



West Virginia Purchasing Division

2019 Washington Street, East
Charleston, WV 25305
Telephone: 304-558-2306
General Fax: 304-558-6026
Bid Fax: 304-558-3970

The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at ***wvOASIS.gov***. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at ***WVPurchasing.gov*** with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

Header # 5

List View

General Information | [Contact](#) | [Default Values](#) | [Discount](#) | [Document Information](#)

Procurement Folder: 331942

SO Doc Code: CRFQ

Procurement Type: Central Master Agreement

SO Dept: 0225

Vendor ID: VS0000011858

SO Doc ID: PE1700000001

Legal Name: National Data Services of Chicago Inc

Published Date: 6/14/17

Alias/DBA:

Close Date: 6/21/17

Total Bid: \$1,490.00

Close Time: 13:30

Response Date: 06/20/2017

Status: Closed

Response Time: 14:53

Solicitation Description: Addendum 2 - Invoice Printing Services

Total of Header Attachments: 5

Total of All Attachments: 5



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia
 Solicitation Response

Proc Folder : 331942
 Solicitation Description : Addendum 2 - Invoice Printing Services
 Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation Response	Version
	2017-06-21 13:30:00	SR 0225 ESR06201700000006464	1

VENDOR
VS0000011858 National Data Services of Chicago Inc

Solicitation Number: CRFQ 0225 PEI1700000001

Total Bid : \$1,490.00 Response Date: 2017-06-20 Response Time: 14:53:06

Comments: Diamond Communication Solutions, Inc. (Diamond) is very pleased to submit our proposal in response to your RFP to provide Invoice Mailing Services. The following RFP response outlines our proposed approach to the project and addresses the information requirements that were outlined in the WV Public Employees Insurance Agency (PEIA) Mailing Services RFP. Diamond is an end-to-end partner in the creation, production, and deployment of data-driven, highly personalized communications in print and digital response media. Diamond delivers dynamic solutions in critical communications, direct marketing, and fulfillment. With over 30 years of experience, our firm has the in-depth knowledge and experience to undertake this initiative on behalf of PEIA and to complete it efficiently and effectively as required. Our project team consists of project manager, document design, programmer, IT, sales and management personnel who have a proven track record of providing solutions to organizations in the area of invoice/statement production and distribution. Recently recognized by INC5000 as one of the fastest growing privately held companies in America, Diamond Communication Solutions was founded in 2001 and has grown through acquisition to over \$100,000,000 in sales with 500+ employees, located in four States.

FOR INFORMATION CONTACT THE BUYER
 Linda B Harper
 (304) 558-0468
 linda.b.harper@wv.gov

Signature on File FEIN # DATE

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Invoice Mailing	5.00000	PM	\$298.000000	\$1,490.00

Comm Code	Manufacturer	Specification	Model #
82121506			

Extended Description :	Specifications 4.1.1
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Comments: 30 business day implementation.



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia
 Request for Quotation
 30 — Printing

Proc Folder: 331942
 Doc Description: Invoice Printing Services
 Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2017-05-31	2017-06-15 13:30:00	CRFQ 0225 PEI1700000001	1

BID RECEIVING LOCATION			
BID CLERK			
DEPARTMENT OF ADMINISTRATION			
PURCHASING DIVISION			
2019 WASHINGTON ST E			
CHARLESTON	WV	25305	
US			

VENDOR
Vendor Name, Address and Telephone Number:

FOR INFORMATION CONTACT THE BUYER
Linda B Harper (304) 558-0468 linda.b.harper@wv.gov

Signature X	FEIN #	DATE

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION:

The West Virginia Purchasing Division for the Agency, The West Virginia Public Employees Insurance Agency is soliciting bids from qualified vendors to establish an "Open-End" contract for the purchase printing and mailing services per the Specifications, Terms & Conditions and bid requirements as attached.

