

## LICENSE AGREEMENT

### For Medical Bill Re-Pricing Services

This Agreement (“**Agreement**”) is between **IHS**, a Texas corporation, with an address of 2040 N. Loop 336 W. Suite 304, Conroe, Texas 77304 (“**Company**”), and Teton County, Idaho, a political subdivision of the State of Idaho, with an address of Teton County Courthouse, 150 Courthouse Drive, Driggs, ID 83422 (“**Licensee**”), each individually referred to as “**Party**”, and collectively “**the Parties**”, and is effective as of the date of the last signature to this Agreement (“**Effective Date**”). The Parties enter into this Agreement for the Company to provide Software-as-a-Service (“**SAAS**”) offerings described herein for the Licensee.

WHEREAS the Parties desire to enter into an agreement to allow the Company or a chosen representative of the Licensee, to re-price prisoner medical claims using the software technology the Company previously developed for the Idaho Association of Counties (**IAC**) Catastrophic Fund Program (“**CAT Program**”).

WHEREAS the Parties desire to memorialize certain terms and conditions of their anticipated endeavor;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. **Objectives.** The Parties agree as follows:

- a. At the sole discretion of the Licensee, Licensee shall securely provide Company with medical invoices / claims / bills / prescriptions, collectively (“**Medical Bills**”) for inmates under the jurisdiction and control of Teton County housed in jail accommodations contracted by Teton County, currently Jefferson County Jail, and as may be changed from time to time. By providing said Medical Bills to the Company, Licensee affirms the individual(s) was in the custody of the Teton County Sheriff at the time medical care was provided to the inmate. Medical Bills shall remain the property of Licensee and in no way may Company use Medical Bills for anything other than services provided pursuant to this Agreement, subject to the terms of the Business Associate Agreement attached as **Exhibit 1**, which the Parties have entered into concurrently with this Agreement.<sup>1</sup>
- b. Licensee may also elect to have a chosen employee use the Company software to process medical bills as described in 1a.
- c. Licensee shall provide Medical Bills to the Company by uploading electronic versions of the Medical Bills to a secure FTP portal provided by the Company. Company shall provide Licensee with credentials for the secure FTP portal as well as any necessary support.
- d. Upon receipt of Medical Bills, Company shall process said Medical Bills using its proprietary software to calculate allowable payment rates as defined by Chapter 6, Title 20, Idaho Code
- e. Upon re-pricing by the Company, Company shall provide Licensee with report(s) describing the re-priced payment calculation. These report(s) will then be used by the Licensee in the Accounts Payable process to pay the claims for the inmate medical care. Further reporting options will be available to the Licensee within the software. The Licensee will use the same credentials to run reports from the software that they do to upload the Medical Bills as described in Section 2c.
- f. Company shall keep all current payment formularies up to date to ensure the Medical Bills are always being re-priced at the most current / lowest rates allowed under Chapter 6, Title 20, Idaho Code.

---

<sup>1</sup> Because of a licensing agreement with the 3M Corporation, in-patient and out-patient medical bills must be processed by Company.

- g. Company will not print the accounts payable checks to health care providers.

- h. When appropriate, Company shall submit an invoice to Licensee consisting of the culminative amounts of all Medical Bills previously submitted to the Company by Licensee or re-priced by the Licensee and the re-priced amounts calculated by the Company. The invoice shall itemize the Medical Bills provided and the final re-priced calculations. This presumes Licensee provided or processed any Medical Bills to the Company to be re-priced or that Licensee processed any claims locally. The Company acknowledges that there may be month(s) where inmates do not require any medical care which requires the use of the Company software.
  - i. Company shall invoice the Licensee an amount equal to ten (10%) percent of the documented savings between the amount billed for each invoice and the amount calculated by the Company or Licensee to be paid.
- 2. **The Term.** This initial term of this Agreement shall commence upon the Effective Date, and will continue until September 30, 2024. This Agreement shall automatically renew for successive one-year renewal terms commencing October 1 and ending September 30 unless terminated by a Party in accordance with the terms of this Agreement.
- 3. **Termination.** This Agreement may be terminated at any time by either party upon sixty (60) days written notice to the other party.
- 4. **Representations and Warranties.** Both Parties represent that they are fully authorized to enter into this Agreement. The performance and obligations of either party will not violate or infringe upon the rights of any third-party or violate any other agreement between the parties, individually, and any other person, organization, business, or any law or governmental regulation.
- 5. **Indemnity.** To the extent allowable by Idaho law, including Article VIII, Section 4 of the Idaho Constitution and the Idaho Tort Claims Act (Idaho Code § 6-901, et. seq.), the Parties each agree to indemnify and hold harmless the other Party, its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from the negligence of or breach of this Agreement by the indemnifying party, its respective successors and assigns that occurs in connection with this Agreement. This section remains in full force and effect even after termination of the Agreement by its natural termination or the early termination by either party.
- 6. **Limitation of Liability.** Under no circumstances shall either party be liable to the other party or any third party for any damages resulting from any part of this agreement such as, but not limited to, loss of revenue or anticipated profit or lost business, costs of delay or failure of delivery, which are not related to or the direct result of a party's negligence or breach.
- 7. **Severability.** In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions should continue in full force and effect as valid and enforceable.
- 8. **Governing Law and Jurisdiction.** The Parties agree that this Agreement shall be governed by Idaho law, and any suit to enforce this Agreement shall be brought in the district court of Teton County, Idaho.

