



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Purchase Order

PURCHASE ORDER NO VOIP13

PAGE 1

BLANKET RELEASE 00

CHANGE ORDER 2

CORRECT PURCHASE ORDER NUMBER MUST APPEAR ON ALL PACKAGES, INVOICES, AND SHIPPING PAPERS. QUESTIONS CONCERNING THIS PURCHASE ORDER SHOULD BE DIRECTED TO THE BUYER AS NOTED BELOW.

INVOICE TO

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

VERIZON

*611101629 304-356-3395
 VERIZON BUSINESS SVCS
 4700 MACCORKLE AVE STE 101
 CHARLESTON WV 25304

SHIP TO

AGENCY COPY

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED		TERMS OF SALE		FEIN/SSN		FUND	
05/14/2014		NET 30		470751768			
SHIP VIA		F.O.B.		FREIGHT TERMS		ACCOUNT NUMBER	
BEST WAY		DESTINATION		PREPAID		MUL-MUL	
LINE	QUANTITY	UOP	VENDOR ITEM NO.		UNIT PRICE	AMOUNT	
	DELIVERY DATE	CAT.NO.	ITEM NUMBER				
			CHANGE ORDER #02				
	CHANGE ORDER ISSUED FOR THE FOLLOWING CHANGES TO THE CONTRACT.						
	1. PUBLISH REVISED PRICING SHEET RATES.						
	2. UPDATE THE IP TOLL RATE BASED ON USAGE.						
	3. ADD WV BAA AGREEMENT TO THE VOIP13 AGREEMENT FOR STATE AGENCIES.						
	4. EFFCTIVE DATE: 05/14/2014						
	5. NO OTHER CHANGES.						
	ALL PROVISIONS OF THE ORIGINAL CONTRACT AND SUBSEQUENT CHANGE ORDERS NOT MODIFIED HEREIN SHALL REMAIN IN FULL FORCE AND EFFECT.						
	10/20/2014		725-57-01-001				
	VOICE OVER	INTERNET	PROTOCOL (VOIP)				
				PREVIOUS PO TOTAL==>	OPEN	END	
				PO NET CHANGE (+)==>			
PURCHASING DIVISION CERTIFIED ENCUMBERED							
MAY 14 2014							
<i>Beverly Toler</i>							
IF APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE <input checked="" type="checkbox"/>						OPEN END	
						TOTAL	

Dalton

APPROVED AS TO FORM BY
 ASSISTANT ATTORNEY GENERAL

BY *Guy Nisbet*
 5/14/2014

GUY NISBET 304-558-2596

PURCHASING DIVISION AUTHORIZED SIGNATURE



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
OFFICE OF TECHNOLOGY
State Capitol
Charleston, West Virginia 25305


Earl Ray Tomblin
Governor

Ross Taylor
Cabinet Secretary

Gale Y. Given
Chief Technology Officer

MEMORANDUM

TO: Christine Fernandes
Office of Technology

FROM: Gale Y. Given, Chief Technology Officer 
Office of Technology

SUBJECT: INFORMATION TECHNOLOGY PROCUREMENT
REQUISITION NUMBER: SWC-VOIP13, C.O. 2 - IS&C NUMBER: 2014-739

DATE: May 7, 2014

West Virginia Code §5A-6-4(a)(3) permits the Chief Technology Officer to “evaluate the economic justification, system design and suitability of information equipment and related services, and review and make recommendations on the purchase, lease or acquisition of information equipment and contracts for related services by the state spending units.”

West Virginia Code §5A-6-4c requires that the Chief Technology Officer review and approve “a major information technology project.”

West Virginia Code §5A-6-5 requires that “any state spending unit that pursues an information technology purchase that does not meet the definition of a ‘major technology project’ and that is required to submit a request for proposal to the State Purchasing Division prior to purchasing goods or services shall obtain the approval of the Chief Technology Officer, in writing, of any proposed purchase of goods or services related to its information technology and telecommunication systems.