INVOICE TO		SHIP TO	
PUBLIC EMPLOYEES INSURANCE STE 2 601 57TH ST SE CHARLESTON WV25304 US		PUBLIC EMPLOYEES INSURANCE STE 2 601 57TH ST, SE CHARLESTON WV 25304 US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Invoice Mailing	5.00000	PM	\$0.298 ea	\$1,490.00

Comm Code	Manufacturer	Specification	Model #
82121506			

Extended Description :
Specifications 4.1.1

SCHEDULE OF EVENTS

Line	Event	Event Date
1	Vendor Question Deadline 5:00 p.m.	2017-06-08

DESIGNATED CONTACT: Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

David D Moore Vice President Sales
(Name, Title)
David D Moore Vice President Sales
(Printed Name and Title)
900 Kimberly Drive Carol Stream, IL 60188
(Address)
(614) 436-1099
(Phone Number) / (Fax Number)
d.moore@dmsolutions.com
(email address)

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Demand Communication Solutions
(Company)
David D Moore Vice President Sales
(Authorized Signature) (Representative Name, Title)
David D Moore, Vice President Sales
(Printed Name and Title of Authorized Representative)
06/20/2017
(Date)
(614) 436-1099
(Phone Number) (Fax Number)

10. VENDOR DEFAULT:

10.1. The following shall be considered a vendor default under this Contract.

10.1.1. Failure to perform Contract Services in accordance with the requirements contained herein.

10.1.2. Failure to comply with other specifications and requirements contained herein.

10.1.3. Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

10.1.4. Failure to remedy deficient performance upon request.

10.2. The following remedies shall be available to Agency upon default.

10.2.1. Cancellation of the Contract.

10.2.2. Cancellation of one or more release orders issued under this Contract.

10.2.3. Any other remedies available in law or equity.

11. MISCELLANEOUS:

11.1. Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below. If an alternate Contract contact will be designated as well, please provide their contact information.

Contract Manager: David Moore, Vice President
Telephone Number: (44) 436-1099
Fax Number: _____
Email Address: dmoore@admsolutions.com

Alternate Contact:

Name: Helen Mellas, Corporate Compliance
Telephone Number: (630) 597-9131
Fax Number: _____
Email Address: hmellas@admsolutions.com

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.:

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:
(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Diamond Communication Solutions
Company

W. Moore
Authorized Signature

06/20/2017
Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: PEI1700000001

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Diamond Communication Solutions

Company

[Signature]

Authorized Signature

06/20/2017

Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

Revised 6/8/2012

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: PE1170000001

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|--|
| <input type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Diamond Communication Solutions
Company

[Signature]
Authorized Signature

06/20/2017
Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.
Revised 6/8/2012

**Invoice Printing
Appendix B
Pricing Page**

<u>Item</u>	<u>Description</u>	<u>Unit of Measure</u>	<u>Unit Cost</u>	<u>Estimated Quantity per Printing*</u>	<u>Extended Cost</u>
4.1.1	Invoice Mailing	1000 pieces	\$0.298	5	\$1,490. ⁰⁰
TOTAL BID AMOUNT					\$1,490. ⁰⁰

*Quantities are estimates only, printing is generally once per month

Vendor Name:

Diamond Communication Solutions

Address:

900 Kimberly Drive

Carol Stream, IL 60188

Phone Number:

(614) 436-1099

Email Address:

dmoore@dmsolutions.com

Appendix C: Vendor Qualifications and Experience

MANDATORY REFERENCES - REQUIRED

Reference #1 Name:	Pioneer West Virginia Federal Credit Union
Contact person:	Shannon Bradley
Position:	Member Experience Officer
Address:	1316 Kanawha Blvd East
City, State Zip:	Charleston, WV 25301
Telephone Number:	(304) 348-6648; ext 2107
Fax Number:	
E-mail address:	sbradley@pioneerwv.org
Project Name:	Member statements, Notices, 1099 Documents
Project Description - please provide details of the project, e.g. did the project involve bar coding, pre-sorting, binding, mailing(s), tabbing, etc.	Daily member notices, monthly member statements, and annual 1099 IRS mailings. All mail packages are CASS certified, NCOA mail processed and mail sorted. All pages have 3 of 9 or 2D barcode for intelligent inserting of single page or multiple page mail packages
Project date(s):	Every business day, first week of every month, January
Total Number of Pieces:	137,000 mail packages, 288,000 pages annually
List any and/or all subcontractors who were assigned to the scope of work. If no subcontractor(s) were used, state that, "All work was performed by the vendor."	All work performed by vendor.

