

REQUEST FOR PROPOSALS
FOR
HEALTH INSURANCE COMPLIANCE CONSULTING
(HIPAA and HITECH)
FOR
THE
PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN
FOR
FISCAL YEARS
2014 through 2018
RFP 14-013

THIS RFP CONTAINS INFORMATION UNDER THE FOLLOWING HEADINGS:

SECTION I

General Information for the Bidder

- A. Purpose
- B. Background
- C. Description of the Systems' Management
- D. Operations
- E. Funding
- F. Other Information
- G. Proposal Opening
- H. Key Dates
- I. Delivery Schedule
- J. Payment Schedule
- K. Selection of Firm
- L. Economy of Preparation
- M. News Releases
- N. Addenda to the RFP
- O. Contact Point
- P. Minimum Qualifications
- Q. Agents

SECTION II

Information Required from Bidders

- A. Qualifications of the Firm
- B. Costs and Price Analysis

SECTION III

Criteria for Evaluation

- A. General
- B. Factors

SECTION IV

Additional Documents

- A. State of Alabama Disclosure Statement (Required by Article 3B of Title 41, Code of Alabama 1975) – two pages
- B. Sample RSA State Contract
- C. Business Associate Agreement
- D. Immigration Compliance Certificate
- E. Bidder Profile Form
- F. Bidder References Form
- G. PEEHIP Statement on HIPAA Compliance Documentation
- H. HIPAA Compliance Questionnaire
- I. IRS Form W-9

SECTION I

GENERAL INFORMATION FOR THE BIDDER

A. PURPOSE:

This Request For Proposals (RFP) solicits vendor proposals to provide audit, training, and consulting services for the Public Education Employees' Health Insurance Fund (PEEHIF) to ensure compliance with the Health Insurance and Portability Accountability Act of 1996 (HIPAA) and Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) for the fiscal years 2014 through 2018 for PEEHIF. The fiscal plan year begins October 1 and ends September 30.

B. BACKGROUND:

The Public Education Employees' Health Insurance Fund provides hospital medical health insurance benefits for all full-time permanent employees, and permanent part-time employees, of the Alabama public educational institutions, which provide instruction at any combination of grades K-14, exclusively under the auspices of the State Board of Education. These insurance benefits are also available to retired employees with a portion of the retiree's cost paid through the employer premium for active employees. Coverage is also offered to eligible dependents.

Members have a choice of three hospital medical plans and four optional coverage plans as follows:

- Hospital medical administered by Blue Cross and Blue Shield of Alabama with drug coverage administered by MedImpact Healthcare Systems
- Supplemental hospital medical administered by Blue Cross and Blue Shield of Alabama
- Health Maintenance Organization – Viva.
- Optional Coverage administered by Southland Benefit Solutions, LLC – consisting of Dental, Hospital Indemnity, Vision and Cancer.

Members electing one of the hospital medical plans must pay a small amount each month for single coverage plus an additional amount if the member elects family coverage. There is no charge for members electing the supplemental hospital medical plan or supplemental plan in lieu of the other two hospital medical plans. Additionally, members may select the optional coverage plans in lieu of or in addition to the hospital medical coverage. Members electing hospital medical coverage may also elect to pay an additional amount to acquire one or more of the optional plans.

C. DESCRIPTION OF PEEHIF'S MANAGEMENT:

The Public Education Employees' Health Insurance Board administers PEEHIF self-insurance plan, and administrative responsibility for this fund is with the Retirement Systems of Alabama (RSA) administrative staff. The Chief Executive Officer (CEO) of the Teachers' Retirement System also serves as CEO for PEEHIF.

All matters relating to PEEHIF have been assigned to staff under the direction of the Deputy CEO. Currently, Carr, Riggs & Ingram, LLC performs the annual audit of the financial statements of PEEHIF. Cavanaugh Macdonald Consulting, LLC prepares the annual OPEB Valuation.

D. OPERATIONS:

The Accounting Division of the RSA is responsible for budgeting projected claims and working with the consultant to estimate premium rates necessary to fund the claims and maintain adequate reserves for unreported and unpaid claims.

PEEHIF Division is responsible for enrollments and maintains insurance records for the approximately 300,000 active and retired members and eligible dependents on-line with insurance enrollments and status changes submitted online or on approved paper forms. All enrollments and changes are reported to the third party administrators via electronic file transfer.

In March 2007, the Alabama Retired Education Employees' Health Care Trust, a multiple-employer cost-sharing defined benefit post-employment healthcare plan, was established to provide healthcare benefits to retirees of state and local educational institutions. As of March 31, 2014 the assets totaled \$1.14 Billion.

