THIRD AMENDATORY AGREEMENT

THIS THIRD AMENDATORY AGREEMENT is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado ("City") and the **SALVATION ARMY,** a California entity in good standing with Colorado whose addresses are PO Box 2369, Denver, CO 80201 and 180 E. Ocean Blvd., 9th Floor, Long Beach, CA 90802 ("Contractor"), collectively "the Parties".

The City and the Contractor entered into an Agreement dated October 23, 2013, an Amendatory Amendment dated March 13, 2014, and a Second Amendatory Amendment dated December 15, 2014 for the Contractor to coordinate mentoring services and financial support for homeless families and seniors ("Agreement"); and

The Parties wish to amend the Agreement to revise the scope of work, extend the term and increase the compensation to the Contractor as follows; and

 The Parties agree as follows:

1. All references to "Exhibits A, A-1, and A-2" in the Agreement are amended to read "Exhibits A, A-1, A-2, and A-3". The scope of work marked as Exhibit A-3 is attached and incorporated by reference. Exhibit A-3 controls the services provided during 2016.

2. Article 3 of the Agreement entitled "**TERM**" is amended to read as follows:

"**3. TERM**: The term of this Agreement shall commence on **August 1, 2013 and will expire on December 31, 2016** (the "Term")."

3. Articles 4(a) and 4(e)(1) of the Agreement entitled "**Fee**" and "**Maximum Contract Amount**" are amended to read as follows:

"**4**. **COMPENSATION AND PAYMENT**:
a. Fee: The City shall pay and the Contractor shall accept as the sole compensation for services rendered and costs incurred under the Agreement **FIVE HUNDRED FIFTEEN THOUSAND DOLLARS AND 00/100 CENTS ($515,000.00)**. Amounts billed may not exceed the budgets set forth in **Exhibits A, A-1, A-2, and A-3** as applicable.

e. Maximum Contract Amount:
(1) Notwithstanding any other provision of the Agreement, the City's maximum payment obligation will not exceed **FIVE HUNDRED FIFTEEN THOUSAND DOLLARS AND 00/100 CENTS ($515,000.00)** (the "Maximum Contract Amount"). The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by Contractor beyond that specifically described in **Exhibits A, A-1, A-2, and A-3** as

applicable. Any services performed beyond those in **Exhibits A, A-1, A-2, and A-3** are performed at Contractor's risk and without authorization under the Agreement."

4. Except as amended above, the Agreement is affirmed and ratified in each and every particular.

EXHIBIT LIST:
EXHIBIT A-3 – SCOPE OF WORK

[SIGNATURE PAGES FOLLOW]

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL   **CITY AND COUNTY OF DENVER**

ATTEST:

                                              By_____

_____

APPROVED AS TO FORM: REGISTERED AND COUNTERSIGNED:

                                              By_____

By_____

                                              By_____

Contract Control Number: SOCSV-201313075-03

Contractor Name: THE SALVATION ARMY

By: _____

Name: _Daniel Starrett_____
      (please print)

Title: _Divisimal Commander_____
      (please print)

ATTEST: [if required]

By: _____

Name: _____
      (please print)

Title: _____
      (please print)

I. Purpose of Agreement

The purpose of this contract is to establish an agreement and Scope of Work between Denver Department of Human Services (DDHS) and The Salvation Army. Under this agreement The Salvation Army will coordinate the mentoring services and financial support necessary for homeless families and/or seniors to move to permanent housing.

II. Services

A. The Contractor will maintain a full time staff member whose main responsibilities will include recruiting new organizations to be involved in the program as well as caring for the existing mentoring teams and organizations currently participating in the program. This position will also solicit to and follow up with individual organizations including at least a once a month: reporting to all organizations and members of the leadership team, coordinating quarterly meetings of the leadership team, and serving as a point person for answering all inquiries.

B. The Contractor will perform the following enhancements to the current Family and Senior Homeless Initiative (FSHI) program:

   a. The Contractor agrees that all mentors will be screened by the Contractor using the system currently being utilized by The Salvation Army of the Western Territory and DDHS prior to having contact with any clients.
   b. The Contractor will charge $5 per in-state screening and $25 per out-of-state screening to the DDHS. A budgeted amount will be placed into the annual contract subject to revision if necessary.
   c. The Contractor will provide a monthly statement of names and screenings to DDHS.
   d. Anyone with a felony or misdemeanor pertaining to sexual or violent crimes will be omitted for a period of one year from the date of their release.
   e. Anyone with a felony incarceration ending in the past five years will be omitted for a period of one year following their release.

