

ELECTRONIC TRADING PARTNER AGREEMENT

This agreement is made between Louisiana Health Service & Indemnity Co., (d/b/a Blue Cross and Blue Shield of Louisiana) ("Company") whose permanent address is declared to be 5525 Reitz Avenue, Baton Rouge, Louisiana 70809, and _____ ("Trading Partner") as of _____ day of _____, 20___. This agreement provides the terms and conditions governing electronic transfers of data between Company and Trading Partner (collectively, "Parties") by direct digital or electronic transmission over communication lines to accomplish the parties' business objectives regarding the provision and acquisition of products and services. This agreement will remain in effect until terminated according to its terms.

RECITALS

WHEREAS, both parties consider their mutual interest to be served by engaging in the electronic transfer of data communications as a means of furthering their respective business objectives; and

WHEREAS, Company provides benefit payments on behalf of persons covered under health benefit programs and engages in the electronic transfer of data between payors, business associates and suppliers; and

WHEREAS, Trading Partner is a business entity that transacts business with Company on a regular basis pursuant to the terms of a business agreement; and

WHEREAS, each party is or will be equipped at its own expense with the operating system (*means the equipment, software and trained personnel necessary for a successful data transmission*) and trained personnel necessary to engage in the successful exchange of electronic data; and

WHEREAS, in the electronic transmission of data and funds, the confidentiality and security of the data exchanged are an utmost priority to both parties; and

WHEREAS, Company anticipates that Trading Partner may use, in the performance of this agreement, various third-party business associates (*a third-party organization, designated in the EDI Transaction Addendum*) in the electronic exchange of information;

NOW, THEREFORE, in consideration for the mutual promises herein, the parties agree as follows:

I. TERM AND TERMINATION

- 1.1. Term of Agreement. This agreement will remain in effect for an initial period of twelve (12) months from the effective date, and will automatically renew for successive periods of twelve (12) months.
- 1.2. Voluntary Termination. Either Party may terminate this agreement on sixty (60) days prior written notice to the other party.
- 1.3. Termination for Cause. Either party may terminate this agreement upon fifteen (15) days prior written notice to the other party upon the default by the other party of any material obligation of this agreement, provided that the written notice sets forth the default with reasonable specificity and the default is incurable or, being capable of cure, has not been cured within the 15 day period after receipt of the written notice.

In the event of (i) a breach by Trading Partner of any section of **Article III** or **Article V** of this agreement or (ii) termination of any applicable business agreement between the Parties, Company will have the unilateral right to terminate this agreement immediately by providing Trading Partner with written notice of termination.

II. OBLIGATIONS OF THE PARTIES

2.1. Mutual Obligations. The mutual obligations of Company and Trading Partner include the following:

- (a) Electronic Data Interchange (EDI) Transmission Accuracy. The Parties will take reasonable care to ensure that data transmissions are timely, complete, accurate and secure. Each Party will take necessary and reasonable precautions in accordance with **Article III** of this agreement to prevent unauthorized access to the other Parties data transmission, operating system, or the contents of an envelope (*a control structure in a format mutually agreeable to Company and Trading Partner for the electronic exchange of one or more encoded data transmissions between Company and Trading Partner or business associate*) transmitted to or from either Party.
- (b) Retransmission of Lost or Indecipherable Transmissions. A Party will retransmit the original transmission upon its discovery that a data transmission is a lost or indecipherable transmission.
- (c) Equipment Cost. Each Party will obtain and maintain, at its own expense, its own operating system necessary for timely, complete, accurate and secure data transmission pursuant to this agreement. Each Party will pay its own costs related to data transmission under this agreement, including, without limitation, charges for the Party's own operating system equipment, software and services, maintaining an electronic mailbox, connection time, terminals, connections, telephones, modems and applicable minimum use charges. Each Party will be responsible for its own expenses incurred for translating, formatting and sending or receiving communications over the electronic network to any electronic mailbox of the other Party, unless otherwise specified.
- (d) Testing. Where requested by the Company, prior to the initial data transmission, each Party will test and cooperate with the other Party in testing each Parties' operating system to ensure the accuracy, timeliness, completeness and confidentiality of each data transmission according to the policy outlined by the Company.
- (e) National Standard Identifiers. Company and Trading Partner will use National Standard Identifiers in all data and data transmissions conducted between the Parties no later than Company's compliance date with any National Standard Identifier adopted by HHS through regulations implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