Number of Members with medical contracts and number of dependents enrolled in the Public Education Employees' Health Insurance Plan (PEEHIP) Medical Coverage and Optionals as of February 28, 2014:

HOSPITAL MEDICAL								
Contract counts as of February 28,2014								
	Active		Retired		Total		Member Contracts	Covered Persons
	Single	Family	Single	Family	Single	Family		
Blue Cross & Blue Shield								
Hosp_Med	31,702	51,265	39,414	22,810	71,116	74,075	145,191	293,103
Supplemental	144	1,082	483	553	627	1,635	2,262	6,197
CHIP					0	0	-	-
Total BC	31,846	52,347	39,897	23,363	71,743	75,710	147,453	299,300
Viva Health	961	1,059	269	149	1,230	1,208	2,438	5,334
Total Hospital/Medical					72,973	76,918	149,891	304,634
OPTIONAL PLANS - Southland								
Contract counts as of February 28,2014								
	Active		Retired		Total		Members Contracts	Covered Persons
	Single	Family	Single	Family	Single	Family		
Cancer	2,289	7,228	3,278	4,281	5,567	11,509	17,076	38,668
Dental	19,670	46,007	16,619	20,382	36,289	66,389	102,678	241,892
Vision	3,761	12,697	3,597	6,455	7,358	19,152	26,510	66,151
Indemnity	1,560	5,829	2,275	2,129	3,835	7,958	11,793	27,670
Note: Many members have Hospital Medical and one or more optional plans.								

PEEHIP also implemented an Employers' Group Waiver Plan (EGWP) effective January 1, 2013. The member count for this program is approximately 59,000 (included above) and the plan is currently administered by the PBM MedImpact.

E. FUNDING:

Employer paid health insurance premiums, member payments for family coverage and additional selected optional coverage are submitted to PEEHIF each month from the employer school systems for active employees and the retirement payroll process for retirees. There are approximately 200 local employer systems participating in PEEHIF.

F. OTHER INFORMATION:

Other documents that are considered as part of this RFP may be located via the Internet as follows:

<http://www.rsa-al.gov/> - RSA home page

<http://www.rsa-al.gov/index.php/members/peehip> - PEEHIP Section of RSA web page

www.sos.alabama.gov - Secretary of State home page

PEEHIF Law – Title 16, Chapter 25A

Flexible Benefit Plan Law – PEEHIP offers a flexible employee benefits program pursuant to Sections 16-25A-21, 16-25A-40 – 47, Code of Alabama 1975.

G. PROPOSAL OPENING:

All proposals will be submitted (three (3) copies) in a sealed wrapper with the following plainly marked on the front:

RETIREMENT SYSTEMS OF ALABAMA
HEALTH INSURANCE COMPLIANCE CONSULTING PROPOSAL
RFP 14-013
OPENING May 19, 2014

Proposals will be sent to:

Via UPS or FedEx:

Mr. Edward Davis
Director of Office Services
Retirement Systems of Alabama
201 South Union Street
Montgomery, AL 36104

Via US Mail:

Mr. Edward Davis
Director of Office Services
Retirement Systems of Alabama
P.O. Box 302150
Montgomery, AL 36130-2150

Proposals may be hand delivered to Room 574 of the Retirement Systems Building, 201 South Union Street, Montgomery, Alabama. Proposals will be accepted until 1:30 p.m. CST on May 19, 2014, and opened at 2:00 p.m. CST on May 19, 2014. Proposals will not be accepted after this date and time. The RSA reserves the right to reject any and all responses to this RFP.

Any questions regarding this RFP must be submitted electronically via email by May 2, 2014, at 5:00 p.m. CST to Mr. Edward Davis at Edward.Davis@rsa-al.gov.

H. KEY DATES:

- April 14, 2014 – RFP issued.
- April 22, 2014 at 3:00 p.m. CST – Deadline to schedule 30-minute interviews (onsite or via conference call) with RSA personnel prior to proposal. Request interview via email to Jessica.jones@rsa-al.gov.
- April 29-30, 2014 – Interviews with RSA personnel.
- May 2, 2014 at 5:00 p.m. CST – Deadline for any questions from prospective vendors. All vendor questions must be submitted via email. Responses will be posted on the RSA website.
- May 5, 2014 at 5:00 p.m. CST – RSA's responses to vendor questions will be posted on the RSA website.
- May 19, 2014 at 1:30 p.m. CST – deadline for receipt of sealed proposal.
- May 19, 2014 at 2:00 p.m. CST – Opening of RFPs.
- May 21-22, 2014 – Finalist Interviews, if needed.
- RSA completes the review and awards the bid.

I. DELIVERY SCHEDULE:

Compliance requirements for HIPAA, HITech, and Healthcare Reform are constantly evolving. PEEHIF is required to stay abreast of those changes in order to appropriately safeguard personal health information (PHI) and reduce adverse impacts to the fund. The requirements listed below will help PEEHIF ensure the plan stays consistent with meeting those objectives and becomes further proactive in fulfilling the requirements issued by Health and Human Services (HHS). PEEHIF requires all compliance and training materials be updated at minimum on a yearly basis or as required by legislation.