III. Process and Outcome Measures

1. Please refer to the Outcome Evaluation Plan located in Section VI. for all measures and outcomes related to this contract.
2. Invoices and reports shall be completed and submitted on or before the 15th of each month 100% of the time. Contractor shall use DDHS' preferred invoice template, if requested.

IV. Performance Management and Reporting

A.   **Performance Management**

Monitoring will be performed by the program area and Contracting Services. Contractor may be reviewed for:

1. **Program or Managerial Monitoring:** The quality of the services being provided and the effectiveness of those services addressing the needs of the program. There may be periodic scheduled on site monitoring visits to review progress on the contract outcomes.
2. **Performance & Financial Monitoring:** Review and analysis of (a) current program information to determine the extent to which contractors are achieving established contractual goals; (b) financial systems & billings to ensure that contract funds are allocated & expended in accordance with the terms of the agreement. Contracting Services will provide regular performance monitoring and reporting to program area management. Contracting Services, in conjunction with the DDHS program area, will manage any performance issues and will develop interventions that will resolve concerns.
3. **Compliance Monitoring:** Monitoring to ensure that the requirements of the contract document, Federal, State and City and County regulations, and the DDHS annual plan & policies are being met.

B.   **Reporting**

The following reports shall be developed and delivered to the City as stated in this section. Reports shall demonstrate achievement of the Process and Outcome Measures in Section III above.

Report # and Name	Description	Frequency	Reports to be Sent to
1. Quarterly Summary Report	Quarterly reports (including # served, geographic location families originated from, budget line item balance, how many screenings on mentors and background checks).	Quarterly	DRH Program Manager Contracting Services
2. Quarterly Revenue Accounting	Quarterly accounting report on revenues collected from organizations for rental assistance	Quarterly	DRH Program Manager
3. Other reports as reasonably	To be determined (TBD)	TBD	DRH Program

Exhibit A-3

			Manager
requested by the City.			

V.   **Budget Requirements**

    A. Contractor shall provide the identified services for the City under the support of the Denver Department of Human Services using best practices and other methods for fostering a sense of collaboration and communication.

    B. Budget

Contractor Name: The Salvation Army		
Contract Term: 01/01/2016 – 12/31/2016		
Program Name: Family Senior Homeless Initiative **Contract Number: 2013-13075-03**		
	BUDGET	**BUDGET NARRATIVE JUSTIFICATION**
DIRECT COSTS		
Staffing		
Salary – Div. Social Service Director	$ 8,520.00	Working up to 1/6 of their time on this project.
Salary – Divisional Facilitator	5,334.00	Working up to 1/6 of their time on this project.
Salary – FSHI Facilitator	54,342.00	Working 100% of their time on this project, including insurance, taxes, benefits.
Salary – Caseworker	55,304.00	Working 100% of their time on this project, including insurance, taxes, benefits.
Support Services @ 5%	6,500.00	Administrative costs associated with running program.
Sub-Total	**$130,000.00**	
TOTAL BUDGET	**$130,000.00**	

VI.   **Outcome Evaluation Plan Template: Denver Road Home**
             Program: Family and Senior Homeless Initiative (FSHI)

Goals	Objectives	Measurement	Time frame for Data Collection	Outcomes
#1 Provide rent and housing deposit for homeless families and seniors.	#1 Provide 50 families with housing in 2016 (this will be accomplished in part by raising	$40,000 in funds will be raised through other organizations. Funds will be tracked through	Monthly	50 Families will be housed.

Exhibit A-3

	$40,000 to help pay the first month's rent for clients in the program).	the Salvation Army finance department.		
	#2 75% of the 50 families (i.e., 37-38 families) will be retained in housing for one year in 2016.	The contractor will track the retention of people placed in housing and report quarterly to the DHS Program Manager the percentage that are still housed one year after placement into housing.	Monthly	37 families will be housed for one year.
	#3 The contractor shall match 50 homeless families and seniors with mentors as the clients are placed in housing throughout the year in 2016.	The contractor will track the number of mentors matched with the families and seniors. This number will match the number of families and seniors placed in housing.	Monthly	50 homeless families will be matched with mentor teams.

