State of Wisconsin
Department of Employee Trust Funds
DOA-3049 (R07/2014)
§ 51.01(5) Wis. Stats. § 111.32(13m) Wis. Stats.

Department of Employee Trust Funds
801 W. Badger Road
P. O. Box 7931
Madison, WI 53707-7931

Commodity or Service: Compliance Audit Services For Group Life Insurance

Contract No./Request for Bid/Proposal No: ETJ0005
Amendment 2 dated February 2, 2016

Authorized Board: Employee Trust Funds Board

Contract Period: January 1, 2016 through May 31, 2019

1. This Contract is entered into by and between the State of Wisconsin, Employee Trust Funds Board hereinafter referred to as the "Board" and the State of Wisconsin, Department of Employee Trust Funds (ETF) hereinafter referred to as the "Department", and Wipfli, LLP., hereinafter referred to as the "Contractor", whose address and principal officer appears on page 2. The Department is the sole point of contact for this Contract.

2. Whereby the Department of Employee Trust Funds agrees to direct the purchase and the Contractor agrees to supply the Contract requirements cited above in accordance with the State of Wisconsin standard terms and conditions of the request for proposal cited above, and in accordance with the Contractor's proposal dated October 8, 2009 hereby incorporated into this Contract by reference.

3. In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against any employees or applicants for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor further agrees to take affirmative action to ensure equal employment opportunities. The Contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.

4. Contracts estimated to be over fifty thousand dollars ($50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement. Within fifteen (15) business days after the award of the Contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, 608.261.7952, or via e-mail at ETFProcurement@etf.wi.gov.

5. Amendment 1 is created as part of this contract to clarify information provided by the Contractor in the Contractor's proposal and bid.

6. Exhibit 1. – Time Line, is created as part of this contract to reflect the proposed dates and frequency of audits to be performed by the Contractor, in accordance with Section C, 1.5 of the RFP.

7. Attachment 1 Business Associate Agreement replaces Appendix G, Privacy of Personal Data Mitigation of Privacy Breach, in the Request for Proposal (RFP) dated August 24, 2009 and becomes effective when Contract Amendment 2 dated February 2, 2016 is fully executed.

8. Contract Amendment 2 dated February 2, 2016 total costs shall not exceed $20,291.

9. For purposes of administering this Contract, the Order of Precedence is:
   A). This Contract with Wipfli, LLP;
   B). This Contract Amendment 2 dated February 2, 2016 and Exhibit 2 – Timeline dated February 2, 2016;
   C). 2016 Business Associate Agreement as Attachment 1;
   D). The Amendment dated May 11, 2010;
   E). The Amendment 1 dated April 20, 2010;
   F). Exhibit 1 - Timeline dated April 20, 2010;
   G). The Request for Proposal (RFP) dated August 24, 2009 (including all appendices and amendments); and,
   H). Contractor's proposal dated October 9, 2009.

Contract Number & Service: ETJ0005 - Compliance Audit Services For Group Life Insurance

Amendment 2 dated February 2, 2016

State of Wisconsin **Department of Employee Trust Funds**
By Authorized Board *(Name)* **Employee Trust Funds Board**
Signature
Title **Robert J. Conlin, Secretary** Department of Employee Trust Funds
Phone 608.266.0301
Date *(MM/DD/CCYY)* 02/03/2016

Contractor to Complete
Legal Company Name **Wipfli, LLP**
Trade Name Wipfli, LLP
Taxpayer Identification Number 39-0758449
Company Address *(City, State, Zip)* 2501 West Beltline Hwy, Suite 401 PO Box 8700 Madison, WI 53708-8700
By *(print Name)* Craig R. Grinde, CPA
Signature
Title Partner
Phone 608.270.2910
Date *(MM/DD/CCYY)* 02/02/2016

BUSINESS ASSOCIATE AGREEMENT

State of Wisconsin

Department of Employee Trust Funds

This Business Associate Agreement ("Agreement") is by and between Wipfli LLP ("Wipfli") and the Wisconsin Department of Employee Trust Funds ("ETF"), which is acting on behalf of the State of Wisconsin.