9. **Entire Agreement.** The Parties acknowledge and agree that this Agreement represents the entire agreement between the Parties. In the event that the Parties desire to change, add, or otherwise modify any terms, they shall do so in writing to be signed by both parties.

The Parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

**Teton County, Idaho**

\_\_\_\_\_  
Cindy Riegel, Chair  
Commissioner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Michael Whitfield  
Commissioner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bob Heneage  
Commissioner

\_\_\_\_\_  
Date

**INDIGENT HEALTHCARE SOLUTIONS (IHS)**

\_\_\_\_\_  
Christopher Wilson  
Director of Customer Services

\_\_\_\_\_  
Date

**EXHIBIT 1**  
**BUSINESS ASSOCIATE AGREEMENT (BAA)**

This Business Associate Agreement (“BAA”) is entered into by and between **IHS**, (“Business Associate”) and **Teton County, Idaho** (“Covered Entity”) and is effective as of the date of the last signature to this Agreement (“Effective Date”)

**RECITALS**

A. The purpose of this BAA is to comply with the Standards for Privacy of Individually Identifiable Health Information (“protected health information”) published on December 28, 2000 by the Secretary of the U.S. Department of Health and Human Services (“HHS”) to amend 45 C.F.R. Part 160 and Part 164 (the “Privacy Rule”) under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and to comply with Health Insurance Reform: Security Standards published on February 20, 2003 by the Secretary of HHS to amend 45 C.F.R. Parts 160, 162, and 164 (the “Security Rule”) under HIPAA.

B. The parties have entered into a License Agreement for Medical Bill Re-Pricing Services concurrently with this BAA) under which the Business Associate regularly uses protected health information (PHI) in its performance of services for the Covered Entity.

C. This BAA sets forth the terms and conditions pursuant to which protected health information that is provided by, or created or received by, the Business Associate from or on behalf of the Covered Entity will be handled.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter addressed, the parties agree as follows:

1. Services. The Business Associate provides software services for the Covered Entity that involve the use of protected health information. Except as otherwise specified herein, the Business Associate may make any and all uses of protected health information necessary to perform its obligations under the MOU between the parties provided that such use or disclosure would not violate the Privacy Rule or the Security Rule if done by the Covered Entity or the minimum necessary policies and procedures of the Covered Entity. Additionally, Business Associate may disclose protected health information for the purposes authorized by this Agreement only to its employees, subcontractors, and agents, in accordance with Section 2(b) or (d) as directed by the Covered Entity.

2. Responsibilities of Business Associate. With regard to its use of protected health information, the Business Associate hereby agrees to do the following:

(a) Use the protected health information only as permitted or required by this Agreement or as otherwise required by law;

(b) Report to the designated privacy officer of the Covered Entity, in writing, any use of the protected health information that is not permitted or required by this Agreement, including breaches of unsecured Protected Health Information as required by 45 C.F.R. 164.410, and any security incident of which Business Associate becomes aware within fifteen (15) days of the Business Associate’s discovery of such unauthorized use;

(c) Use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information other than as provided by this Agreement;

(d) Require all of its employees, representatives, subcontractors or agents that receive or use or have access to protected health information under this Agreement to agree to adhere to the same restrictions and conditions on the use of protected health information that apply herein, including the obligation to return or destroy the protected health information;

(e) Make available all records, books, agreements, policies and procedures relating to the use and/or disclosure of protected health information to the Secretary of HHS for purposes of determining the Covered Entity's compliance with the Privacy Regulation;

(f) Business Associate agrees to document disclosures of protected health information and information related to such disclosures as would be required for the Covered Entity to respond to a request by an individual for an accounting of disclosures of protected health information in accordance with 45 C.F.R §164.528.

(g) Business Associate agrees to make any amendment(s) to protected health information in a designated record set that the Covered Entity directs or agrees to pursuant to 45 C.F.R §164.526 at the request of the Covered Entity or an individual, and in a reasonable time and manner.