VII.   Other Requirements

A. Homeless Management Information System (HMIS)
The Contractor agrees to fully comply with the Rules and Regulations required by the US Dept. of Housing and Urban Development (HUD) which govern the Homeless Management Information System (HMIS). HUD requires recipients and subrecipients of McKinney-Vento Act Funds to collect electronic data on their homeless clients through HMIS. Programs that receive funding through McKinney-Vento that produce an Annual Progress Report (APR) must also collect program level data elements. These programs include: SHP, S+C, Section 8 Mod Rehab, ESG, and HOPWA. This is a requirement for recipients of City homeless funding through Denver's Road Home.

The Contractor, in addition to the HUD requirements, shall conform to the HMIS policies established and adapted by the Metro Denver Homeless Initiative (MDHI) and the Balance of the State CoC.

Technical assistance and training resources for HMIS are available to the Contractor via the Colorado HMIS Helpdesk based on requests by the Contractor and by periodic assessments of participation, compliance and accuracy of data collection.

Exhibit A-3

Security
The importance of the integrity and security of HMIS cannot be overstated. **All** workstations, desktops, laptops, and servers connected to the Contractor's network or computers accessing the HMIS through a Virtual Private Network (VPN) must comply with the baseline security requirements. The Contractor's HMIS computers and networks must meet the following standards:
• Secure location
• Workstation username and password
• Virus protection with auto update
• Locking password protected screen saver
• Individual or network firewall
• PKI-certificate installed or static IP address

HUD Continuum of Care Data Standards
Revised HMIS Data Standards will go into effect October 1, 2014 and Contractor is required to collect data based on these new standards. For the MDHI Continuum of Care/Balance of the State Continuum of Care, the **City of Denver** and its Contractor's will collect Universal and CoC Program Specific Elements. . The Contractor is required to attend the HMIS training on the data collection requirements for these revised standards.

MDHI HMIS User Group Meetings
The Contractor should attend at least three HMIS user group meetings during the contract year. User Group offers valuable and informative information on HMIS and is a forum to ask questions and address issues related to HMIS. Typically, MDHI's HMIS User Group meets at Mile High United Way on Thursdays and the Balance of the State user group meets via webinar every other month the Colorado HMIS team sends out meeting reminders. The meeting schedule for 2015-2016 is:

MDHI:

2015 Dates	2016 Dates
July 17	Jan 15
Sept 18	Mar 19
Nov 20	May 21

Data Quality Standards
• The Contractor must maintain an overall program Data Quality completeness score of 95% or higher.
• The Contractor must enter HMIS data (program enrollments and services) into the system within five business days of the actual enrollment or service provided date.

- Colorado Coalition for the Homeless (CCH) reserves the right to request Data Quality reports from Colorado HMIS for Subrecipient's programs on a monthly basis.
- CCH reserves the right to participate in on-site HMIS audits.
- CCH reserves the right to request Data Timeliness tests from Colorado HMIS at any time on Subrecipient's programs in HMIS.
- CCH reserves the right to request detailed APRs (displaying client-level data) and summary APRs (displaying aggregate-level data) from Colorado HMIS at any time during the project's operating year. APRs are used to review and monitor the Contractor's program data quality and progress toward achieving annual project goals and outcomes per HUD and MDHI requirements. The Contractor's APR data will be consolidated with other Subrecipients and CCH data to fulfill HUD annual reporting requirements.
- CCH reserves the right to access the Contractor's HMIS Web portal to review real-time client data to ensure the Contractor adheres to the data quality standards required by the Metro Denver Homeless Initiative Continuum of Care.

Staff Changes
If the Contractor has changes in staff that may affect the program outcomes or the processing of invoices, the changes must be reported to DHS within 30 days of the change.

VIII. Business Associate Terms – HIPAA/HITECH

1. GENERAL PROVISIONS AND RECITALS

1.1 The parties agree that the terms used, but not otherwise defined below, shall have the same meaning given to such terms under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and their implementing regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations") as they exist or may hereafter be amended.

1.2 The parties agree that a business associate relationship (as described in 45 CFR §160.103) under HIPAA, the HITECH Act, and the HIPAA regulations arises between the CONTRACTOR and CITY to the extent that CONTRACTOR performs, or delegates to subcontractors to perform, functions or activities on behalf of CITY.

1.3 CITY wishes to disclose to CONTRACTOR certain information, some of which may constitute Protected Health Information ("PHI") as defined below, to be used or disclosed in the course of providing services and activities.

1.4 The parties intend to protect the privacy and provide for the security of PHI that may be created, received, maintained, transmitted, used, or disclosed

Exhibit A-3

pursuant to the Agreement in compliance with the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH Act, and the HIPAA regulations as they exist or may hereafter be amended.