Reference #2 Name:	Washington County, Pennsylvania
Contact person:	Francis King
Position:	Treasurer
Address:	100 Beau Street, Suite 102
City, State Zip:	Washington, PA 15301
Telephone Number:	(724) 250-4610
Fax Number:	
E-mail address:	kingf@co.washington.pa.us
Project Name:	Washington County Tax Bills

Project Description - please provide details of the project, e.g. did the project involve bar coding, pre-sorting, binding, mailing(s), tabbing, etc.	Annual county tax bill mailing. All tax bill mail packages are CASS certified, NCOA processed and mail sorted. All mail packages have 3 of 9 or 2D barcode for intelligent inserting and OCR scan line for lockbox scanning.
Project date(s):	First week of January
Total Number of Pieces:	65,000 mail packages, 80,000 pages annually
List any and/or all subcontractors who were assigned to the scope of work. If no subcontractor(s) were used, state that, "All work was performed by the vendor."	All work performed by vendor

Reference #3 Name:	West Virginia State Fire Commission
Contact person:	Melissa Hapney
Position:	Administrative Services Manager
Address:	1207 Quarman Street, 2nd Floor
City, State Zip:	Charleston WV 25301
Telephone Number:	(304) 558-2191, ext 53203
Fax Number:	
E-mail address:	melisse.d.hapney@wv.gov
Project Name:	Renewal Notices
Project Description - please provide details of the project, e.g. did the project involve bar coding, pre-sorting, binding, mailing(s), tabbing, etc.	Annual license renewal notices for electricians, explosive blasters, and pyrotechnicians. Electricians renewal notice is CASS certified, NCOA processed and mail sorted. Return coupon has OCR scan line that is OCR scanned by WV Treasurer's office.
Project date(s):	March 2017
Total Number of Pieces:	16,500
List any and/or all subcontractors who were assigned to the scope of work. If no subcontractor(s) were used, state that, "All work was performed by the vendor."	All work performed by vendor

OPTIONAL REFERENCES - NOT REQUIRED

Reference #4 Name:	The Segal Group
Contact person:	Patrick Moore
Position:	Vice President
Address:	333 West 34th Street
City, State Zip:	New York, NY 10001
Telephone Number:	(212) 251-5068
Fax Number:	
E-mail address:	pmoore@segalco.com
Project Name:	Benefit Packages
Project Description - please provide details of the project, e.g. did the project involve bar coding, pre-sorting, binding, mailing(s), tabbing, etc.	Employee benefit packages. Twenty different employee benefit package mailings per year for different employers. Some benefit packages are multiple pages inserted into #10 or #12 envelopes. Others are stapled booklets.
Project date(s):	January - December
Total Number of Pieces:	250 - 300,000 mail packages depending on employer
List any and/or all subcontractors who were assigned to the scope of work. If no subcontractor(s) were used, state that, "All work was performed by the vendor."	All work performed by vendor

Reference #5 Name:	1st Service Federal Credit Union
Contact person:	Jack Harper
Position:	CEO
Address:	100 Main Street
City, State Zip:	Groveton OH 43125
Telephone Number:	(614) 420-6310
Fax Number:	
E-mail address:	jharper@1stfcu.com
Project Name:	Member statements
Project Description - please provide details of the project, e.g. did the project involve bar coding, pre-sorting, binding, mailing(s), tabbing, etc.	Single page and multiple page member statements. All mail packages are CASS certified, NCOA processed and mail sorted. All pages have 3x9 or 2D barcode for intelligent machine inserting.
Project date(s):	First week of every month
Total Number of Pieces:	144,000 mail packages / 216,000 pages annually

List any and/or all subcontractors who were assigned to the scope of work. If no subcontractor(s) were used, state that, "All work was performed by the vendor."

All work performed by vendor.

WV STATE GOVERNMENT

HIPAA BUSINESS ASSOCIATE ADDENDUM

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective as of the date of execution of the Addendum.

