

## **BUSINESS ASSOCIATE AGREEMENT**

This Business Associate Agreement ("Agreement") is executed by and between San Joaquin Valley Insurance Authority ("Agency") and Sheppard Mullin Richter & Hampton, LLP ("Business Associate"). Agency and Business Associate are sometimes individually referred to herein as a "Party" or collectively as the "Parties."

### **RECITALS**

WHEREAS, Agency may undertake to render certain services on behalf of covered entities (as defined at 45 C.F.R. § 160.103) (each an "Upstream Covered Entity") pursuant to which Agency may receive or otherwise create Protected Health Information (as defined below) and qualify as a business associate (as defined at 45 C.F.R. § 160.103);

WHEREAS, Business Associate has been engaged to provide certain services to Agency pursuant to a separate agreement ("Services Agreement"), and, in connection with those services, Agency may need to disclose to Business Associate, or Business Associate may need to create on Agency's behalf, certain PHI that may be subject to protection under the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. §1320d, et seq., the Health Information Technology Act of 2009, as codified at 42 U.S.C. §17901, et seq. ("HITECH Act"), and any current and future regulations promulgated under HIPAA, including the privacy, security, breach notification, and enforcement rules at 45 CFR Part 160 and Part 164 (the aforesaid authorities are collectively referred to herein as "HIPAA");

WHEREAS, pursuant to HIPAA, all business associates, including Business Associate, as a condition of doing business with Agency, must agree in writing to certain mandatory provisions regarding the privacy and security of PHI; and

WHEREAS, the Parties desire to comply with the requirements of HIPAA and are hereby executing this Agreement to be effective in the event Business Associate's performance of the Service Agreement would trigger application of HIPAA.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING, and the mutual promises and covenants contained herein, the Parties hereby agree as follows:

### **AGREEMENT**

1. Definitions. Capitalized terms used, but not otherwise defined, in this Agreement shall have the meanings set forth in HIPAA.

(a) "Breach" shall have the meaning given to such term in 45 C.F.R. § 164.402, and shall include the unauthorized acquisition, access, use, or disclosure of PHI which compromises the security or privacy of such information.

(b) "Data Aggregation" shall have the meaning given to such phrase under the Privacy Rule, including, but not limited to, 45 C.F.R. § 164.501.

(c) “Designated Record Set” means a group of records maintained by or for Agency that may include (i) medical records and billing records about Individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (iii) records used, in whole or in part, by or for Agency to make decisions about Individuals.

(d) “Effective Date” shall mean the date on which Business Associate first received PHI in the capacity of a business associate in relation to the Services Agreement, notwithstanding the date of this Agreement.

(e) “Electronic Health Record” shall have the meaning given to such phrase in the HITECH Act, including, but not limited to, 42 U.S.C. § 17921(5).

(f) “Electronic Protected Health Information” (or “ePHI”) means individually identifiable health information that is transmitted by, or maintained in, electronic media.

(g) “Health Care Operations” shall have the meaning given to such phrase under the Privacy Rule, including, but not limited to, 45 C.F.R. § 164.501.

(h) “Individual” shall have the meaning given to such term in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

(i) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information codified at 45 C.F.R. Part 160 and Part 164, Subparts A and E, as amended by the HITECH Act and as may otherwise be amended from time to time.

(j) “Protected Health Information” (or “PHI”) means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental 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 (ii) that identifies the Individual or with respect to which there is a reasonable basis to believe the information can be used to identify that Individual; and (iii) shall include the definition as set forth in the Privacy Rule including, but not limited to, 45 C.F.R. § 160.103. PHI excludes individually identifiable health information regarding a person who has been deceased for more than fifty (50) years. For purposes of this Agreement, the term PHI shall include ePHI and shall be limited to information received from, or created on behalf of, Agency, as may be required by Business Associate to perform the obligations and functions set forth under the Services Agreement.

(k) “Required By Law” shall have the meaning given to such phrase in 45 C.F.R. § 164.103.

(l) “Secretary” means the Secretary of the U.S. Department of Health and Human Services or his/her designee.

(m) “Security Incident” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

(n) “Security Rule” shall mean the regulations that are codified at 45 C.F.R. Part 160 and Part 164, Subparts A and C, as amended by the HITECH Act and as may otherwise be amended from time to time.

(o) “Unsecured PHI” shall mean PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by the Secretary in guidance or as otherwise defined in 45 C.F.R. § 164.402.