1.5   The parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA regulations do not pre-empt any state statutes, rules, or regulations that impose more stringent requirements with respect to privacy of PHI.

1.6   The parties understand that the HIPAA Privacy and Security rules apply to the CONTRACTOR in the same manner as they apply to a covered entity. CONTRACTOR agrees to comply at all times with the terms of this Agreement and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules, as they exist or may hereafter be   amended, with respect to PHI.

2.   DEFINITIONS.

2.1   "Administrative Safeguards" are administrative actions, and policies and procedures, to manage the selection, development, implementation, and maintenance of security measures to protect electronic PHI and to manage the conduct of CONTRACTOR's workforce in relation to the protection of that information.

2.2   "Agreement" means the attached Agreement and its exhibits to which this these terms additional are incorporated by reference.

2.3   "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

2.03.1 Breach excludes:

a.   any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of CONTRACTOR or CITY, if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Rule.

b.   any inadvertent disclosure by a person who is authorized to access PHI to another person authorized to access PHI, or organized health care arrangement in which CITY participates, and the information received as a result of such disclosure is not further used or disclosed in a

7

Exhibit A-3

manner disallowed under the HIPAA Privacy Rule.

c.   a disclosure of PHI where CONTRACTOR or CITY has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

2.03.2   Except as provided in paragraph (a) of this definition, an acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach unless CONTRACTOR demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:

a.   The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;

b.   The unauthorized person who used the PHI or to whom the disclosure was made;

c.   Whether the PHI was actually acquired or viewed; and

d.   The extent to which the risk to the PHI has been mitigated.

2.4   "CONTRACTOR" shall have the same meaning as in the attached Agreement, to which these Business Associate terms are incorporated by reference.

2.5   "CITY" shall have the same meaning as in the attached Agreement, to which these Business Associate terms are incorporated by reference.

2.6   "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR §164.501.

2.7   "Designated Record Set" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR §164.501.

2.8   "Disclosure" shall have the meaning given to such term under the HIPAA regulations in 45 CFR §160.103.

2.9   "Health Care Operations" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR §164.501.

2.10   "Immediately" where used here shall mean within 24 hours of discovery.

2.11   "Individual" shall have the meaning given to such term under the

HIPAA Privacy Rule in 45 CFR §160.l03 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

2.12   "Parties" shall mean "CONTRACTOR" and "CITY",   collectively.

2.13   "Physical Safeguards" are physical measures, policies, and procedures to protect CONTRACTOR's electronic information systems and related buildings and equipment, from natural and environmental hazards, and unauthorized intrusion.

2.14   "The HIPAA 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.

2.15   "Protected Health Information" or "PHI'' shall have the meaning given to such term under the HIPAA regulations at 45 CFR §160.103.

2.16   "Required by Law" shall have the meaning given to such term under the HIPAA Privacy Rule at 45 CFR §164.103.

2.17   "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

2.18   "Security Incident" means attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system. "Security incident" does not include trivial incidents that occur on a daily basis, such as scans, "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by CONTRACTOR.

2.19   "The HIPAA Security Rule" shall mean the Security Standards for the Protection of electronic PHI at 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

2.20   "Subcontractor" shall have the meaning given to such term under the HIPAA regulations at 45 CFR §160.103.

2.21   "Technical safeguards" means the technology and the policy and procedures for its use that protect electronic PHI and control access to it.

2.22   "Unsecured PHI" or "PHI that is unsecured" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary of Health and Human Services ("HHS") in the guidance issued on the HHS Web site.

2.23   "Use" shall have the meaning given to such term under the HIPAA regulations at 45 CFR §160.103.

3.   OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE.

9

3.1   CONTRACTOR agrees not to use or further disclose PHI that CITY discloses to CONTRACTOR except as permitted or required by this Agreement or by law.

3.2   CONTRACTOR agrees to use appropriate safeguards, as provided for in this Agreement, to prevent use or disclosure of PHI that CITY discloses to CONTRACTOR or that CONTRACTOR creates, receives, maintains, or transmits, on behalf of CITY, except as provided for by this Contract.

3.3   CONTRACTOR agrees to comply with the HIPAA Security Rule, at Subpart C of 45 CFR Part 164, with respect to electronic PHI that CITY discloses to CONTRACTOR or that CONTRACTOR creates, receives, maintains, or transmits, on behalf of CITY.

3.4   CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of PHI by CONTRACTOR in violation of the requirements of this Agreement that becomes known to CONTRACTOR.

