

Processing Number \_\_\_\_\_

## \*Application for Ancillary Employees Shared Limit Coverage with Employer

It is important for you to discuss which coverage type to apply for with your ISMIE insured employer prior to submitting an application to ISMIE. You must choose the same coverage as your employer.

### Claims-Made Coverage

“A claims-made policy is limited to claims which are first made while the policy is in force and arise out of professional services provided on or after the retroactive date stated in the Declarations Page, and as defined in the policy.”

### Occurrence Coverage

“An occurrence policy is limited to claims that arise out of professional services rendered during the policy period stated in the Declarations Page and as defined in the policy.”

**\*An application is only required for Ancillary Employees if the employer wishes to have the employee listed by name on the policy, however ISMIE does not require that Ancillary Employees be listed by name to receive shared limit coverage while rendering services under the direct control and supervision of the ISMIE insured employer. This application is for Ancillary employees that include but are not limited to: Registered Nurses, Medical Assistants, Social Workers, X-ray Techs, Surgical Assistants/Technologist, Orthopaedic Technicians, Physical Therapists, Dialysis Techs, and other employees who are not outlined in the note below.**

**Note: Utilize the ISMIE Non-Physician Application for the following personnel: All Advanced Practice Nurses including Certified Nurse Practitioners, CRNAs, Certified Nurse Midwives, Clinical Nurse Specialists, Physician Assistants, Psychologists, Optometrists, Dentists and Pharmacists, or any other employee if a separate limit is desired. Utilize the ISMIE Mutual Individual Application for Chiropractors and Podiatrists.**

**Instructions:** It is essential that all statements be completed and all questions answered

#### 1. Applicant Name:

\_\_\_\_\_  
 First Middle Last  
 Male  Female

#### 2A. Name of ISMIE Mutual Insured Employer:

\_\_\_\_\_  
 Name Policy Number

#### 2B. Indicate all states of practice where ISMIE Mutual coverage is desired:

#### 3. Desired effective date of coverage (12:01 a.m. Standard Time):

\_\_\_\_\_  
 Month Day Year

#### 4. Job Title

5. Date of Birth: \_\_\_\_\_ 6. Social Security Number: \_\_\_\_\_

7 a. Professional License?  Yes  No 7 b. Professional Certification(s)?  Yes  No

License Number: \_\_\_\_\_  
 (include copy of license)

Certification(s): \_\_\_\_\_  
 (include copy of certification)

Professional Designation: \_\_\_\_\_

7 c. Describe training (if no license or certification) \_\_\_\_\_  
 From (date): \_\_\_\_\_ To: \_\_\_\_\_

Representative's Name (please print)

ISMIE-Insured Employer's Name or Authorized

Employer's Signature

Date

**ISMIE MUTUAL INSURANCE COMPANY  
BUSINESS ASSOCIATE AGREEMENT (B)  
REVISED 2017**

This Business Associate Agreement (“Agreement”) is between ISMIE Mutual Insurance Company, and all affiliates and subsidiaries (“ISMIE”), 20 North Michigan Avenue, Suite 700, Chicago, IL 60602, and the “Covered Entity” (as such term is defined below) set forth on the attached application for insurance. This Agreement is to memorialize the relationship between ISMIE and Covered Entity and the terms that govern the use and disclosure of Protected Health Information to ISMIE from Covered Entity consistent with HIPAA and the HITECH Act (as defined below) and the regulations promulgated thereunder.

**I. DEFINITIONS**

- A. Business Associate. “Business Associate” shall mean ISMIE Mutual Insurance Company, and all affiliates and subsidiaries.
- B. Covered Entity. “Covered Entity” shall mean, with respect to ISMIE: (a) prior insureds, (b) insureds, (c) all persons or entities applying for insurance coverage, (d) all insureds by reporting endorsement.
- C. Electronic Protected Health Information. “Electronic protected health information” shall have the meaning found in the Security Rule. [45 CFR § 160.103.]
- D. HIPAA. “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-91).
- E. HITECH Act. “HITECH Act” shall mean the Health Information Technology for Economic and Clinical Health Act (Division A, Title XIII of the American Recovery and Reinvestment Act of 2009, P.L. 111-5).
- F. Individual. “Individual” shall mean a person who is the subject of protected health information and includes a personal representative who under law has authority to make health decisions for another person. [45 CFR § 164.502(g)].
- G. Privacy Rule. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at [45 CFR Part 160 and Part 164, Subparts A and E].
- H. Protected Health Information. “Protected Health Information” shall mean individually identifiable health information that is transmitted or maintained in any form or medium, limited to the information created or received by Business Associate from or on behalf of Covered Entity. [45 CFR § 160.103.].
- I. Required By Law. “Required By Law” shall mean a mandate contained in law that compels use or disclosure of protected health information and that is enforceable in a court of law including but not limited to subpoenas. [45 CFR § 164.103].
- J. Security Incident. “Security Incident” shall have the same meaning as the term “security incident” in 45 CFR § 164.304.