2.2. Trading Partner Obligations. Trading Partner will:

- (a) Not copy, reverse engineer, disclose, publish, distribute, alter or use data, data transmission or envelope for any purpose other than for which Company has specifically authorized Trading Partner under the terms of this agreement.
- (b) Research and correct any and all billing discrepancies at no expense to the Company.
- (c) Not obtain access by any means to data, data transmission, envelope, or Company's operating system for any purpose other than as Company has specifically granted Trading Partner access under this agreement. In the event that Trading Partner receives data or data transmissions not intended for Trading Partner, Trading Partner will immediately notify Company and make arrangements to retransmit or otherwise return the data or data transmission to Company. After such retransmission or return, Trading Partner will immediately and permanently delete the data and data transmission from its operating system.
- (d) Protect and maintain the confidentiality of security access codes (*codes that Company assigns to Trading Partner to allow Trading Partner access to Company's operating system for the purpose of executing data transmission*) issued to Trading Partner by Company.
- (e) Limit disclosure of security access codes to authorized personnel on a need-to-know basis, and complete the appropriate security access form (as applicable) as specified by the Company.

- (f) Agree that the Company has a right to periodic updates, at its request, of current and active business associates and their associated transactions when Trading Partner submits transactions on behalf of third-parties

2.3. Company's Obligations. Company will:

- (a) Make available to Trading Partner, via electronic means, data and data transmissions for which this agreement grants Trading Partner access or authorization, or as provided by law and/or terms of this agreement.
- (b) Provide Trading Partner with security access codes that will allow Trading Partner access to Company's operating system to the extent necessary under this agreement. Company reserves the right to change security access codes at any time and in such manner as Company, in its sole discretion, deems necessary.
- (c) Issue security access codes to Trading Partner, which when affixed to data transmissions, will be legally sufficient to verify the identity of the transmitter and to authenticate the data transmission, thereby establishing the data transmission's validity. Data transmissions having a security access code affixed to them will be deemed to have been "written" or "signed" by the sender. Computer printouts of the information contained in such correspondence and documents that have been electronically or magnetically recorded and kept in the normal course of the sender's or receiver's business will be considered original business records admissible in any judicial, arbitration, mediation or administrative proceeding to the same extent and under the same conditions as other business records originated and maintained in documentary form. Confidentiality and security of the computer printouts should be maintained to the same extent as the electronic records.
- (d) Agree to provide and make available to the Trading Partner telephone inquiry support services for the purposes of assisting the Trading Partner. Such services shall be provided only to the extent deemed reasonable by the Company and shall be provided during Company's normal working hours, with the exception of Company office closure due to announced holidays or any other unforeseen circumstance.

III. PRIVACY AND SECURITY

3.1. Data Security. Trading Partner will maintain necessary and reasonable security procedures to prevent unauthorized access to data, data transmissions, security access codes, envelope, backup files, source documents or Company's operating system. Trading Partner will immediately notify Company of any unauthorized attempt to obtain access to or otherwise tamper with data, data transmissions, security access codes, envelope, backup files, source documents or Company's operating system.

- (a) Protected Health Information (PHI) (*information relating to specific individuals, including individually identifiable health information that is exchanged by and between Company and Trading Partner*). Trading Partner will comply with all applicable privacy statutes and regulations, guidelines and health care industry customs concerning treatment of confidential health information.
- (b) Proprietary Information. Trading Partner will treat Company's proprietary information obtained or learned in connection with this agreement as confidential and will not use Company's proprietary information for Trading Partners own commercial benefit or any other purpose not authorized in this agreement. Trading Partner will safeguard Company's proprietary information against unauthorized disclosure and use.
- (c) Notice of Unauthorized Disclosures and Uses. Trading Partner will promptly notify Company of any unlawful or unauthorized use or disclosure of confidential health information or Company's proprietary information that comes to Trading Partner's attention and will cooperate with Company in the event that any litigation arises concerning the unlawful or unauthorized disclosure or use of confidential health information or Company's proprietary information.

- 3.2. Operating Systems Security. Each Party will develop, implement and maintain measures necessary to ensure the security of each Party's own operating system and each Party's records relating to its operating system. Each Party will document and keep current its security measures. Each Party's security measures will include, at a minimum, the requirements and implementation features set forth in Social Security Act § 1173(d) and all applicable HHS implementing regulations.