Specific services required include:

- Providing highly qualified legal guidance to PEEHIF management team regarding legal/legislative developments related to healthcare security, privacy, and confidentiality. PEEHIF requires legal opinions to be issued by personnel with an official Juris Doctor degree and a subject matter expert in the area of healthcare security and privacy.
- Providing yearly compliance training to all PEEHIF staff with updated training materials reflecting new or modified legislation which also includes performing a gap analysis of training content.
- Reviewing Business Associate Agreements (BAAs) to ensure verbiage is updated and complies with health care security and privacy regulations.
- Providing yearly HIPAA/HITECH security and privacy assessments based on established industry frameworks for auditing healthcare plans.
- Conducting onsite visits to determine if physical security requirements comply with HIPAA privacy and security regulations.
- Updating PEEHIF policy handbooks to reflect changes in regulation and operating procedures.

- Attending PEEHIF board meetings as requested by management to address compliance or litigation concerns that may arise.
- Interviewing select management and staff members regarding common privacy and security related practices within PEEHIP to include, but not be limited to, disposal, storage, and encryption practices or procedures.
- Identifying all information systems and communication networks that store, maintain, or transmit electronic PHI and determine compliance with documented HIPAA privacy and security regulations or other state privacy and security statutes related to healthcare.
- Evaluating potential risks (to include the cost of failure related to privacy or security breaches and related public communication costs) associated with how PEEHIF collects, uses, manages, houses and discloses health information and evaluate options or changes to current practices in order to meet HIPAA Privacy and Security regulations or other state privacy and security statutes. Evaluate risks related to current policies, procedures, tools, and techniques related to management investigation and remediation of privacy or security breaches.
- Determining if PEEHIF procedures for release, disclosure and recording of health information comply with each of the HIPAA Privacy and Security standards.
- Determining if breach notification procedures are appropriate, sufficient, and up to date.

J. PAYMENT SCHEDULE:

Payments will be made no more frequently than monthly based upon the firm's actual hours worked.

K. SELECTION OF FIRM:

PEEHIF expects to employ the successful vendor. All responding vendors will be notified in writing within a reasonable length of time following the selection. Prior to the selection of a firm, two or more vendors may be requested to make oral presentations via phone to the evaluation committee. The proposal shall become the property of PEEHIF.

PEEHIF reserves the right to cancel this RFP at any time.

L. ECONOMY OF PREPARATION:

Proposals should be prepared simply and economically and provide a concise description of the bidder's response to the requirements of this RFP. Emphasis should be on clarity. PEEHIF will not be responsible for any costs incurred by any bidder in the preparation of a proposal.

M. NEWS RELEASES:

News releases pertaining to this RFP, the service, or the audits to which it relates will be made only with prior written approval of the CEO or his representative.

N. ADDENDA TO THE RFP:

Any modifications made to the RFP prior to the proposal due date will be provided in writing to all solicited vendors.

O. CONTACT POINT:

Any questions that arise concerning this RFP may be directed to Mr. Edward Davis, (334) 517-7130 or to Edward.Davis@rsa-al.gov.

P. MINIMUM EXPERIENCE QUALIFICATIONS:

Proposals will be accepted from firms where both the firm and the assigned lead consultant have consulted with and advised a self-insured health insurance plan on its security and privacy practices with over 200,000 covered lives and claims of at least \$500 million annually. This experience should be for three (3) years of the most recent five (5) years. Subcontractors and joint ventures are not approved to bid on this RFP.

The PROPOSER shall affirmatively state that it meets all of the minimum experience requirements as noted in Section O and provide signature by the CEO or President of the proposing company as part of the proposal.

Q. AGENTS:

No agents fees will be payable by PEEHIF or successful bidder. PEEHIF will respond only to parties interested in proposing and performing the services.

SECTION II

INFORMATION REQUIRED FROM BIDDERS

Proposals must be submitted in the format outlined below:

A. QUALIFICATIONS OF THE FIRM:

1. BUSINESS ORGANIZATION:

State the full name and address of your organization, and if applicable, the branch office or other subordinate element that will perform or assist in performing the work hereunder. Indicate whether you operate as an individual, partnership, or corporation; if as a corporation, include the state in which you incorporated. State whether you are licensed to operate in the State of Alabama.

2. PRIOR EXPERIENCE:

As part of your proposal, include a brief statement (maximum five pages) concerning the relevant experience of persons from your firm who will be performing the proposed consulting. Do not include general corporate background brochures. Emphasize experience directly applicable to providing security consulting for healthcare plans. List a contact person for your large self-insurance clients. Specific areas to be addressed in additional sections must include the following required experience:

- HIPAA knowledge and experience – including credentials.
- Knowledge and abilities in regard to Healthcare reform, security, and privacy.
- IT technical experience and background for technical personnel that will work on the project if awarded to the proposer.

3. MANPOWER:

Identify lead individuals by name and title and include a resume of each.