RECITALS

WHEREAS, ETF and Wipfli have executed a contract, pursuant to which Wipfli provides Compliance Audit Services for Group Life Insurance Program, ("Underlying Contract"), and in connection with those services, ETF discloses or allows the disclosure to Wipfli of certain information that is protected by the Health Insurance Portability and Accountability Act of 1996, ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act of 2009 as passed as part of the American Recovery and Reinvestment Act of 2009 ("HITECH"), and their implementing regulations, Title 45, Parts 160 through 164 of the Code of Federal Regulations;

WHEREAS, with respect to Wipfli's activities pursuant to the Underlying Contract, Wipfli is ETF's "Business Associate" as that term is defined by HIPAA;

WHEREAS, it is the intent of this Agreement to comply with the federal regulations implementing HIPAA and HITECH concerning the privacy and security rules in 45 C.F.R. Parts 160 to 164, inclusive; and

WHEREAS, ETF and Wipfli agree to incorporate the terms of this Agreement into the Underlying Contract and agree to incorporate this Agreement into any associated addenda and contract extensions, in order to comply with HIPAA and HITECH.

NOW, THEREFORE, in consideration of these premises and the mutual promises and agreements in this Business Associate Agreement, ETF and Wipfli agree to the following:

Part 1 - OBLIGATIONS OF Wipfli

A. **Uses and Disclosures.** Wipfli may use or disclose Protected Health Information ("PHI") it creates for or receives from ETF or any other Business Associate of ETF for only the following, limited purposes:

1. Permitted Uses and Disclosures of PHI. Wipfli is permitted to use and disclose PHI:
   - (a) To provide services according to the Underlying Contract.
   - (b) Subject to the limitations on Uses and Disclosures outlined in this Business Associate Agreement, Wipfli is authorized to use and disclose PHI as necessary for Wipfli's proper management and administration, to carry out Wipfli's legal responsibilities, and as otherwise required by law.
2. Prohibition on Unauthorized Use or Disclosure. Wipfli will not use or disclose PHI it creates for or receives from ETF or from another Business Associate of ETF, except as authorized or required by this Agreement or as required by law or as otherwise authorized in writing by ETF, including marketing and solicitation of business outside the Underlying Contract and disclosure of such information to a

Third Party.

3. Regulations and Laws. Wipfli will comply with:
   (a) 45 C.F.R. Parts 160 to 164, inclusive, as applicable to a "Business Associate" of a "Covered Entity" and any other regulations adopted pursuant to HIPAA and HITECH; and
   (b) Applicable Wisconsin Law not preempted by 45 C.F.R §§ 160.201 to 160.203, inclusive, or any other federal law.

B. Information Safeguards. Wipfli will develop, implement, maintain and use reasonable and appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of PHI under the control of Wipfli, and to prevent intentional or unintentional non-permitted or violating use or disclosure of PHI. Wipfli will document and keep these safeguards current and furnish documentation of the safeguards to ETF upon request. These safeguards will comply with HIPAA, HITECH and their implementing regulations.

C. Reporting of Breach, Improper Use or Disclosure. Wipfli will report to ETF the discovery of any breach, use or disclosure of PHI, not allowed by this Agreement or in violation of 45 C.F.R. Part 164 or HITECH. A breach, improper use or disclosure ("Security Violation") is considered to be discovered as of the first day on which such Security Violation is known to Wipfli, or, by exercising reasonable diligence, would have been known to Wipfli.

1. Within one business day of the discovery, Wipfli shall notify ETF's Privacy Officer about the Security Violation and all facts that are known to the Wipfli about the Security Violation at that time.
2. Within four business days of the discovery, Wipfli shall conduct a thorough investigation and report to ETF in writing the following information:
   (a) The name and contact information of each individual whose PHI has been or is reasonably believed to have been accessed, acquired or disclosed during the Security Violation.
   (b) A description of what happened, including the date of the Security Violation, if known, and the date of the discovery of the Security Violation.
   (c) A description of the types of PHI that were involved in the Security Violation (e.g., full name, date of birth, Social Security number, account number).
   (d) The actions Wipfli has undertaken or will undertake to mitigate any harmful effect of the Security Violation.
3. At ETF's option, Wipfli will be responsible for notifying individuals of the Security Violation when ETF requires notification and to pay any cost of such notifications, as well as any costs associated with the Security Violation, including, without limitation, credit monitoring services.
   (a) Wipfli must obtain ETF's approval of the time, manner and content of any such notifications, provide ETF with copies of the notifications, and provide the notifications within sixty (60) days after discovery of the breach, improper use or disclosure.
   (b) Wipfli shall have the burden of demonstrating to ETF that all notifications were made as required, including any evidence demonstrating the necessity of any delay beyond the sixty 60 day notification to affected

individuals after the discovery of the Security Violation by ETF or Wipfli.

D. **Duty to Mitigate Harmful Effects of Unauthorized Acquisition.** Wipfli will mitigate, as required by HIPAA, HITECH, state law and this Agreement, to the extent practicable, any harmful effect that is known to Wipfli of a breach, improper use or unauthorized disclosure reported pursuant to subsection C.