IV. RECORDS RETENTION AND AUDIT

- 4.1. Records Retention. Trading Partner will maintain complete, accurate and unaltered copies of all source documents from all data transmissions it receives from Company for not less than two (2) years from the date that Trading Partner receives them. All retained records will be subject to the same security measures as data and data transmissions.
- 4.2. Right to Audit. The Trading Partner agrees that the Company has the right, for the purpose of charge/service verification, to inspect, examine, copy and conduct on-site audits on the business office/accounts receivable records relating to services rendered to the Company subscribers and will make those records available for such an inspection at a reasonable time and place (excluding medical records). Trading Partner further agrees that it will not charge any fees to the Company for any activity related to such inspections and/or audits.
- 4.3. Business Associate Authorizations. Trading Partner agrees to obtain all necessary authorizations from each business associate on whose behalf Trading Partner submits electronic transactions to allow Company to obtain necessary documentation from each such business associate to substantiate any and all claims submitted by Trading Partner to Company on behalf of each business associate.
- 4.4. Government Requests for Information. Trading Partner will notify Company immediately upon Trading Partner's receipt of any request from a government authority for information or documents relating to this agreement, except to the extent such notification is prohibited by law.
- 4.5. Trade Data Log. Company and Trading Partner will each establish and maintain a trade data log to record all data transmissions between the Parties during the term of this agreement. Each Party will take necessary and reasonable steps to ensure that its trade data log constitutes a complete, accurate, and unaltered record of each data transmission between the parties. Each Party will retain data transmission records for not less than two (2) years following the date of a data transmission. Each Party will maintain its trade data log on computer media or other suitable means that permit timely retrieval and presentation in readable form.

V. REPRESENTATIONS AND WARRANTIES

- 5.1. Legal Compliance. Trading Partner will use reasonable efforts to comply, and to cause Trading Partner's directors, officers, employees and business associate to comply, in all material respects with all requirements of all laws pertaining to government contracts or government subcontracts, the violation of which may result in Trading Partner or its directors, officers or employees, or other persons being charged with a criminal offense. For purposes of this **section (5.1)**, "laws" mean all applicable statutes, laws, rules, regulations, permits, decrees, injunctions, judgments, orders, rulings, determinations, writs and awards.
- 5.2. Access. Company shall make every effort in accordance with standard business practices to provide uninterrupted access for authorized Trading Partners, but Trading Partner agrees that the service provided by the Company is without warranty of any kind, either expressed or implied and Trading Partner further assumes the entire risk as to the performance of the Company.
- 5.3. Notice of Violations. Trading Partner will notify Company in writing within five (5) business days of obtaining knowledge of any criminal investigation, indictment, information or charge by any governmental entity (or communications indicating that the same may be contemplated) related to Trading Partner or any of Trading Partner's directors, officers, employees, vendors, agents or business associates.

VI. INDEMNIFICATION

- 6.1. Indemnification of Company. Trading Partner will indemnify, defend and hold Company harmless from any and all claims, actions, damages, liabilities, costs, or expenses, including, without limitation, reasonable attorneys' fees, arising out of any act or omission of Trading Partner, business associate, or their respective employees, subcontractors or other persons in the performance of this agreement. Company will have the option at its sole discretion to employ attorneys to defend any such claim, action or proceeding arising out of these acts or omissions, the costs and expenses of which will be Trading Partner's responsibility. Company will provide Trading Partner with timely notice of the existence of such action. Trading Partner will provide information, documents and other cooperation as reasonably necessary to assist Company in establishing its defenses to such action, at no cost to Company.
- 6.2. Breach of Warranties. Trading Partner will indemnify and hold Company harmless from and against any and all liability resulting from:
- (a) any misrepresentation in Trading Partner's representations and warranties in **Article V** of this agreement;
 - (b) Trading Partner's failure to notify Company as required in **Section 5.3** of this agreement; or
 - (c) actual exclusion during the term of this agreement from any federal health care program (*as defined in the Social Security Act § 1128B(f)*).
- 6.3. Participation in Actions. Company reserves the right, at its sole option and expense, to participate in the defense of any suit or action brought against Trading Partner or business associate arising out of any act or omission in connection with this agreement.
- 6.4. Dispute Assistance. Each Party will reasonably cooperate in providing necessary assistance to the other Party when the other Party is actively involved in a dispute with a third party concerning data transmissions that either are or reasonably could be the source of litigation with that third party.
- 6.5. Limitation of Liability. Except claims or causes of action related to Trading Partner's actual or alleged breach of **Article III** of this agreement or fraud by Trading Partner, neither Party will be liable to the other for any special, incidental, indirect, exemplary or consequential damages resulting from any claim or cause of action arising out of any delay, omission or error in any data transmission or the other Parties performance or failure to perform in accordance with the terms of this agreement, including, without limitation, loss of use, revenues, profits or savings, even if a Party has been advised in advance of the possibility of such damages.

VII. MISCELLANEOUS

- 7.1. Notices. All notices required under this agreement will be sent to Blue Cross and Blue Shield of Louisiana, 5525 Reitz Avenue, Baton Rouge, Louisiana 70809, Attention: EDI Customer Operations.
- 7.2. Amendments. This agreement may not be changed or modified except by an instrument in writing, mutually agreed to, and signed by each Party's authorized representative or officer thereof.
- 7.3. Choice of Law. This agreement and the Party's rights and obligations hereunder are governed by and will be construed under the laws of the State of Louisiana. Any suit arising from or related to this agreement must be brought in the State or Federal Court seated in Baton Rouge, Louisiana.
- 7.4. Dispute Resolution. The Parties will work together in good faith to resolve any dispute or alleged breach of this agreement within a reasonable period of time by using a mutually agreed alternative dispute resolution technique prior to resorting to litigation. This provision does not apply to actions by either Party that are the subject of immediate termination under this agreement or to disputes involving fraud or breach of the requirements of **Article III** of this agreement.