4. AUTHORIZED OFFICIALS:

Include the names and telephone numbers of personnel of the organization authorized to execute the proposed contracts with PEEHIF.

5. ADDITIONAL INFORMATION AND COMMENTS:

Include any other information believed to be pertinent but not specifically requested elsewhere in this RFP.

B. COST AND PRICE ANALYSIS:

The information requested in this Section is required to support the reasonableness of your proposal price. Use the following format:

Reflect the details of each of the following you expect for the annual insurance consulting services for each of the fiscal years 2014 through 2018.

- Cost per hour for the lead consultant who will be responsible for consulting with PEEHIF and the cost per hour of any other professional person by name and title who will be assisting the lead consultant in performing these consulting services.
- Itemize other direct costs that may be included in billing for these services and basis for billing.
- Itemize the basis for allocating any general and administrative burden to the billings for these services.
- Detail basis for charging travel costs related to the performance of these services. PEEHIF will only pay travel based upon State of Alabama rules and regulations.
- Expected total contract cost by year for years 2014, 2015, and 2016 for service detailed section H.

NOTE: PEEHIF will not be liable for any expense for use of any job classification by the vendor that is not identified in the vendor's response.

PEEHIF desires to enter into a five-year contract for performing the health insurance security and privacy consulting services for fiscal years 2014 through 2018. Be specific for the following:

- Savings anticipated through increased efficiencies as you gain increased knowledge of the operating systems.
- Factors that will be considered and the relevant weighting factor of each on annual fee adjustments.
- Your willingness to annually disclose and discuss hourly rate adjustments by each employee classification to the engagement.
- PEEHIF contracts must contain a maximum annual fee for each year which includes all professional fees, expenses and travel.

SECTION III

CRITERIA FOR EVALUATION

A. GENERAL:

Proposals will be evaluated by an evaluation committee. Selection will be based on all factors listed below and others implicit within the RFP and will represent the best performance and reasonable costs for PEEHIF. Oral presentations and interviews via phone may be required as part of the evaluation criteria.

B. FACTORS:

The following factors will be the minimum criteria in making the selection (order does not indicate priority):

1. PRICE:

This criterion shall be judged by its reasonableness in relation to the merits of the proposal.

2. QUALIFICATION OF THE FIRM:

This includes the ability of the vendor to meet the terms of the RFP and the relevancy of recent similar health insurance consulting engagements.

3. PROFESSIONAL PERSONNEL:

This includes the competence and level of professional personnel who will guide the engagement. Familiarity with RSA IT systems and business processes will be considered. Education, certifications, and relevant compliance experience will measure qualifications of professional personnel.

SECTION IV

ADDITIONAL DOCUMENTS

The following documents are required and must be completed and submitted with the proposal:

- A. State of Alabama Disclosure Statement (Required by Article 3B of Title 41, Code of Alabama 1975) – two pages
- B. Sample RSA State Contract
- C. Business Associate Agreement
- D. Immigration Compliance Certificate
- E. Bidder Profile Form
- F. Bidder References Form
- G. PEEHIP Statement on HIPAA Compliance Documentation
- H. HIPAA Compliance Questionnaire
- I. IRS Form W-9



State of Alabama

Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

()

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

ADDRESS

CITY, STATE, ZIP

TELEPHONE NUMBER

()

This form is provided with:

Contract

Proposal

Request for Proposal

Invitation to Bid

Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes

No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT	TYPE OF GOODS/SERVICES	AMOUNT RECEIVED

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes

No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT	DATE GRANT AWARDED	AMOUNT OF GRANT

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE	ADDRESS	STATE DEPARTMENT/AGENCY

OVER

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF FAMILY MEMBER	ADDRESS	NAME OF PUBLIC OFFICIAL/ PUBLIC EMPLOYEE	STATE DEPARTMENT/ AGENCY WHERE EMPLOYED

If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST	ADDRESS

By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.

Signature Date

Notary's Signature Date Date Notary Expires

Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.

STATE OF ALABAMA
MONTGOMERY COUNTY

AGREEMENT

This Agreement, which results from RFP _____ entitled _____, is made and entered into effective _____ between the Public Education Employees' Health Insurance Plan ("PEEHIP") and _____, hereinafter referred to as "Contractor."

SERVICES

Contractor shall provide _____ services to PEEHIP in accordance with the guidelines, terms and conditions set forth in PEEHIP's RFP _____ and Contractor's Proposal dated _____, and any amendments thereto all of which documents are attached hereto as Exhibit A and incorporated herein by reference.

CONSIDERATION

As consideration for the services rendered pursuant to this Agreement, PEEHIP agrees to compensate the Contractor an amount equal to the rates set forth in Contractor's Proposal, as amended.

TERM

This Agreement shall be for the period beginning _____ and ending _____.

OTHER

Contractor acknowledges and understands that this Agreement is not effective until it has received all required state government approvals, and Contractor shall not begin performing work under this Agreement until notified to do so by PEEHIP. Contractor is entitled to no compensation for work performed prior to the effective date of this Agreement.