(h) Business Associate agrees to provide access, at the request of the Covered Entity, and in a reasonable time and manner, to protected health information in a designated record set, to Covered Entity or, as directed by Covered Entity, to an individual in order to meet the requirement under 45 C.F.R §164.524.

(i) Within forty-five (45) days of receiving a written request from the Covered Entity, provide to the Covered Entity such information as is requested by the Covered Entity to permit the Covered Entity to respond to a request by the subject individual for amendment and accounting purposes of the disclosures of the individual's protected health information in accordance with 45 C.F.R. §164.526 and §164.528. Covered Entity shall reimburse Business Associate for reasonable fees associated with providing said information;

(j) Return to the Covered Entity or destroy, as requested by the Covered Entity, within thirty (30) days of the termination of the MOU, the protected health information in Business Associate's possession and retain no copies. Upon a determination by the Business Associate that return, or destruction of protected health information is infeasible, Business Associate shall extend the protections of this Business Associate Agreement 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 Business Associate maintains such protected health information.

3. Responsibilities of the Covered Entity. With regard to the use of protected health information by the Business Associate, the Covered Entity hereby agrees:

(a) To inform the Business Associate of any changes in the form of notice of privacy practices that the Covered Entity provides to individuals pursuant to 45 C.F.R. §164.520 and provide the Business Associate a copy of the notice currently in use;

(b) To inform the Business Associate of any changes in, or withdrawal of, the consent or authorization provided to the Covered Entity by individuals whose protected health information may be used by Business Associate under this Agreement pursuant to 45 C.F.R. §164.506 or §164.508; and

(c) To notify the Business Associate, in writing and in a timely manner, of any restrictions on the use of protected health information agreed to by the Covered Entity as provided for in 45 C.F.R. §164.522 to the extent such restriction may affect Business Associate's use or disclosure of protected health information.

(d) To notify Business Associate of any limitation(s) in its notice of privacy practices in accordance with 45 C.F.R §164.520 to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.

(e) Not to request Business Associate to use or disclose protected health information in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity.

4. Mutual Representation and Warranty. Each party represents and warrants to the other party that all of its employees, agents, representatives, and members of its work force, who services may be used to fulfill obligations under this Agreement, are or shall be appropriately informed of the terms of this Agreement.

5. Termination. As provided for under 45 C.F.R. §164.504(e)(2)(iii), the Covered Entity may immediately terminate this Agreement if it determines that the Business Associate has breached a material provision of this Agreement, and that cure is not possible. Alternatively, the Covered Entity may choose to: (i) provide the Business Associate with thirty (30) days written notice of the existence of an alleged material breach; and (ii) afford the Business Associate an opportunity to cure said alleged material breach upon mutually agreeable terms. Failure to cure in the manner set forth in this paragraph is grounds for the immediate termination of this Agreement. If termination or cure is not feasible, the Covered Entity shall report the breach to the Secretary of HHS. This Agreement will automatically terminate without any further action of the parties upon the termination or expiration of the MOU.

6. Amendment. This Agreement may not be modified or amended, except in writing as agreed to by each party. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the Covered Entity to comply with the requirements of the Privacy Rule, the Security Rule, and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.

7. Regulatory References. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended.

8. Survival. The respective rights and obligations of Business Associate under Section 2 (j) of this Agreement shall survive the termination of this Agreement.

9. Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule and the Security Rule.

10. No Third-Party Beneficiaries. Nothing expressed or implied in this Agreement is intended to confer, nor anything herein shall confer, upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.

11. Notices. Any notices to be given hereunder shall be made via U.S. mail or express courier, or hand delivery to the other party's address given below as follows:

If to Business Associate: **IHS**  
2040 N. Loop 336 W. Suite 304  
Conroe, TX 77304

If to Covered Entity: Teton County  
150 Courthouse Dr.  
Driggs, ID 83422  
Attn: Teton County Clerk

CC: Teton County Prosecuting Attorney's Office  
230 N. Main St. Ste. 125  
Driggs, ID 83422  
Attn: Civil Deputy Prosecuting Attorney

IN WITNESS WHEREOF, the parties agree to the terms and conditions set forth above as demonstrated by their signatures as follows:

**IHS**

By: \_\_\_\_\_  
Christopher Wilson  
Director of Customer Services

\_\_\_\_\_ Date

**Teton County, Idaho**

\_\_\_\_\_  
Hon. Cindy Riegel, Chair  
Commissioner District 1

\_\_\_\_\_ Date

\_\_\_\_\_  
Hon. Michael Whitfield  
Commissioner District 2

\_\_\_\_\_ Date

\_\_\_\_\_  
Hon. Bob Heneage  
Commissioner District 3

\_\_\_\_\_ Date