The Associate performs certain services on behalf of or for the Agency pursuant to the underlying Agreement that requires the exchange of information including protected health information protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the "HITECH Act"), any associated regulations and the federal regulations published at 45 CFR parts 160 and 164 (sometimes collectively referred to as "HIPAA"). The Agency is a "Covered Entity" as that term is defined in HIPAA, and the parties to the underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the underlying Agreement into compliance with HIPAA.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, the HITECH Act and its associated regulations, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE: the parties agree that in consideration of the mutual promises herein, in the Agreement, and of the exchange of PHI hereunder that:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
 - a. **Agency Procurement Officer** shall mean the appropriate Agency individual listed at: <http://www.state.wv.us/admin/purchase/vrc/agencyli.html>.
 - b. **Agent** shall mean those person(s) who are agent(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).
 - c. **Breach** shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except as excluded in the definition of Breach in 45 CFR § 164.402.
 - d. **Business Associate** shall have the meaning given to such term in 45 CFR § 160.103.
 - e. **HITECH Act** shall mean the Health Information Technology for Economic and Clinical Health Act. Public Law No. 111-05. 111th Congress (2009).

- f. **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and 164.
- g. **Protected Health Information or PHI** shall have the meaning given to such term in 45 CFR § 160.103, limited to the information created or received by Associate from or on behalf of Agency.
- h. **Security Incident** means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.
- i. **Security Rule** means the Security Standards for the Protection of Electronic Protected Health Information found at 45 CFR Parts 160 and 164.
- j. **Subcontractor** means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

2. Permitted Uses and Disclosures.

- a. **PHI Described.** This means PHI created, received, maintained or transmitted on behalf of the Agency by the Associate. This PHI is governed by this Addendum and is limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the original Agreement, and is described in Appendix A.
- b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original Agreement, or as required by law, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or Associate, or violate the minimum necessary and related Privacy and Security policies and procedures of the Agency. The Associate is directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Agency.
- c. **Further Uses and Disclosures.** Except as otherwise limited in this Addendum, the Associate may disclose PHI to third parties for the purpose of its own proper management and administration, or as required by law, provided that (i) the disclosure is required by law, or (ii) the Associate has obtained from the third party reasonable assurances that the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party by the Associate; and, (iii) an agreement to notify the Associate and Agency of any instances of which it (the third party) is aware in which the confidentiality of the information has been breached. To the extent practical, the information should be in a limited data set or the minimum necessary information pursuant to 45 CFR § 164.502, or take other measures as necessary to satisfy the Agency's obligations under 45 CFR § 164.502.

3. Obligations of Associate.

- a. **Stated Purposes Only.** The PHI may not be used by the Associate for any purpose other than as stated in this Addendum or as required or permitted by law.
- b. **Limited Disclosure.** The PHI is confidential and will not be disclosed by the Associate other than as stated in this Addendum or as required or permitted by law. Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI unless Agency gives written approval and the individual provides a valid authorization. Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Associate will report to Agency any use or disclosure of the PHI, including any Security Incident not provided for by this Agreement of which it becomes aware.
- c. **Safeguards.** The Associate will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the PHI, except as provided for in this Addendum. This shall include, but not be limited to:
 - i. Limitation of the groups of its workforce and agents, to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary or a Limited Data Set;
 - ii. Appropriate notification and training of its workforce and agents in order to protect the PHI from unauthorized use and disclosure;
 - iii. Maintenance of a comprehensive, reasonable and appropriate written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations, in compliance with the Security Rule;
 - iv. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
- d. **Compliance With Law.** The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.
- e. **Mitigation.** Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum, and report its mitigation activity back to the Agency.