Contractor acknowledges that Contractor is an independent contractor, and neither Contractor nor Contractor's employees are to be considered employees of PEEHIP or entitled to any benefits.

In the event of proration of the funds from which this Agreement is to be paid, the Agreement will be subject to termination by PEEHIP.

Contractor acknowledges that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment Number 26. It is further agreed that if any provisions of this Agreement shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this Agreement, be enacted, then that conflicting provision in the Agreement shall be deemed null and void. Contractor may not assign this Agreement or any interest herein or any money due hereunder without the expressed written consent of PEEHIP. Contractor's sole remedy for the settlement of any and all disputes arising under the terms of this Agreement shall be limited to the filing of a claim with the Board of Adjustment of the State of Alabama.

Contractor acknowledges and agrees that, notwithstanding anything to the contrary contained herein or in any other agreement between the parties hereto, PEEHIP shall not indemnify or hold harmless Contractor, its affiliates, administrators, officers, employees or agents. Contractor further acknowledges and agrees that PEEHIP shall not be liable to Contractor for any late fees, penalties, collection fees or attorney fees.

Contractor acknowledges that, in the course of performing its responsibilities under this Agreement, Contractor may be exposed to or acquire information that is proprietary or confidential to PEEHIP or its members. Contractor agrees to hold such information in confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise disclose such information to third parties or to use such information for any purpose whatsoever, without the express written permission of PEEHIP, other than for the performance of obligations hereunder or as required by applicable state or federal law. For purposes of this Agreement, all records, financial information, specifications and data disclosed to Contractor during the term of this Agreement, whether submitted orally, in writing, or by any other media, shall be deemed to be confidential in nature unless otherwise specifically stated in writing by PEEHIP.

By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the state of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with Alabama Law, without giving any effect to the conflict of laws provision thereof.

TERMINATION

This Agreement may be terminated for any reason by either party upon ninety (90) days written notice. PEEHIP shall have the right to terminate this Agreement immediately by

providing written notice to Contractor in the event Contractor fails to execute any provision of this Agreement promptly and to the satisfaction of PEEHIP.

Contractor Federal Tax ID Number

By: _____
Its: _____

Public Education Employees' Health
Insurance Plan
By: David G. Bronner
Its: Chief Executive Officer

Reviewed by:

Legal Counsel for PEEHIP

BUSINESS ASSOCIATE AGREEMENT

This Agreement as made and entered into this ____ day of _____, 2014 by and between _____ (“Business Associate”) and Public Education Employees’ Health Insurance Plan (PEEHIP), with PEEHIP as Plan Sponsor acting herein on behalf of such Plan(s) (hereby collectively designated as “Covered Entity”).

WHEREAS, Business Associate and Covered Entity desire and are committed to complying with all relevant federal and state laws with respect to the confidentiality and security of Protected Health Information (PHI), including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996, and accompanying regulations, as amended from time to time (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

NOW, THEREFORE, for valuable consideration the receipt of which is hereby acknowledged and intending to establish a business associate relationship under 45 CFR §164, the parties hereby agree as follows:

I. Definitions

- A. “Breach” shall be defined as set out in 45 CFR §164.402.
- B. “CFR” means the Code of Federal Regulations. A reference to a CFR section means that section as amended from time to time; provided that if future amendments change the designation of a section referred to herein, or transfer a substantive regulatory provision referred to herein to a different section, the section references herein shall be deemed to be amended accordingly.
- C. “Compliance Date(s)” shall mean the date(s) established by the Secretary or the United States Congress as the effective date(s) of applicability and enforceability of the Privacy Rule, Security Rule and HITECH Standards.
- D. “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 CFR §164.501 and shall include a group of records that is: the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for Covered Entity by Business Associate or used, in whole or in part, by or for Covered Entity to make decisions about Individuals.
- E. “Electronic Protected Health Information” (EPHI) shall have the same meaning as the term “electronic protected health information” in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- F. “HITECH Standards” shall mean the privacy, security and security breach notification provisions applicable to a Business Associate under Subtitle D of the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009, as such law may be amended from time to time, and any regulations promulgated thereunder.

- G. “Individual” shall have the same meaning as the term “individual” in 45 CFR §160.103, and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).
- H. “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR parts 160 and 164, subparts A and E.
- I. “Protected Health Information” (PHI) shall have the same meaning as the term “protected health information” in 45 CFR §160.103, limited to the information received from or created on behalf of Covered Entity by Business Associate.
- J. “Required by Law” shall have the same meaning as the term “required by law” in 45 CFR §164.501.
- K. “Security Incident” shall have the same meanings as the term “security incident” in 45 CFR §164.304.
- L. “Security Rule” shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR parts 160 and 164, subparts A and C.
- M. “Unsecured PHI” shall have the same meaning as “unsecured protected health information” in 45 CFR §164.402.