- K. Security Rule. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.
- L. Secretary. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- M. Unsecured Protected Health Information. "Unsecured Protected Health Information" shall have the same meaning as "unsecured protected health information" in 45 CFR § 164.402.
- N. The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules (which include the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164): Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Minimum Necessary, Notice of Privacy Practices, Subcontractor and Use.

## **II. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

- A. Business Associate agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law, such as mandated reports to the Illinois Department of Insurance, Illinois Department of Financial and Professional Regulation or National Practitioner Data Bank.
- B. Business Associate agrees to use appropriate safeguards to prevent unauthorized use or disclosure of the Protected Health Information other than as provided for by this Agreement and to comply with subpart C of Part 164 of the Security Rule, where applicable, with respect to electronic Protected Health Information.
- C. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate of which Business Associate becomes aware in violation of the requirements of this Agreement.
- D. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware, including breaches of unsecured Protected Health Information as required by 45 CFR § 164.410.
- E. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information by entering into a written agreement with any agent or subcontractor that complies with 45 CFR 164.504(e)(2).
- F. Business Associate agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by

Business Associate on behalf of, Covered Entity available to the Covered Entity, or to the Secretary, upon 10 business days written notice during regular business hours of 10am - 3 pm or as designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

- G. Business Associate agrees to provide an Individual, within 30 days of a written notice, access to inspect Protected Health Information about the Individual maintained in a designated record set in Business Associate's possession, or provide to an Individual, or their designee, an electronic copy of the Individual's Protected Health Information, in order to meet the requirements under 45 CFR § 164.524.
- H. Business Associate agrees to make any amendment(s) to Protected Health Information in a designated record set in its possession that the Covered Entity directs or agrees to, within 60 days of receiving a written notice from Covered Entity or an Individual. [45 CFR § 164.526].
- I. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information. Business Associate agrees to provide to Covered Entity or an Individual, upon 10 business days of receipt of a written request for an accounting of disclosures, such information collected in accordance with this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information. [45 CFR § 164.528 and HITECH Act § 13405(c)].
- J. Business Associate agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity as required by the Security Rule, and to require its workforce to comply with subpart C of Part 164. Business Associate will reasonably and appropriately protect against reasonably anticipated threats or hazards to the security or integrity of such information. Business Associate acknowledges that the safeguards include those specified in 45 CFR § 164.308 (Administrative Safeguards), 164.310 (Physical Safeguards), 164.312 (Technical Safeguards), and 164.316 (Policies and Procedures and Documentation Requirements). Business Associate will also reasonably and appropriately protect against any reasonably anticipated uses or disclosures that are not permitted or required under the Privacy Rule.
- K. Business Associate shall ensure that any agent, including a subcontractor, to whom it provides electronic Protected Health Information, agrees in writing to implement reasonable and appropriate safeguards to protect it.
- L. Business Associate agrees to report to Covered Entity any Security Incident involving electronic Protected Health Information of which it becomes aware. [45 CFR § 164.314].
- M. Business Associate shall not use or disclose Protected Health Information for marketing communications (as "marketing" is defined in 45 CFR 164.501).

- N. Business Associate agrees to the prohibition on the sale of Protected Health Information without authorizations unless an exception under § 13405(d) of the HITECH Act applies.
- O. Business Associate shall only disclose the minimum amount of Protected Health Information necessary to accomplish the purpose of the disclosure under HITECH Act § 13405(b) and any regulations or guidance issued by the Secretary regarding minimum necessary requirements.
- P. Business Associate will comply with an Individual's request for restrictions on the use or disclosure of Protected Health Information to health plans for payment or health care operations purposes when the health care provider has been paid out of pocket in full consistent with HITECH Act § 13405(a) and Business Associate has been notified of the request for restriction by the health care provider, Covered Entity or the Individual, and the disclosure is not required by law.
- Q. Business Associate will comply with, to the extent required, the requirements relating to the provision of access to certain Protected Health Information in electronic format under the HITECH Act § 13405(e).
- R. To the extent Business Associate is to carry out an obligation of Covered Entity under the Privacy Rule, Business Associate will comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of such obligation.