After conducting a review of your request for Change Order 2 to the existing statewide contract VOIP13, between the State and Verizon Business Services, to reduce the Monthly Recurring Charge rates for the UCCaaS and A la Carte packages, add Toll Free Transport Charges-Domestic and Local Origination Access Charges, the Office of Technology has determined:

X That your request is approved.

That your request is not subject to the review and approval provisions contained in Chapter 5A, Article 6 of the Code, therefore, it does not need approval by the Office of Technology.

This memorandum constitutes this office's official review and a copy should be attached to your purchase order and any other correspondence related to this request.

If you have questions, or need additional information, please contact Consulting Services at Consulting.Services@wv.gov.

GYG:tsm



STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
OFFICE OF TECHNOLOGY
State Capitol
Charleston, West Virginia 25305

Earl Ray Tomblin
Governor

Ross Taylor
Cabinet Secretary
Gale Given
Chief Technology Officer

TO: Guy Nisbet
Purchasing Division

FROM: Christine Fernandes *CF*
Procurements PM for West Virginia Office of Technology

CC: Kim Harbour
PMO Director for West Virginia Office of Technology

SUBJECT: CHANGE ORDER TWO – VOIP13 STATEWIDE CONTRACT

DATE: May 11, 2014

In addition to the change order requested on May 8, 2014, this is to provide the additional information requested to update and include an IP toll rate under Sections 3.3.1 and 3.4. This rate was developed by Verizon based on an estimated agency usage of 8,000 calls per month averaging 7.5 minutes per call. We have confirmed that there will be no agency commitment to this usage and the standard rate will be set at \$.0232 per minute.

Also attached to this change order is the Business Associate Addendum (BAA) signed by Verizon, approved as to form by the Attorney General's office and acknowledged by the WVOT. We would like to include this as part of the change order. Please let me know if there is any additional information required.

TO: Christine Fernandes – Procurement PM for WVOT

FROM: Melanie Lopez – WVOT PM for IP Telephony

CC: Kim Harbour – WVOT PMO Director
John Dunlap – WVOT Network Engineering Director

SUBJECT: Clarification Change Order – VOIP13 Statewide Contract

DATE: May 7, 2014

In order to further clarify the vendor's change request letter, the following items are associated with our request in the initial change order to include the following services:

5. Unified Communication and Collaboration as a Service (UCCaaS), from page 44 of the Cost Response – reducing monthly rates.

1. Package Pricing

Package	Monthly Recurring Charge ("MRC") Per End User		
Essential Package	\$16.00	New Rate	\$11.36
Basic Package	\$22.00	New Rate	\$15.62
Enhanced Package	\$27.00	New Rate	\$19.17
Premium Package	\$32.00	New Rate	\$22.72

2. A la Carte Pricing

Capability	Monthly Recurring Charge ("MRC") Per End User		
Call Control	\$19.00	New Rate	\$13.49
Voicemail	\$ 3.50	New Rate	\$ 2.45
Presence/Instant Messaging	\$ 3.00	New Rate	\$ 2.10

The remaining items in the vendor letter are associated with our request in the initial change order to include,

13. IP Contact Center Services, from page 110 of the Cost Response – adding the TBD rates;

3.3.1 Toll Free Transport Charges – Domestic. Customer will be charged a transport rate of \$.0235 per minute, assessed in 6-second increments for VoIP Inbound Toll Free calls originating in domestic locations and terminating to IP endpoints. For calls terminating to non-IP end points, charges will be assessed in accordance with the separately-executed Service Attachment for Long Distance Voice Services reference in Section 1.1.1, above. Unless otherwise stated, a \$0.01 per-call minimum transport charge applies.

3.4 Local Origination Access Charges. For VoIP Inbound Local Origination, where a tariff applies, Customer will pay the rates set forth in the tariff. Where no tariff applies, Customer will pay the following per-minute Local Origination access rates, assessed in six-second increments, for VoIP Inbound Local Origination calls. Unless otherwise stated, a \$0.01 per-call minimum applies.