Terms used, but not otherwise defined, shall have the same meaning as those terms in the Privacy Rule, Security Rule and HITECH Standards.

II. Obligations of Business Associate

- A. Business Associate agrees not to use or disclose PHI other than as permitted or required by this Agreement or as Required by Law. Business Associate will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure.
- B. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall implement administrative, physical, and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, maintains, or transmits on behalf of the Covered Entity as required by the Security Rule.
- C. Business Associate agrees to report to Covered Entity any use or disclosure of PHI other than as provided for by this Agreement promptly after Business Associate has actual knowledge of such use or disclosure, and to report promptly to the Covered Entity all Security Incidents of which it becomes aware as determined by Business Associate. Following the discovery of a Breach of Unsecured PHI, Business Associate shall notify Covered Entity of such Breach without unreasonable delay, and in no event later than 60 calendar days after such discovery. The notification will include the identification of each individual whose Unsecured PHI has been, or is reasonably believed to have been, accessed, acquired or disclosed during the Breach. A Breach shall be treated as discovered as of the first day on which such Breach is known or reasonably should have been known to Business Associate.

- D. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Agreement or applicable regulations.
- E. Business Associate agrees to include in its agreement with any agent or subcontractor to whom it provides PHI on behalf of the Covered Entity conditions with respect to such information that are at least as restrictive as those that apply through this Agreement to Business Associate. Business Associate agrees to ensure that any agents, including sub-agents, to whom it provides EPHI received from, or created or received by Business Associate on behalf of the Covered Entity, agree in writing to implement the same reasonable and appropriate safeguards that apply to Business Associate to protect the Covered Entity's EPHI.
- F. If Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make available to Covered Entity, within a reasonable time, such information as Covered Entity may require to fulfill Covered Entity's obligations to respond to a request for access to PHI as provided under 45 CFR §164.524 or to respond to a request to amend PHI as required under 45 CFR §164.526. Business Associate shall refer to Covered Entity all such requests that Business Associate may receive from Individuals. If Covered Entity requests Business Associate to amend PHI in Business Associate's possession in order to comply with 45 CFR §164.526, Business Associate shall effectuate such amendments no later than the date they are required to be made by 45 CFR §164.526; provided that if Business Associate receives such a request from Covered Entity less than ten (10) business days prior to such date, Business Associate will effectuate such amendments as soon as is reasonably practicable.
- G. If applicable, Business Associate agrees to provide to Covered Entity within a reasonable time such information necessary to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures as provided under 45 CFR §164.528. Business Associate shall refer to Covered Entity all such requests which Business Associate may receive from Individuals.
- H. Upon reasonable notice, Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the U.S. Secretary of Health and Human Services, or an officer or employee of that Department to whom relevant authority has been delegated, at Covered Entity's expense in a reasonable time and manner, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- I. Notwithstanding any other provision in this Agreement, Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entity, Business Associate will comply with the HITECH Business Associate provisions and with the obligations of a Business Associate as prescribed by HIPAA and the HITECH Act commencing on the Compliance Date of each such provision. Business Associate and the Covered Entity further agree that the provisions of HIPAA and the HITECH Act that apply to Business Associates and that are required to be incorporated by reference in a Business Associate Agreement are incorporated into this Agreement between Business Associate and Covered Entity as if set forth in this Agreement in their entirety and are effective as of the Compliance Date.

III. Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Agreement, Business Associate may:

- A. Use or disclose Protected Health Information on behalf of the Covered Entity, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by the Covered Entity.
- B. Use Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate.
- C. Disclose Protected Health Information for the proper management and administration of Business Associate or to fulfill any present or future legal responsibilities of Business Associate, provided that such disclosure is either Required by Law or Business Associate obtains reasonable assurances from any person to whom Protected Health Information is disclosed that such person will: (i) keep such information confidential, (ii) use or further disclose such information only for the purpose for which it was disclosed to such person or as Required by Law, and (iii) notify Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- D. Use Protected Health Information to provide data aggregation services relating to the health care operations of the Covered Entity, as provided in 45 CFR §164.501.
- E. To create de-identified data, provided that the Business Associate de-identifies the information in accordance with the Privacy Rule. De-identified information does not constitute PHI and is not subject to the terms and conditions of this Agreement.

IV. Obligations of Covered Entity

- A. Covered Entity shall notify Business Associate of any facts or circumstances that affect Business Associate's use or disclosure of PHI. Such facts and circumstances include, but are not limited to: (i) any limitation or change in Covered Entity's notice of privacy practices, (ii) any changes in, or withdrawal of, an authorization provided to Covered Entity by an Individual pursuant to 45 CFR §164.508; and (iii) any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522.
- B. Covered Entity warrants that it will not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or is not otherwise authorized or permitted under this Agreement.
- C. Covered Entity acknowledges and agrees that the Privacy Rules allow the Covered Entity to permit Business Associate to disclose or provide access to PHI, other than Summary Health Information, to the Plan Sponsor only after the Plan Sponsor has amended its plan documents to provide for the permitted and required uses and disclosures of PHI and to require the Plan Sponsor to provide a certification to the Plan that certain required provisions have been incorporated into the Plan documents before the Plan may disclose, either directly or through a Business Associate, any PHI to the Plan Sponsor. Covered Entity hereby warrants and represents that Plan documents have been so amended and that the Plan has received such certification from the Plan Sponsor.