E. **Minimum Necessary.** Wipfli will make reasonable efforts to use, disclose, or request only the minimum amount of PHI necessary to accomplish the intended purpose and shall comply with regulations issued pursuant to HIPAA and HITECH. Internal disclosure of PHI to employees of Wipfli shall be limited only to those employees who need the information and only to the extent necessary to perform their responsibilities according to the Underlying Contract and this Agreement.

F. **Disclosure to Subcontractors and Agents**. Wipfli shall require any of its agents or subcontractors to provide reasonable assurance, evidenced by written contract, that the agent or subcontractor will comply with the same privacy and security obligations as Wipfli with respect to such PHI. Before entering into such a contract with an agent or subcontractor, Wipfli shall obtain ETF's written approval of the contract.

G. **Access, Amendment and Disclosure Accounting.**

1. Access. At the direction of ETF, Wipfli agrees to provide access to any PHI held by Wipfli, in the time and manner designated by ETF, so that ETF may meet its access obligations under HIPAA and HITECH. All fees related to this access, as determined by Wipfli , are the responsibility of the individual requesting the access.
2. Amendment. At the direction of ETF, Wipfli agrees to amend or correct PHI held by Wipfli, in the time and manner designated by ETF, so that ETF may meet its amendment obligations pursuant to HIPAA and HITECH. All fees related to this amendment, as determined by Wipfli , are the responsibility of the individual requesting the access.
3. Documentation of Disclosures. Wipfli agrees to document disclosures of PHI and information related to disclosures so that ETF may meet its obligations under HIPAA and HITECH.
4. Accounting of Certain Disclosures. Wipfli shall maintain a process to provide ETF an accounting of disclosures of PHI for as long as Wipfli maintains PHI received from or on behalf of ETF. Wipfli agrees to provide to ETF or to an individual, in a time and manner designated by ETF, information collected in accordance with Subsection 3 above, to permit ETF to properly respond to a request by an individual for an accounting of disclosures pursuant to HIPAA and HITECH.
   (a) Each accounting will provide:
      i. The date of each disclosure;
      ii. The name and address of the organization or person who received the PHI;
      iii. A brief description of the PHI disclosed; and
      iv. For disclosures other than those made at the request of the subject, the purpose for which the PHI was disclosed and a copy

of the request or authorization for disclosure.

(b) For repetitive disclosures that Wipfli makes to the same person or entity, including ETF, for a single purpose, Wipfli may provide:

i. The disclosure information for the first of these repetitive disclosures;

ii. The frequency or number of these repetitive disclosures; and

iii. The date of the last of these repetitive disclosures.

(c) Wipfli will make a log of this disclosure information available to ETF within five (5) business days of ETF's request.

(d) Wipfli need not record disclosure information or otherwise account for disclosures of PHI if:

i. The disclosures are allowed under this Agreement or are expressly authorized by ETF in another written document; and

ii. The disclosures are for one of the following purposes:

1. Treatment, Payment or Health Care Operations that are not made through an Electronic Health Record;
2. In response to a request from the Individual who is the subject of the disclosed PHI, or to that Individual's Personal Representative;
3. Made to persons involved in the health care or payment for the health care of the Individual who is the subject of the disclosed PHI;
4. For notification for disaster relief purposes;
5. For national security or intelligence purposes;
6. As part of a Limited Data Set; or
7. To law enforcement officials or correctional institutions regarding inmates.

5. Disclosure Tracking Periods. Except as otherwise provided in this paragraph, Wipfli must have available to ETF the disclosure information required by this section, but in no case will Wipfli be required to have available information from:

(a) More than six (6) years before ETF's request for the disclosure information; or

(b) Any period during which Wipfli did not provide services to ETF.

H. Accounting to ETF and Government Agencies. Wipfli will make its internal practices, books, and records relating to its use and disclosure of PHI available to ETF to provide to the U.S. Department of Health and Human Services (HHS) in a time and manner designated by HHS for the purpose of determining ETF's compliance with HIPAA and HITECH. Wipfli shall promptly notify ETF of any inquiries made to it by HHS concerning ETF's compliance with HIPAA.

PART 2 – ETF OBLIGATIONS

A. Changes in Permissions to Use and Disclose PHI. ETF shall promptly notify Wipfli of any change in, or revocation of, permission by an individual to use or disclose PHI, to the extent that such change may affect Wipfli's use or disclosure of such PHI.

