin curing of the breach within ten (10) days and to complete curing of the breach with continuing effort and as soon as reasonably possible. In the event the Covered Entity cures the alleged breach within the ten (10) day time period, or if curing of the breach within ten (10) days is not possible, then to begin curing of the breach within ten (10) days and to complete curing of the breach with continuing effort and as soon as reasonably possible, this Addendum and the underlying Contract for Services shall remain in full force and effect. In the event that the Covered Entity fails to cure the alleged breach within the ten (10) day time period, or if curing of the breach is not possible within ten (10) days is not possible, the Covered Entity begins steps to cure the breach within the ten (10) day time period and completes curing of the breach with reasonable dispatch, this Addendum and the underlying Contract for Services shall terminate.

4. **Duties and Responsibilities of the Business Associate.**

The Business Associate shall:

4.1 *Computer Access.* Allow the Covered Entity appropriate access to the Business Associate's computer system for the purpose of performing periodic account audits;

4.2 *Restrictions on Use and Disclosure of PHI.* The Business Associate shall not use or further disclose any PHI other than as permitted or required by this Addendum and the underlying Contract for Services, or as required by law.

4.3 *Safeguarding of PHI.* The Business Associate shall use appropriate safeguards to prevent the use of disclosure of PHI other than as provided for in this Addendum and the underlying Contract for Services. The Business Associate will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the EPHI that it creates, receives, maintains, or transmits on behalf of Covered Entity.

4.4 *Reporting of Unauthorized Use or Disclosure of PHI.* The Business Associate shall report to the Covered Entity any use, disclosure, or security incident of PHI not provided for by this Addendum or the underlying Contract for Services of which the Business Associate becomes aware;

4.5 *Protection of PHI by Agents and Subcontractors.* The Business Associate shall ensure that any agents, including any subcontractors, to whom it provides PHI received from, or created or received by the Business Associate on behalf of the Covered Entity agrees to the same restrictions and conditions that apply to the Business Associate with respect to such PHI, including all requirements under §164.314.

4.6 *Access to PHI.* The Business Associate shall make available PHI in accordance with 45 CFR Section 164.524. Within ten (10) days after receipt of a request from the Covered Entity for access to PHI in the possession of the Business Associate, the Business Associate shall make such PHI available to the Covered Entity. Within ten (10) days after receipt of a request from an individual for access to PHI in the possession of the Business Associate, the Business Associate shall forward such request to the Covered Entity.

4.7 *Amendments to PHI.* Within ten (10) days after receipt of a request from the Covered Entity for an amendment to any PHI, the Business Associate shall make the requested PHI available to the Covered Entity for amendment and shall incorporate any such amendments into the PHI in accordance with 45 CFR Section 164.526. Within ten (10) days after receipt of a request from an individual for an amendment to any PHI, the Business Associate shall forward such request to the Covered Entity.

4.8 *Accountings.* Within ten (10) days after receipt of notice from the Covered Entity that the Business Associate has received a request from an individual for an accounting of disclosures of PHI regarding the individual during the six (6) years prior to the date on which the accounting was requested, the Business Associate shall make available to the Covered Entity such information as is in the Business Associate's possession and is required for the Covered Entity to provide an accounting of disclosures of PHI to the individual in accordance with 45 CFR Section 164.528.

4.9 *Internal Practices, Books, and Records.* The Business Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of the Covered Entity available to the Secretary of the Department of Health and Human Services for purposes of determining the Covered Entity's compliance with Subpart E of Part 164 of Title 45 of the Code of Federal Regulations; and,

4.10 *Mitigate the effects of Disclosures.* The Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of Protected Health Information by the Business Associate in violation of the requirements of this Addendum.

## 5. **Duties and Responsibilities of the Covered Entity.**

5.1 *Preparation and Delivery of Accountings.* It shall be the sole responsibility of the Covered Entity to prepare and deliver any accounting requested pursuant to 45 CFR Section 164.528.

5.2 *Decisions Concerning Access to PHI.* In the event that an individual has requested access to PHI directly from the Business Associate, and the Business Associate has forwarded such request to the Covered Entity in accordance with Section 4.6 of this Addendum, it shall be the sole responsibility of the Covered Entity to determine whether to grant or deny such access.

5.3 *Amendment of PHI.* In the event that an individual has requested an amendment to PHI directly from the Business Associate, and the Business Associate has forwarded such request to the Covered Entity in accordance with Section 4.7 of this Addendum, it shall be the sole responsibility of the Covered Entity to determine whether to allow or disallow such amendment.

6. **Consents and Authorizations.** Prior to disclosing any PHI to the Business Associate, the Covered Entity shall obtain all required consents and authorizations pursuant to 45 CFR Section 164.506 and 45 CFR Section 164.508

respectively, sufficient to permit the disclosure of PHI from the Covered Entity to the Business Associate, and to permit the Covered Entity to perform its duties pursuant to this Addendum and the underlying agreement.

7. **No Restrictions.** The Covered Entity shall not place any account with the Business Associate if the Covered Entity has agreed to any individual's request to restrict the use or disclosure of PHI connected with such account pursuant to 45 CFR Section 164.522.

8. **Confidentiality.** The Business Associate agrees to keep all Protected Health Information received from, or created or received by the Business Associate on behalf of the Covered Entity confidential except as necessary for the Business Associate to perform its duties pursuant to the terms of this Addendum and the underlying Contract for Services and as required by 45 CFR 501 et seq.

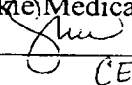
9. **No Third Party Beneficiaries.** The Covered Entity and the Business Associate hereby expressly understand and agree that individuals whose PHI is disclosed by the Covered Entity to the Business Associate are not intended to be third party beneficiaries of this Addendum or the underlying Contract for Services.

10. **No Assignment.** This Addendum and the underlying Contract for Services are not assignable by any party without the prior written consent of the other party.

11. **Change of Law.** The parties hereto agree that any term of this Addendum or the underlying Contract for Services may be modified at any time if it is determined that any term of this Addendum or the underlying Contract for Services violates any federal or state law or regulation, including, without limitation, the Standards of Privacy of Individually Identifiable Health Information (45 CFR Parts 160 and 164); the Health Insurance Reform; Standards for Electronic Transactions; Announcement of Designated Standard Maintenance Organizations (45 CFR Parts 160 and 162); and the Security and Electronic Signature Standards (the "Security Standard") (45 CFR Part 142) ( or the final version of the Security Standards once such final version is released), all promulgated under the Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104 -191).

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Addendum and the underlying agreement the day and date first above written.

COVERED ENTITY: Washakie Medical Center

By:   
Title: CEO

BUSINESS ASSOCIATE: Collection Center, Inc./I.C.T., Inc.

By:   
Title: Vice President of Marketing