D. Covered Entity agrees that it will have entered into Business Associate Agreements with any third parties to whom Covered Entity directs and authorizes Business Associate to disclose PHI.

V. Effective Date; Termination

- A. The effective date of this Agreement shall be the date this Agreement is signed by both parties (or the Compliance Date, if later).
- B. This Agreement shall terminate on the date Business Associate ceases to be obligated to perform the functions, activities, and services described in Article III.
- C. Upon Covered Entity's knowledge of a material breach or violation of this Agreement by Business Associate, Covered Entity shall notify Business Associate of such breach or violation and Business Associate shall have thirty (30) days to cure the breach or end the violation. In the event Business Associate does not cure the breach or end the violation, Covered Entity shall have the right to immediately terminate this Agreement and any underlying services agreement if feasible, or if termination is not feasible, Covered Entity shall report the breach or violation to the Secretary.
- D. Upon Business Associate's knowledge of a material breach or violation of this Agreement by Covered Entity, Business Associate shall notify Covered Entity of such breach or violation and Covered Entity shall have thirty (30) days to cure the breach or end the violation. In the event Covered Entity does not cure the breach or end the violation, Business Associate shall have the right to immediately terminate this Agreement and any underlying services agreement if feasible, or if termination is not feasible, Business Associate shall report the breach or violation to the Secretary.
- E. Upon termination of this Agreement, Business Associate will return to Covered Entity, or if return is not feasible, destroy, any and all PHI that it created or received on behalf of Covered Entity and retain no copies thereof. If the return or destruction of the PHI is determined by Business Associate not to be feasible, Business Associate shall limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible. If return or destruction of the PHI is feasible but Business Associate is required by law to retain such information or copies thereof, Business Associate will maintain the PHI for the period of time required under applicable law after which time Business Associate shall return or destroy the PHI.
- F. Business Associate's obligations under Sections II and III of this Agreement shall survive the termination of this Agreement with respect to any PHI so long as it remains in the possession of Business Associate.

VI. Other Provisions

- A. The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the Privacy and Security Rules and the HITECH Standards. Business Associate shall provide written notice to Covered Entity to the extent that any final regulation or amendment to final regulations promulgated by the Secretary under HITECH requires changes to this Business Associate Agreement. Such written notice shall include any additional amendment required by

any such final regulation and the Business Associate Agreement shall be automatically amended to incorporate the changes set forth in such amendment provided by Business Associate to Covered Entity, unless Covered Entity objects to such amendment in writing within fifteen (15) days of receipt of such written notice. In the event that Covered Entity objects timely to such amendment, the parties shall work in good faith to reach agreement on an amendment to this Agreement that complies with the final regulations. If the parties are unable to reach agreement regarding an amendment within thirty (30 days) of the date that Business Associate receives any written objection from Covered Entity, either party may terminate this Agreement upon ninety (90) days written notice to the other party. Any other amendment to the Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.

- B. Except as it relates to the use, security and disclosure of PHI and electronic transactions, this Agreement is not intended to change the terms and conditions of, or the rights and obligations of the parties under any other services agreement between them.
- C. Each party agrees to defend, indemnify and hold harmless the other party, its affiliates and each of their respective directors, officers, employees, agents or assigns from and against any and all actions, causes of action, claims, suits and demands whatsoever, and from all damages, liabilities, costs, charges, debts, fines, government investigations, proceedings, and expenses whatsoever (including reasonable attorneys' fees and expenses related to any litigation or other defense of any claims), which may be asserted or for which they may now or hereafter become subject arising in connection with (i) any misrepresentation, breach of warranty or non-fulfillment of any undertaking on the part of the party under this Agreement; and (ii) any claims, demands, awards, judgments, actions, and proceedings made by any person or organization arising out of or in any way connected with the party's performance under this Agreement.
- D. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- E. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Covered Entity to comply with the Privacy and Security Rules and the HITECH Standards.
- F. This Agreement replaces and supersedes in its (their) entirety any prior Business Associate Agreement(s) between the parties.

In witness whereof, this Agreement has been signed and delivered as of the date first set forth above.