B. **Changes in ETF's Notice of Privacy Practices.** ETF shall provide Wipfli with a copy of ETF's Notice of Privacy Practices and shall notify Wipfli of any change made to the Notice of Privacy Practices, to the extent that such change may affect Wipfli's efforts to comply with this Agreement.

C. **Changes in Wisconsin Law.** ETF shall notify Wipfli of any relevant change in Wisconsin law, to the extent that such change may affect Wipfli's efforts to comply with this Agreement.

PART 3 - TERM, TERMINATION AND AMENDMENT

A. **Term.** This Agreement becomes effective on the effective date of the Underlying Contract. The Agreement is co-extensive with the term of the Underlying Contract, including any extensions made to the original Underlying Contract.

B. **Reasonable Steps to Cure Breach and Termination for Breach.** ETF may provide Wipfli with an opportunity to cure the material breach. If these efforts to cure the material breach are unsuccessful, as determined by ETF in its sole discretion, ETF may terminate the Underlying Contract and this Agreement, as soon as administratively feasible.

C. **Effect of Termination: Return or Destruction of PHI.** Upon termination, cancellation, expiration, or other conclusion of the Underlying Contract, Wipfli shall:

1. Return to ETF or, if return is not feasible, destroy all PHI in whatever form or medium that Wipfli received from or created on behalf of ETF. This provision shall also apply to all PHI that is in the possession of subcontractors or agents of Wipfli. In such case, Wipfli shall retain no copies of such information, including any compilations derived from and allowing identification of PHI. Wipfli shall complete such return or destruction as promptly as possible, but not more than thirty (30) days after the effective date of the conclusion of the Underlying Contract. Within such thirty (30) day period, Wipfli shall certify on oath in writing to ETF that such return or destruction has been completed.

2. If Wipfli destroys PHI, destruction shall be done with the use of technology or methodology that renders the PHI unusable, unreadable, or undecipherable to unauthorized individuals as specified by HHS in HHS guidance for the destruction of Protected Health Information. Acceptable methods for destroying PHI include: (i) paper, film, or other hard copy media shredded or destroyed in order that Protected Health Information cannot be read or reconstructed; and (ii) electronic media cleared, purged or destroyed consistent with the standards of the National Institute of Standards and Technology (NIST). HHS specifically excluded redaction as a method of destruction of Protected Health Information, unless the information is properly redacted so as to be fully de-identified.

3. If Wipfli believes that the return or destruction of PHI is not feasible, Wipfli shall provide written notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction is not feasible, Wipfli shall extend the protections of this Agreement to PHI received from or created on behalf of ETF, and limit further uses and disclosures of such PHI, for so long as Wipfli maintains the PHI.

D. **Agreement to Amend the Business Associate Agreement.** The parties to this Agreement and the Underlying Contract acknowledge that amendment to this Agreement may be required to provide for procedures to ensure compliance with new developments in HIPAA and HITECH laws.
   1. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, HITECH and their implementing regulations.
   2. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, HITECH and applicable federal regulations.
   3. If this Agreement is not amended by the effective date of any final regulation or amendment to final regulations with respect to HIPAA and HITECH, this Agreement will automatically be amended on such effective date such that the obligations they impose on Wipfli remain in compliance with the regulations then in effect.

PART 4 – GENERAL PROVISIONS

A. **Conflict.** The provisions of this Agreement override and control any conflicting provision of the Underlying Contract regarding the applicability and interpretation of HIPAA or HITECH as it applies to the Vendor as a Business Associate of ETF. All non-conflicting provisions of the Underlying Contract remain in full force and effect.

B. **Documentation.** All documentation that is required by this Agreement or by 45 C.F.R. Part 164 will be retained by Wipfli for six (6) years from the date of creation or when it was last in effect, whichever is longer.

C. **Survival.** The parties' obligations and rights, with respect to Wipfli's engagement to provide services, will be unaffected by the termination of the Underlying Contract and this Agreement.

EXHIBIT 2

February 2, 2016

Contract for

Compliance Audit Services for

Wisconsin Public Employers Group Life Insurance Program

ETJ0005

SCHEDULE OF TRIENNIAL AUDITS

	Proposed Audit Start and Completion Date		
Audit	**Approximate Start Date**	**Preferred Completion Date**	**Group Life Insurance Plan Years Audited**
Initial	April 2010	July 2010	2006, 2007, 2008
Second	January 2013	May 2013	2009, 2010, 2011
Third	May 2016	October 2016	2012, 2013, 2014
Fourth	January 2019	May 2019	2015, 2016, 2017