3.5   CONTRACTOR agrees to immediately report to CITY any Use or Disclosure of PHI not provided for by this Agreement that CONTRACTOR becomes aware of. CONTRACTOR must report Breaches of Unsecured PHI in accordance with 45 CFR §164.410.

3.6   CONTRACTOR agrees to ensure that any subcontractors that create, receive, maintain, or transmit, PHI on behalf of CONTRACTOR agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information.

3.7   To comply with the requirements of 45 CFR §164.524, CONTRACTOR agrees to provide access to CITY, or to an individual as directed by CITY, to PHI in a Designated Record Set within fifteen (15) calendar days of receipt of a written request by CITY.

3.8   CONTRACTOR agrees to make amendment(s) to PHI in a Designated Record Set that CITY directs or agrees to, pursuant to 45 CFR §164.526, at the request of CITY or an Individual, within thirty (30) calendar days of receipt of the request by CITY. CONTRACTOR agrees to notify CITY in writing no later than ten (10) calendar days after the amendment is completed.

3.9   CONTRACTOR agrees to make internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by CONTRACTOR on behalf of CITY, available to CITY and

the Secretary in a time and manner as determined by CITY, or as designated by the Secretary, for purposes of the Secretary determining CITY'S compliance with the HIPAA Privacy Rule.

3.10 CONTRACTOR agrees to document any Disclosures of PHI that CITY discloses to CONTRACTOR or that CONTRACTOR creates, receives, maintains, or transmits on behalf of CITY, and to make information related to such Disclosures available as would be required for CITY to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR §164.528.

3.11 CONTRACTOR agrees to provide CITY, or an Individual as directed by CITY, and in a timely and manner to be determined by CITY, that information collected in accordance with the Agreement, in order to permit CITY to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR §164.528.

3.12 CONTRACTOR agrees that, to the extent CONTRACTOR carries out CITY's obligation(s) under the HIPAA Privacy and/or Security rules, CONTRACTOR will comply with the requirements of 45 CFR Part 164 that apply to CITY in the performance of such obligation(s).

3.13 CONTRACTOR shall work with CITY upon notification by CONTRACTOR to CITY of a Breach to properly determine if any Breach exclusions exist as defined below.

4.   SECURITY RULE.

4.1   CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR §164.308, §164.310, §164.312, and §164.316 with respect to electronic PHI that CITY discloses to CONTRACTOR or that CONTRACTOR creates, receives, maintains, or transmits on behalf of CITY. CONTRACTOR shall follow generally accepted system security principles and the requirements of the HIPAA Security Rule pertaining to the security of electronic PHI.

4.2   CONTRACTOR shall ensure that any subcontractors that create, receive, maintain, or transmit electronic PHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to the same restrictions and requirements contained here.

4.3   CONTRACTOR shall immediately report to CITY any Security Incident of which it becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI

as below and as required by 45 CFR §164.410.

5.   BREACH DISCOVERY AND NOTIFICATION.

5.1   Following the discovery of a Breach of Unsecured PHI, CONTRACTOR shall notify CITY of such Breach, however, both parties may agree to a delay in the notification if so advised by a law enforcement official pursuant to 45 CFR §164.412.

    5.1.1   A Breach shall be treated as discovered by CONTRACTOR as of the first day on which such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been known to CONTRACTOR.

    5.1.2   CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is known, or by exercising reasonable diligence would have known, to any person who is an employee, officer, or other agent of CONTRACTOR, as determined by federal common law of agency.

5.2   CONTRACTOR shall provide the notification of the Breach immediately to the CITY DHS Executive Director or other designee.

    5.2.1   CONTRACTOR'S initial notification may be oral, but shall be followed by written notification within 24 hours of the oral notification.

5.3   CONTRACTOR'S notification shall include, to the extent possible:

    5.03.l   The identification of each Individual whose Unsecured PHI has been, or is reasonably believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;

    5.03.2   Any other information that CITY is required to include in the notification to each Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify CITY, or promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period set forth in 45 CFR §164.410 (b) has elapsed, including:

        a.   A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

        b.   A description of the types of Unsecured PHI that were

involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

c.   Any steps Individuals should take to protect themselves from potential harm resulting from the Breach;

d.   A brief description of what CONTRACTOR is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against any future Breaches; and

e.   Contact procedures for Individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

5.4   CITY may require CONTRACTOR to provide notice to the Individual as required in 45 CFR §164.404, if at the sole discretion of the CITY, it is reasonable to do so under the circumstances.