	Without IP IVR	With IP IVR
Switched Termination	<u>\$.0232</u>	<u>\$.0180</u>
Dedicated/Local Termination	<u>\$.0232</u>	<u>\$.0180</u>
IP Termination	<u>\$.0232</u>	<u>\$.0180</u>



4700 MacCorkle Ave. S.E.
Charleston, WV 25304
304-356-3395

May 8, 2014

Department of Administration
2019 Washington Street, East
PO Box 50130
Charleston, WV 25305

RE: Further Information for Change Order

Dear Mrs. Lopez:

Verizon response to address rates for Section 3.3.1 and 3.4; The Verizon Virtual Contact Center platform requires calls to be delivered from the VoIP Inbound services platform. Verizon provides the rates based on anticipated usage and commitment associated with services to be provided and current Verizon rates.

Although there is no commitment associated with this service, Verizon used anticipated usage based on current customer estimates of 8,000 calls per month at an average of 7.5 minutes per call, along with possible future growth of the services to support a deeply discounted rate. The Standard rate for this service per minute is \$.035 per minute, and Verizon is providing a discounted rate of \$.0232 per minute.

Verizon commits to provide the best services at the best rates possible. I look forward to continuing our business relationship and building an even stronger partnership with the State of West Virginia

Sincerely,

Sandra Hawkins
Senior Account Manager
Authorized Contact
Verizon
304-356-3395
sandra.k.hawkins@verizon.com



4700 MacCorkle Ave. S.E.
 Charleston, WV 25304
 304-356-3395

April 22, 2014

Department of Administration
 2019 Washington Street, East
 PO Box 50130
 Charleston, WV 25305

RE: VOIP13

Dear Mr. Dunlap:

Verizon would like to provide a reduction in the Monthly Recurring Charges for the UCCaaS Packages listed on page 44 of the Cost Section, Service Attachment for Unified Communications and Collaboration as a Service Part I: Rates and Charges:

1. Package Pricing

Package	Monthly Recurring Charge ("MRC") Per End User	
Essential Package	\$16.00	New Rate \$11.36
Basic Package	\$22.00	New Rate \$ 15.62
Enhanced Package	\$27.00	New Rate \$19.17
Premium Package	\$32.00	New Rate \$22.72

2. A la Carte Pricing

Capability	Monthly Recurring Charge ("MRC") Per End User	
Call Control	\$19.00	New Rate \$ 13.49
Voicemail	\$3.50	New Rate \$ 2.45
Presence/Instant Messaging	\$3.00	New Rate \$ 2.10

Verizon would like to replace the following sections adding the TBD rate on page 110 in the Cost Section:

3.3.1 Toll Free Transport Charges – Domestic. Customer will be charged a transport rate of \$.0235 per minute, assessed in 6-second increments, for VoIP Inbound Toll Free calls originating in domestic locations and terminating to IP end points. For calls terminating to non-IP end points, charges will be assessed in accordance with the separately-executed Service Attachment for Long Distance Voice Services referenced in Section 1.1.1, above. Unless otherwise stated, a \$0.01 per-call minimum transport charge applies.

3.4 Local Origination Access Charges. For VoIP Inbound Local Origination, where a tariff applies, Customer will pay the rates set forth in the tariff. Where no tariff applies, Customer will pay the following per-minute Local Origination access rates, assessed in six-second increments, for VoIP Inbound Local Origination calls. Unless otherwise stated, a \$0.01 per-call minimum applies.

	Without IP IVR	With IP IVR
Switched Termination	<u>\$.0232</u>	<u>\$.0180</u>
Dedicated/Local Termination	<u>\$.0232</u>	<u>\$.0180</u>
IP Termination	<u>\$.0232</u>	<u>\$.0180</u>

Verizon's VoIP Inbound Toll Free and/or Local Origination service is required for Verizon's Virtual Contact Center to use the phone call routing capabilities as stated in the Virtual Contact Center Service Attachment.