Public Education Employees' Health Insurance Plan
Plan Sponsor, acting on behalf of Covered Entity

<insert name of Business Associate>

by _____
Signature

by _____
Signature

Printed Name

Printed Name

Title

Title

BIDDER PROFILE FORM

Bidder's Legal Name:	Address:	
Phone Number:	Fax Number:	E-mail:
Home Office Location:	Date Established:	Ownership: If corporation, State in which you are Incorporated :
Firm Leadership:	Number of Employees:	Number of Employees Directly Involved in Tasks Related to the Work:
Is your firm licensed to operate in the State of Alabama?		
Additional Background Information:		

BIDDER REFERENCES FORM

Three professional references who have received services from the Bidder in the past three years:

Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	
Company Name:	Contact Name:
Address:	Phone Number: E-mail:
Project Name:	Beginning Date of Project: Ending Date of Project:
Description of project size, complexity and role in this project.	

PEEHIP STATEMENT ON HIPAA COMPLIANCE DOCUMENTATION

The Public Education Employees' Health Insurance Plan (the "Plan") considers personal information to be confidential. The Plan protects the privacy of personal information in accordance with applicable privacy laws. The Plan is required by law to take reasonable steps to ensure the privacy of our members' healthcare information in accordance with the Health Information Portability and Accountability Act (HIPAA). With the recent addition of the Health Information Technology for Economic and Clinical Health (**HITECH**) Act, (enacted as part of the American Recovery and Reinvestment Act of 2009) it is imperative that PEEHIP maintain reasonable oversight over protected health information that it shares with its business associates. As defined by HIPAA, a business associate is any organization or person working in association with, or providing services to, a covered entity (PEEHIP) who handles or discloses Personal Health Information (PHI) or Personal Health Records (PHR).

Proposed Policy:

PEEHIP shall ensure that all of its business associate agreements (BAA's) meet current regulation requirements and are reviewed annually. Any addendum(s) to a BAA that are required by any current or proposed HIPAA or HITECH statutes or regulations shall be entered into within the time frame mandated pursuant to such statutes or regulations.

As a continued or future business associate of PEEHIP, business associates must provide adequate documentation stating they are in compliance with current HIPAA Security and Privacy rules. Documentation must consist of, at a minimum, one of the following:

- **External HIPAA Audit Certification** – Audit must have been conducted by a credible third party audit firm specializing in HIPAA audits within the last two years or within the last 12 months of a significant change or enacted legislation. Summary must state if business associate meets HIPAA compliance.
- **Detailed Internal Controls Documentation** – Policy and audit documentation demonstrating full compliance with each of the standards outlined in the HIPAA Security and Privacy regulations to be reviewed and approved by RSA's security and privacy officials. The HIPAA Privacy and Security Rules are defined in 45 CFR 164 Subparts A and C for Security and Privacy. The HIPAA Security Rule Implementation Standards are outlined in 45 CFR 164.308 - 164.316.
- **Statement of Controls Audit** - At minimum a SOC 1 report is required but an SOC 2 Type 2 certification is preferred as evolves to become the standard certification for validating confidentiality, availability, and processing integrity within an organization.

*The SOC 2 audit is a replacement for SAS70 Type II. A SSAE 16 SOC 1 generally covers the financial side of the controls audit; therefore, PEEHIP prefers a SOC 2. Audit documentation must depict controls over systems, operations, and facilities where "PEEHIP" data will be processed and stored for the duration of the contract. A SOC 3 Report is considered acceptable documentation as it can be freely distributed (general use) and only reported on if the entity has achieved the Trust Services criteria **based upon the SOC 2 audit.***

If a current business associate fails to comply with this Policy, PEEHIP shall have the right, at PEEHIP's sole discretion, to request one of the above defined audits to be completed and results obtained **within 90 days from the date such business associate receives written notice of noncompliance from PEEHIP.** In such event, the audited party will be solely responsible for all expenses incurred by the parties during the audit, including without limitation, all payment due to the audit firm. Should such business associate not obtain the audit within the 90 days allowed, PEEHIP shall have the right, in its sole discretion, to terminate its relationship with the business associate. In no event shall a new business associate relationship be created with a party not in compliance with this policy.

HIPAA Compliance Questions

1. Is everyone in the organization provided HIPAA training? If so, how often?
2. What is the size of the staff within the organization?
Is there a defined security and privacy officer? If so, do they have appropriate backgrounds to act within their roles?
3. Please explain how HIPAA assessments are performed within the organization. How often are assessments done, and by whom?
May PEEHIP obtain a copy of the latest assessment?
4. If the organization has ever had a HIPAA breach, when did it occur?
5. May PEEHIP obtain a copy of your Information Security Policy and Procedures?
6. At any point in time, may PEEHIP come on site and perform a self-assessment based on HIPAA requirements?
7. Has everyone in the organization been trained on how to report a security incident or potential breach?
8. PEEHIP has been made aware of new HIPAA regulations and guidelines. Business Associates and Covered Entities will be required to be in compliance by September 23, 2013. Please explain how your organization is working toward meeting these new guidelines?

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) * _____ <input type="checkbox"/> Other (see instructions) * _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number									
				-					

Employer identification number									
				-					

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person *	Date *
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity’s name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner’s name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner’s name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.