5.5   In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that CONTRACTOR made all required notifications to CITY, and as required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or disclosure of PHI did not constitute a Breach.

5.6   CONTRACTOR shall maintain documentation of all required notifications of a Breach or its risk assessment under 45 CFR §164.402 to demonstrate that a Breach did not occur.

5.7   CONTRACTOR shall provide to CITY all specific and pertinent information about the Breach, including the information listed above, if not yet provided, to permit CITY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR's initial report of the Breach to CITY.

5.8   CONTRACTOR shall continue to provide all additional pertinent information about the Breach to CITY as it becomes available, in reporting increments of five (5) business days after the prior report to CITY. CONTRACTOR shall also respond in good faith to all reasonable requests for further information, or follow-up information, after report to CITY, when such request is made by CITY.

Exhibit A-3

5.9 In addition to the provisions in the body of the Agreement, CONTRACTOR shall also bear all expense or other costs associated with the Breach and shall reimburse CITY for all expenses CITY incurs in addressing the Breach and consequences thereof, including costs of investigation, notification, remediation, documentation or other costs or expenses associated with addressing the Breach.

6. PERMITTED USES AND DISCLOSURES BY CONTRACTOR.

6.1 CONTRACTOR may use or further disclose PHI that CITY discloses to CONTRACTOR as necessary to perform functions, activities, or services for, or on behalf of, CITY as specified in the Agreement, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by CITY.

6.2 CONTRACTOR may use PHI that CITY discloses to CONTRACTOR, if necessary, for the proper management and administration of the Agreement.

6.3 CONTRACTOR may disclose PHI that CITY discloses to CONTRACTOR to carry out the legal responsibilities of CONTRACTOR, if:

6.3.1 The Disclosure is required by law; or

6.03.2 CONTRACTOR obtains reasonable assurances from the person or entity to whom/which the PHI is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person or entity and the person or entity immediately notifies CONTRACTOR of any instance of which it is aware in which the confidentiality of the information has been breached.

6.4 CONTRACTOR may use or further disclose PHI that CITY discloses to CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of CONTRACTOR.

6.5 CONTRACTOR may use and disclose PHI that CITY discloses to CONTRACTOR consistent with the minimum necessary policies and procedures of CITY.

7. OBLIGATIONS OF CITY.

7.1 CITY shall notify CONTRACTOR of any limitation(s) in CITY'S notice of privacy practices in accordance with 45 CFR §164.520, to the extent that such limitation may affect CONTRACTOR'S Use or Disclosure of PHI.

7.2 CITY shall notify CONTRACTOR of any changes in, or revocation of, the permission by an Individual to use or disclose his or her PHI, to the extent that such

changes may affect CONTRACTOR'S Use or Disclosure of PHI.

7.3   CITY shall notify CONTRACTOR of any restriction to the Use or Disclosure of PHI that CITY has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect CONTRACTOR'S use or disclosure of PHI.

7.4   CITY shall not request CONTRACTOR to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy Rule if done by CITY.

8.   BUSINESS ASSOCIATE TERMINATION.

8.01 Upon CITY'S knowledge of a material breach or violation by CONTRACTOR of the requirements of this Contract, CITY shall:

8.01.1 Provide an opportunity for CONTRACTOR to cure the material breach or end the violation within thirty (30) business days; or

8.01.2 Immediately terminate the Agreement, if CONTRACTOR is unwilling or unable to cure the material breach or end the violation within (30) days, provided termination of the Agreement is feasible.

8.02 Upon termination of the Agreement, CONTRACTOR shall either destroy or return to CITY all PHI CONTRACTOR received from CITY and any and all PHI that CONTRACTOR created, maintained, or received on behalf of CITY in conformity with the HIPAA Privacy Rule.

8.02.1 This provision shall apply to all PHI that is in the possession of subcontractors or agents of CONTRACTOR.

8.02.2 CONTRACTOR shall retain no copies of the PHI.

8.02.3 In the event that CONTRACTOR determines that returning or destroying the PHI is not feasible, CONTRACTOR shall provide to CITY notification of the conditions that make return or destruction infeasible. Upon determination by CITY that return or destruction of PHI is infeasible, CONTRACTOR shall extend the protections of this Agreement to the PHI and limit further Uses and Disclosures of the PHI to those purposes that make the return or destruction infeasible, for as long as CONTRACTOR maintains the PHI.

8.03 The obligations of this Agreement shall survive the termination of the Agreement.

Exhibit A-3