Verizon commits to provide the best services at the lowest rates possible. I look forward to continuing our business relationship and building an even stronger partnership with the State of West Virginia

Sincerely,

A handwritten signature in black ink that reads "Sandra Hawkins". The signature is written in a cursive, flowing style.

Sandra Hawkins
Senior Account Manager
Authorized Contact
Verizon
304-356-3395
sandra.k.hawkins@verizon.com

Corporate Policy Statement

Policy No.: CPS-103
Issued: December 6, 2010
Subject: Authority to Approve Transactions



APPENDIX 4
VERIZON BUSINESS
CPS-103 LETTER OF DELEGATION OF AUTHORITY
FORM 101

Within the authority granted to me in CPS-103, "Authority to Approve Transactions," I delegate

Patricia L Myers, Manager, Pricing & Contract Management [redacted] and
Marsha K Harrell, Senior Consultant, Pricing & Contract Management [redacted] and
Lisa M Guignard, Director, Pricing & Contract Management [redacted]

the authority to perform the following function:

Execute and deliver Verizon Business Customer Contracts and Proposals requiring "wet ink" signatures, including any and all ancillary documents and amendments related thereto, that are duly approved in accordance with then-applicable Verizon Business corporate policies, including the use of stamp bearing facsimile of my signature in accordance with *Security Procedure for Anthony Recine, Vice President, Pricing & Contract Management, Blue Ink Stamp Policy.*

This will be effective beginning on July 1, 2013 and ending on June 30, 2014 or before if rescinded by me.

(Annual delegations must be completed by July 1st of each respective year and may not exceed one year from their effective date. Delegations with a start date other than July 1st should also include an end date of the subsequent June 30 or earlier.)

Distribution:

- The person delegated authority must retain a copy of Form 101 delegation, either electronic or hard copy, for one (1) year after expiration date.
- The person granting the delegation must retain the Form 101 delegation, either electronic or hard copy, for one (1) year after expiration date; send a copy to the delegate, the group Chief Financial Officer, and Corporate Finance Compliance at corporatefinancecompliance@core.verizon.com; and ensure the delegation is entered into the Accounts Payable system when appropriate.

Approved By:

Anthony Recine 6/18/13
Signature Date

Anthony Recine [redacted]
Name VZ ID

VP, Pricing & Contract Management [redacted]
Responsibility Code or Cost Center Code

Lisa M Guignard 6/20/13
Delegate's Signature - Lisa M Guignard

Patricia L Myers 6/19/13
Delegate's Signature - Patricia L Myers

Marsha K Harrell 6/19/13
Delegate's Signature - Marsha K Harrell

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/agencyll.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/agencyvl.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: WVOT

Signature: [Handwritten Signature]

Title: CTO

Date: 5/12/14

Name of Associate: Verizon Business Network Services Inc.

Signature: [Handwritten Signature]

Title: Marsha K Harrell
Sr. Analyst
Contract Management

Date: 5/9/14

Form - WVBA-012004
Amended 06.28.2013

APPROVED AS TO FORM THIS 26th
DAY OF May 20 14
BY [Signature]
Patrick Morrissey
Attorney General

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: Verizon Business Network Services Inc.

Name of Agency: _____

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

AMENDMENT
TO THE
WV STATE GOVERNMENT
HIPAA BUSINESS ASSOCIATE ADDENDUM

This Amendment is to the HIPAA BUSINESS ASSOCIATE ADDENDUM between MCI Communications Services, Inc. d/b/a Verizon Business Services ("Verizon"), and the State of West Virginia ("Customer") dated _____ (the "BAA").

WHEREAS, the parties entered into a statewide open end contract (PO No. VOIP13) dated October 24, 2013 for certain Voice Over Internet Protocol (VOIP) products and/or services to be provided to Customer; and

WHEREAS, the parties now desire to execute the HIPAA Business Associate Addendum;

NOW THEREFORE, the parties agree to amend the BAA as follows:

1. The first paragraph of the WV State Government Business Associate Addendum (hereinafter "BAA") is replaced with the following:

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 Verizon Business Network Services Inc. on behalf of MCI Communications Services, Inc., a Verizon company ("Associate"), and is effective as of the final date of execution of the Addendum.