2. Scope of Agreement. This Agreement applies to the PHI received from, or created on behalf of, Agency, as may be required by Business Associate to perform the obligations and functions set forth under the Services Agreement. Notwithstanding anything else herein, this Agreement shall only apply to the extent Business Associate receives or creates PHI in the capacity of a business associate. Business Associate shall abide by HIPAA with respect to the PHI of Agency, as outlined below.

3. Obligations and Activities of Business Associate.

(a) *Permitted Uses and Disclosures.* Business Associate shall use or disclose PHI only as permitted by this Agreement, or as Required By Law. Except as otherwise limited in this Agreement, Business Associate may use and/or disclose PHI: (i) to perform its obligations and functions under the Services Agreement; (ii) for the proper management and administration of Business Associate; or (iii) to carry out the legal responsibilities of Business Associate. Business Associate shall not use or disclose PHI in any manner that would constitute a violation of HIPAA if so used or disclosed by Agency.

(b) *Minimum Necessary.* Business Associate shall make reasonable efforts to limit the use and disclosure of PHI to perform or fulfill a function required or permitted under this Agreement to the Minimum Necessary to accomplish the intended purposes of such use or disclosure.

(c) *Other Business Associates.* As part of its providing functions, activities, and/or services to Agency, Business Associate may disclose information, including PHI, to other business associates of Agency, and Business Associate may use and disclose information, including PHI, received from other business associates of Agency as if this information was received from, or originated with, Agency.

(d) *Safeguards.* Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement and to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the ePHI that it creates, receives, maintains, or transmits on behalf of Agency.

(e) *Reporting of Unauthorized Uses or Disclosures.* Business Associate agrees to report to Agency in writing any access, use, or disclosure of PHI not provided for or permitted by this Agreement of which Business Associate (or Business Associate's employee, officer or agent) becomes aware. Business Associate shall so notify Agency in accordance with HIPAA, after Business Associate becomes aware of such unauthorized use or disclosure.

(f) *Reporting of Breach of Unsecured PHI.* Business Associate agrees to report to Agency any Breach of Unsecured PHI of which Business Associate (or Business Associate's employee, officer or agent) becomes aware in accordance with HIPAA after Business Associate knows of such Breach, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security.

(g) *Security Incidents.* Business Associate agrees to report to Agency any Security Incident of which Business Associate becomes aware, as follows:

(1) Attempted incidents, i.e., those incidents that are unsuccessful and neither penetrate the information systems nor cause any threat of harm to such systems, shall be reported to Agency within thirty (30) days of Agency's written request. Agency will not make such a request more frequently than quarterly.

(2) Successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operation shall be reported to Agency in accordance with HIPAA, after discovery by Business Associate.

(h) *Agents and Subcontractors.* Business Associate agrees to ensure that any agent, including a subcontractor, to whom Business Associate provides PHI, agrees in writing to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI, and implement the safeguards required by Section 3(d) above with respect to ePHI. If Business Associate knows of a pattern of activity or practice of an agent that constitutes a violation of the agent's obligations to Business Associate, Business Associate shall take reasonable steps to end the violation, and if such steps are unsuccessful, Business Associate must terminate the arrangement if feasible.

(i) *Mitigation of Unauthorized Uses or Disclosures.* Business Associate agrees to mitigate, to the extent reasonably practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate or one of its agents or subcontractors in violation of the requirements of this Agreement.

(j) *Authorized Access to PHI.*

(1) *Individual Requests for Access.* Business Associate shall cooperate with Agency to fulfill all requests by Individuals for access to the Individual's PHI. Business Associate shall cooperate with Agency in all respects necessary for Agency to comply with 45 C.F.R. § 164.524. Business Associate agrees to forward any copies requested by Agency within fifteen (15) business days of such request. If Business Associate receives a request from an Individual for access to PHI, Business Associate shall promptly forward such request to Agency.

(2) *Scope of Disclosure.* Agency shall be solely responsible for determining the scope of PHI and/or Designated Record Set with respect to each request by an Individual for access to PHI. In the event that Agency decides to charge a reasonable cost-based fee for the reproduction and delivery of PHI to an Individual, Agency shall deliver a portion of this fee to Business Associate in the event any such reproduction or delivery is made by Business Associate, and in proportion to the amount of work done by Business Associate in producing and delivering the PHI.