- 7.5. Assignment of Rights and Delegation of Duties. This agreement is binding upon and inures to the benefit of the Parties and their respective successors and assigns. Company retains the right to assign or delegate any of its rights or obligations hereunder to any of its wholly owned subsidiaries, affiliates or successor companies. Neither Party may assign its rights or delegate its obligations under this agreement without the prior written consent of the other Party, which consent will not be unreasonably withheld or delayed.
- 7.6. Force Majeure. Each Party will be excused from performance for any period of time during this agreement that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond its reasonable control and without its fault or negligence. Such acts include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, power failures, earthquakes, floods or other natural disasters.
- 7.7. No Waiver. Failure or delay on the part of either Party to exercise any right, power, privilege or remedy in this agreement will not constitute a waiver. No provision of this agreement may be waived by either Party except in writing signed by an authorized representative of the Party making the waiver.
- 7.8. No Agency. Nothing in this agreement will place Company and Trading Partner in a relationship whereby either (i) is the principal or agent of the other for any purpose or (ii) has the authority to bind the other in any way.
- 7.9. Automatic Amendment for Regulatory Compliance. This agreement will automatically amend to comply with any final regulation or amendment to a final regulation adopted by HHS concerning the subject matter of this agreement upon the effective date of the final regulation or amendment.

SIGNATURES

The Parties will be bound by all the terms, provisions and conditions of this agreement upon execution of the agreement by each Party's authorized representative.

Agreed to: _____
_____ (TRADING PARTNER)

By: _____

Name and Title: _____

Address: _____

Date: _____

Contact: _____

Title: _____

Telephone: (____) _____

Facsimile: (____) _____

Agreed to: _____
Blue Cross and Blue Shield of Louisiana (COMPANY)

By: _____

Name and Title: _____

Address: Blue Cross and Blue Shield of Louisiana

5525 Reitz Avenue

Baton Rouge, LA. 70809

Date: _____

Contact: _____

Title: _____

Telephone: (____) _____

Facsimile: (____) _____

EDI TRANSACTION ADDENDUM

Trading Partner Profile

This addendum is to evidence in writing the arrangement which exists between _____ (“Trading Partner”), and Louisiana Health Service & Indemnity Co. (Blue Cross and Blue Shield of Louisiana) (BCBSLA) (“Company”). This addendum sets forth the guidelines under which transactions will be accepted by the Company.

Trading Partner agrees to notify Company in writing of any changes in the information contained within the EDI Transaction Addendum. Trading Partner further agrees to provide this information within 30 business days of the change.

Trading Partner Profile (type or print)	Trading Partner BCBSLA Provider Numbers
	<p>COMPLETE list of ALL BCBSLA Provider Numbers assigned to your location for which you plan to exchange transactions. 5 or 10 positions.</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p> <p>BC Paid Provider #: _____</p>
Organization/Company Name	
Address, City, State, Zip	
Contact Person	
E-Mail	
Phone Number Fax Number	

Transaction Selection

- **Standard Transactions** *(check all that apply):*

Trading Partner agrees to exchange transactions in the standard format with the Company according to the following selection(s):

- | | |
|--|---|
| <input type="checkbox"/> Professional Claim (837 P)
<input type="checkbox"/> Institutional Claim (837 I)
<input type="checkbox"/> Dental Claim (837 D)
<input type="checkbox"/> Pay/Remittance Advice (835) | <input type="checkbox"/> Eligibility/Response (270/271)
<input type="checkbox"/> Claim Status Inquiry/Response (276/277)
<input type="checkbox"/> Request for Review/Response (278) |
|--|---|

- **Non-standard Transactions** *(check all that apply):*

The Trading Partner agrees to exchange transactions in the non-standard format to the Company only in the specific format required by the Company. The Company agrees to receive these non-standard transaction formats and provide translation services on-behalf of the Trading Partner through the Company’s clearinghouse.

- | | |
|--|--|
| <p><u>Claim:</u></p> <input type="checkbox"/> NSF 320 | <p><u>Payment/Remittance Advice:</u></p> <input type="checkbox"/> NSF 320 |
|--|--|

- **Communication Protocol:**

- Async (XModem, YModem, ZModem, Kermit)
- Bisync (3780)
- Secure FTP (FTP/s)

Trading Partner (completed by): _____ Date: _____

Phone: _____ Software Vendor Name: _____