- f. **Support of Individual Rights.**
- i. **Access to PHI.** Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying, and in electronic format, if requested, within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524 and consistent with Section 13405 of the HITECH Act.
 - ii. **Amendment of PHI.** Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.
 - iii. **Accounting Rights.** Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR §164.528 and consistent with Section 13405 of the HITECH Act. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:
 - the date of disclosure;
 - the name of the entity or person who received the PHI, and if known, the address of the entity or person;
 - a brief description of the PHI disclosed; and
 - a brief statement of purposes of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure.
 - iv. **Request for Restriction.** Under the direction of the Agency, abide by any individual's request to restrict the disclosure of PHI, consistent with the requirements of Section 13405 of the HITECH Act and 45 CFR § 164.522, when the Agency determines to do so (except as required by law) and if the disclosure is to a health plan for payment or health care operations and it pertains to a health care item or service for which the health care provider was paid in full "out-of-pocket."
 - v. **Immediate Discontinuance of Use or Disclosure.** The Associate will immediately discontinue use or disclosure of Agency PHI pertaining to any individual when so requested by Agency. This includes, but is not limited to, cases in which an individual has withdrawn or modified an authorization to use or disclose PHI.

- g. **Retention of PHI.** Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.
- h. **Agent's, Subcontractor's Compliance.** The Associate shall notify the Agency of all subcontracts and agreements relating to the Agreement, where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum. Such notification shall occur within 30 (thirty) calendar days of the execution of the subcontract and shall be delivered to the Agency Procurement Officer. The Associate will ensure that any of its subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder. The Agency may request copies of downstream subcontracts and agreements to determine whether all restrictions, terms and conditions have been flowed down. Failure to ensure that downstream contracts, subcontracts and agreements contain the required restrictions, terms and conditions may result in termination of the Agreement.
- j. **Federal and Agency Access.** The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI, as well as the PHI, received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504. The Associate shall also make these records available to Agency, or Agency's contractor, for periodic audit of Associate's compliance with the Privacy and Security Rules. Upon Agency's request, the Associate shall provide proof of compliance with HIPAA and HITECH data privacy/protection guidelines, certification of a secure network and other assurance relative to compliance with the Privacy and Security Rules. This section shall also apply to Associate's subcontractors, if any.
- k. **Security.** The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI. In addition, compliance with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII is required, to the extent practicable. If Associate chooses not to adopt such methodologies as defined in 74 FR 19006 to secure the PHI governed by this Addendum, it must submit such written rationale, including its Security Risk Analysis, to the Agency Procurement Officer for review prior to the execution of the Addendum. This review may take up to ten (10) days.
- l. **Notification of Breach.** During the term of this Addendum, the Associate shall notify the Agency and, unless otherwise directed by the Agency in writing, the WV Office of Technology immediately by e-mail or web form upon the discovery of any Breach of unsecured PHI; or within 24 hours by e-mail or web form of any suspected Security Incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency Procurement Officer at www.state.wv.us/admin/purchase/vrc/agencyli.htm and,

unless otherwise directed by the Agency in writing, the Office of Technology at incident@wv.gov or <https://apps.wv.gov/ot/ir/Default.aspx>.

The Associate shall immediately investigate such Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency Procurement Officer, and, unless otherwise directed by the Agency in writing, the Office of Technology of: (a) Date of discovery; (b) What data elements were involved and the extent of the data involved in the Breach; (c) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (d) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (e) A description of the probable causes of the improper use or disclosure; and (f) Whether any federal or state laws requiring individual notifications of Breaches are triggered.

Agency will coordinate with Associate to determine additional specific actions that will be required of the Associate for mitigation of the Breach, which may include notification to the individual or other authorities.

All associated costs shall be borne by the Associate. This may include, but not be limited to costs associated with notifying affected individuals.

If the Associate enters into a subcontract relating to the Agreement where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum, all such subcontracts or downstream agreements shall contain the same incident notification requirements as contained herein, with reporting directly to the Agency Procurement Officer. Failure to include such requirement in any subcontract or agreement may result in the Agency's termination of the Agreement.

- m. **Assistance in Litigation or Administrative Proceedings.** The Associate shall make itself and any subcontractors, workforce or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inaction or actions by the Associate, except where Associate or its subcontractor, workforce or agent is a named as an adverse party.

4. Addendum Administration.

- a. **Term.** This Addendum shall terminate on termination of the underlying Agreement or on the date the Agency terminates for cause as authorized in paragraph (c) of this Section, whichever is sooner.
- b. **Duties at Termination.** Upon any termination of the underlying Agreement, the Associate shall return or destroy, at the Agency's option, all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents

and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying Agreement.