**III. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE – GENERAL USE AND DISCLOSURE PROVISIONS**

- A. Except as otherwise limited in this Agreement or required by applicable law, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, Covered Entity, in order for Business Associate to carry out its obligations under this Agreement, including but not limited to the following purposes, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity:
  - 1. Underwriting professional liability insurance.
  - 2. Managing professional liability claims.
  - 3. Providing risk management services.
  - 4. Investigating any reported incidents.
  - 5. Professional liability research and study.
- B. Except as otherwise limited in this Agreement or required by applicable law, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity, in order for Business Associate to carry out its obligations under this Agreement or as specified in a currently issued ISMIE Insurance policy, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

#### **IV. SPECIFIC USE AND DISCLOSURE PROVISIONS**

- A. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- B. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business 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 promptly notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached. [45 CFR § 164.504(e)(4)(ii)(B)].
- C. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide data aggregation services to Covered Entity. [45 CFR § 164.504(e)(2)(i)(B)].
- D. Business Associate may use Protected Health Information to report violations of law to appropriate Federal and State authorities [45 CFR § 164.502(j)(1)].
- E. Business Associate shall disclose Protected Health Information when required by the Secretary to investigate or determine Business Associate's compliance with subpart C of Part 160 of the Security Rule.
- F. Business Associate shall disclose Protected Health Information to Covered Entity, an Individual, or the Individual's designee as necessary to satisfy the Covered Entity's obligations with respect to an Individual's request for an electronic copy of Protected Health Information.

#### **V. OBLIGATIONS OF COVERED ENTITY – PROVISIONS FOR COVERED ENTITY TO INFORM BUSINESS ASSOCIATE OF RESTRICTIONS**

- A. Covered Entity shall promptly notify Business Associate in writing and in advance of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to, to the extent that such restriction may affect Business Associate's use or disclosure of Protected Health Information. [45 CFR § 164.522].
- A. Covered Entity shall promptly notify Business Associate of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.
- B. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect Business Associate's use or disclosure of Protected Health Information.

- B. Covered Entity shall only disclose to Business Associate the minimum amount of Protected Health Information necessary to accomplish the purpose of the disclosure to Business Associate in accordance with 45 CFR § 164.514(d) and HITECH Act § 13405(b) and any regulations or guidance issued by the Secretary regarding minimum necessary requirements.

**VI. PERMISSIBLE REQUESTS BY COVERED ENTITY**

Covered Entity shall not 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 Covered Entity. The Business Associate may use or disclose protected health information for data aggregation or management and administrative activities of Business Associate.

**VII. TERM AND TERMINATION**

- A. Term. The Term of this Agreement shall be effective when Covered Entity submits to Business Associate an application for insurance, and Business Associate accepts and approves such application, and for the period the Covered Entity is insured by ISMIE, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity for purposes as delineated in III A herein, is returned to Covered Entity or destroyed, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.
- B. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall:
1. Provide written notice of 45 days for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within such 45 day period;
  2. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or
  3. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- C. Effect of Termination.
1. Except as provided in paragraph (2) of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information, except as required by law.

2. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon notice that the return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes stated for so long as Business Associate maintains such Protected Health Information, except as required by law.
- D. Automatic Termination. Subject to the terms set forth in this Section 7, this Agreement shall automatically terminate if Covered Entity is no longer a member of ISMIE in good standing.

## **VIII. MISCELLANEOUS**

- A. 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.
- B. Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of HIPAA or the HITECH Act or any applicable regulations with regard to such laws.
- C. Survival. The respective rights and obligations of Business Associate under Section VII (C) of this Agreement shall survive the termination of this Agreement.
- D. Interpretation. Any ambiguity in this Agreement shall be resolved to permit the parties to comply with HIPAA or the HITECH Act, or any other applicable regulations with regard to such laws.
- E. Notice. Any notice required to be given to either party shall be made in writing to the address set forth on Covered Entity's application for insurance, or the last known address of the receiving party.

ISMIE Mutual Insurance Company  
20 North Michigan Avenue, 7<sup>th</sup> Floor  
Chicago, IL 60602  
ATTN: HIPAA Privacy and Security Officer  
Robert John Kane

ISMIE Mutual Insurance Company  
20 North Michigan Avenue, 7<sup>th</sup> Floor  
Chicago, IL 60602  
ATTN: HIPAA Assistant Security Officer  
Stephen Maes



**IX. RED FLAG POLICY**

ISMIE has adopted an Identity Theft Policy to assist in identifying, detecting, and mitigating risks of identity theft affecting insureds of ISMIE. This policy is intended to comply with the requirements of the Federal Trade Commission's Identity Theft Rules (the "Red Flag Rules") (16 CFR § 681) which is a result of the Fair and Accurate Credit Transactions Act of 2003.

**X. HHS BREACH NOTIFICATION**

Subject to the law enforcement delay exception contained in 45 CFR § 164.412, Business Associate agrees to notify Covered Entity without unreasonable delay, but in no event later than 45 days, following the discovery of a breach of unsecured Protected Health Information and in accordance with the breach notification requirements set forth in 45 CFR § 164.410. "Breach" shall have the same meaning as the term "breach" in 45 CFR § 164.402. Business Associate will reimburse Covered Entity for the direct costs of complying with the federal breach notification requirements resulting from a breach caused by Business Associate but in no event shall Business Associate be liable to Covered Entity or any third party for any indirect or consequential damages associated or related to any Breach.

ISMIE Mutual Insurance Company



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HIPAA Privacy and Security Officer  
Robert John Kane

(2/05, A 4/09, A 10/09, A 12/10, 3/13, A/17)