2. Numbered paragraph 2(b) of the BAA is replaced with the following:

Purposes. Except as otherwise limited in this Addendum, Associate may receive, 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 receipt, 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 acknowledges that HIPAA provides direct responsibility to Associate concerning impermissible uses and disclosures of the PHI it handles on behalf of Agency.

3. Numbered paragraph 3(b) of the BAA is replaced with the following:

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 unauthorized use or disclosure of the PHI, including any successful Security Incident not provided for by this Agreement of which it becomes aware.

4. Numbered paragraph 3(f) of the BAA is replaced with the following:

Support of Individual Rights. Given the nature of the underlying contract, the Parties do not expect that there will be any need for Associate to provide support for individual rights as set forth in subsection f. In the event that such support is required, the Associate will work diligently to meet the 10 day response time set forth in subsection f. If Associate has difficulty complying with the timelines in subsection f, the Parties will work together in a diligent manner to assure the support of individual rights.

5. Numbered paragraph 3(f)(ii) of the BAA is replaced with the following:

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 if possible 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.

6. Numbered paragraph 3(g) of the BAA is replaced with the following:

Retention of PHI. [Intentionally deleted.]

7. Numbered paragraph 3(h) of the BAA is replaced with the following:

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 content found within 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.

8. Numbered paragraph 3(i) of the BAA is replaced with the following:

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. Upon reasonable notice, The Associate shall also make these same internal practices, books and records available to Agency, or Agency's contractor, for reasonable, periodic audit(s) 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.

9. Numbered paragraph 3(l) of the BAA is replaced with the following:

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 (no later than 24 hours) 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 successful 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>. A "successful security incident" is the successful unauthorized access, receipt use, disclosure, modification or destruction of information or interference with system operations in an information system.

The Associate shall immediately investigate such suspected successful Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. To the extent known by Associate, 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.

Associate shall also supply the Agency with a summary report regarding attempted but unsuccessful security incidents of which Associate has become aware, within thirty (30) days of such a request (so long such requests are made no more frequently than once every twelve (12) months), or more frequently if such a request is reasonable, necessary, and directly related to protecting the Associate against a material vulnerability.

10. Numbered paragraph 3(m) of the BAA is replaced with the following:

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 fact witnesses or to the extent of a reasonable request for limited, cooperative assistance, 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 are named as an adverse party or have an interest adverse to the Agency or the claimant

11. Numbered paragraph 5(l) of the BAA is replaced with the following:

Additional Terms and Conditions. Additional discretionary terms may be included in the release order or change order process and made part of this Addendum if mutually agreed to by the parties and attached hereto. The parties acknowledge and agree to the following additional terms:

Privacy Insurance. In the event Agency or State obtains privacy liability insurance, it shall supply Associate with a Certificate of Insurance or similar documentation demonstrating such coverage, within thirty (30) days of written request from Associate.

12. Appendix A is amended to add the following as the last sentence at the bottom:

All Protected Health Information reasonably associated with the "Scope of Work" attached hereto.

13. Except as specifically modified herein, all other terms and conditions of the BAA remain in full force and effect.

14. This Amendment is hereby made a part of the BAA and incorporated therein by reference.

15. Each party, intending to be legally bound has caused this Amendment to be executed by its authorized representative on the date(s) indicated below, to be effective as of the last date executed.

State of West Virginia

By: *Ashe S. ...*
Name: Ashe S. ...
Title: CTO
Date: 5/12/14

Verizon Business Network Services Inc. on behalf of
MCI Communications Services, Inc

By: *Marsha K. Harrell*
Name: Marsha K Harrell
Sr. Analyst
Title: Contract Management
Date: 5/9/14

Approved as to form this 14th day of
May, 2014
Patrick Morrissey, Attorney General

By: *D. ...*
Chief Counsel