- c. **Termination for Cause.** Associate authorizes termination of this Agreement by Agency, if Agency determines Associate has violated a material term of the Agreement. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.
- d. **Judicial or Administrative Proceedings.** The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA/HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined. Associate shall be subject to prosecution by the Department of Justice for violations of HIPAA/HITECH and shall be responsible for any and all costs associated with prosecution.
- e. **Survival.** The respective rights and obligations of Associate under this Addendum shall survive the termination of the underlying Agreement.

5. General Provisions/Ownership of PHI.

- a. **Retention of Ownership.** Ownership of the PHI resides with the Agency and is to be returned on demand or destroyed at the Agency's option, at any time, and subject to the restrictions found within section 4.b. above.
- b. **Secondary PHI.** Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an individual must be held confidential and is also the property of Agency.
- c. **Electronic Transmission.** Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an individual must not be transmitted to another party by electronic or other means for additional uses or disclosures not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.
- d. **No Sales.** Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.
- e. **No Third-Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. **Interpretation.** The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.
- g. **Amendment.** The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.
- h. **Additional Terms and Conditions.** Additional discretionary terms may be included in the release order or change order process.

AGREED:

Name of Agency: _____

Name of Associate: Diamond Communication
Solutions

Signature: _____

Signature: John K. Papp

Title: _____

Title: Vice President IT

Date: _____

Date: 6/28/2017

Form - WVBA-012004
Amended 06.26.2013

APPROVED AS TO FORM THIS 26th
DAY OF June 20 17
Patrick Morrissey
Attorney General
BY _____

Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. PHI not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Associate: Diamond Communication Solutions

Name of Agency: _____

Describe the PHI (do not include any actual PHI). If not applicable, please indicate the same.

Appendix A

Name of Associate:

Diamond Communication Solutions

Name of Agency(ies) (Covered Entity): **The West Virginia Public Employees Insurance Agency (PEIA)**

Describe the PHI. If not applicable please indicate the same.

Per 45 CFR, Part 160.103

Health information means any information, whether oral or recorded in any form or medium, that:

- (1) Is created or received by a health care provider, health plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and
- (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual.

Individually identifiable health information is information that is a subset of health information, including demographic information collected from an individual, and:

- (1) Is created or received by a health care provider, health plan, employer, or health care clearinghouse; and
- (2) Relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and
 - (i) That identifies the individual; or
 - (ii) With respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Protected health information means individually identifiable health information:

- (1) Except as provided in paragraph (2) of this definition, that is:
 - (i) Transmitted by electronic media;
 - (ii) Maintained in electronic media; or
 - (iii) Transmitted or maintained in any other form or medium.

The information provided to, transmitted by, and/or created by the Associate and/or stored and/or maintained by the Associate in electronic form(s) on platform(s) owned, managed and/or

administered by the Associate, pursuant to the Agreement will include the minimum necessary to perform the invoice printing and mailing services thereunder and will specifically include, but may not be limited to the following term(s) and/or condition(s):

- a) The Associate, as the defined "Business Partner" will provide administrative, technical, and/or procedural support to the Covered Entity for purpose(s) mailing premium invoices to PEIA members with regard to their monthly premium invoices.
- b) The protected health information to be disclosed shall include, but not necessarily be limited to: name(s), address(es), account number(s) and premium amounts.
- c) The Associate shall have in place a plan to erase, and/or destroy the information provided to, transmitted by, and/or created by the Associate and/or stored and/or maintained by the Associate in electronic form(s) on platform(s) owned, managed and/or administered by the Associate, pursuant to the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This requirement is not designed and/or intended to prevent the vendor from providing to the Covered Entity a summary report on pieces printed, pieces mailed, cost(s) incurred, piece(s) returned, and/or other accounting data needed and/or required to justify payment(s) and/or auditing of the service(s) provided under the Agreement.
- d) PEIA will transmit the PHI data to the vendor in a secure and encrypted format designed to render the data unreadable, unusable, and/or undecipherable to any unauthorized user(s).