(3) *Designated Record Set.* To the extent that Business Associate maintains PHI in a Designated Record Set, and at the request of Agency, Business Associate agrees to provide access to PHI in such Designated Record Set to Agency or, as directed by Agency, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524. If Business Associate maintains PHI in a Designated Record Set, and maintains an Electronic Health Record, then Business Associate shall provide such Designated Record Set in electronic format.

(4) *Individual Right to Amend PHI.* An Individual has the right to have Agency amend his/her PHI, or a record in a Designated Record Set for as long as the PHI is maintained in the Designated Record Set, in accordance with 42 C.F.R. § 164.526. To the extent that Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set at the request of Agency in accordance with 45 C.F.R. § 164.526.

(k) *Accounting of Disclosures.* Business Associate agrees to document and provide to Agency within thirty (30) days of receiving a request from Agency, an accounting of disclosures of PHI and information related to such disclosures as required for Agency to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528. Business Associate shall maintain this record for a period of six (6) years and make it available to Agency upon request in an electronic format so that Agency may meet its disclosure accounting obligations under 45 C.F.R. § 164.528.

(l) *Secretary's Right to Audit.* Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from Agency, or created or received by Business Associate on behalf of Agency, available to the Secretary for purposes of the Secretary determining Agency's, an appropriate Upstream Covered Entity's, and/or Business Associate's compliance with HIPAA. Business Associate agrees to cooperate with the Secretary if the Secretary undertakes an investigation or compliance review of Agency. Business Associate shall permit the Secretary access to its facilities, books, records, accounts, and other sources of information, including PHI, during normal business hours. No attorney-client, or other legal privilege will be deemed to have been waived by Business Associate by virtue of this provision of the Agreement.

#### 4. Obligations of Agency.

(a) *Notice of Privacy Practices.* Upon written request by Business Associate, Agency shall provide Business Associate with Agency's or the appropriate Upstream Covered Entity's then current Notice of Privacy Practices, if any.

(b) *Revocation of Permitted Use or Disclosure of PHI.* Agency shall promptly notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI of Agency or an Upstream Covered Entity, to the extent that such changes may affect Business Associate's use or disclosure of PHI.

(c) *Restrictions on Use or Disclosure of PHI.* Agency shall promptly notify Business Associate of any restriction to the use or disclosure of PHI that either Agency or an Upstream Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(d) *Requested Uses or Disclosures of PHI.* Agency shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under HIPAA if done by Agency.

5. Term and Termination.

(a) *Term.* The term of this Agreement shall be coterminous with the Services Agreement. However, Business Associate shall have a continuing obligation to safeguard the confidentiality of PHI received from Agency after the termination of the Services Agreement.

(b) *Termination for Cause.* A breach of any provision of this Agreement by Business Associate shall constitute a material breach of this Agreement and shall provide grounds for immediate termination of this Agreement and/or the Services Agreement, any provision in this Agreement or the Services Agreement to the contrary notwithstanding.

(c) *Judicial or Administrative Proceedings.* Either Party may terminate the Services Agreement, effective immediately, if (i) the other Party is named as a defendant in a criminal proceeding for a violation of HIPAA, or other security or privacy laws; or (ii) a finding or stipulation that the other Party has violated any standard or requirement of HIPAA or other security or privacy laws is made in any administrative or civil proceeding in which the Party has been joined.

(d) *Effect of Termination.*

(1) Except as provided in paragraph (2) of this section, upon termination of this Agreement for any reason, Business Associate shall return or destroy all PHI received from Agency, or created or received by Business Associate on behalf of Agency. Business Associate shall certify in writing to Agency that such PHI has been destroyed.

(2) In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Agency notification of the conditions that make return or destruction unfeasible. Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures to those purposes that make the return or destruction of the PHI unfeasible, for so long as Business Associate maintains such PHI.

6. Breach Pattern or Practice. If either Party (the "Non-Breaching Party") knows of a pattern of activity or practice of the other Party (the "Breaching Party") that constitutes a

material breach or violation of the Breaching Party's obligations under this Agreement, the Non-Breaching Party shall either (i) terminate this Agreement in accordance with Section 5(b) above; or (ii) take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the Non-Breaching Party must terminate the Agreement if feasible. The Non-Breaching Party shall provide written notice to the Breaching Party of any pattern of activity or practice of the Breaching Party that the Non-Breaching Party believes constitutes a material breach or violation of the Breaching Party's obligations under this Agreement within three (3) days of discovery and shall meet with the Breaching Party's Privacy Coordinator to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

7. Compliance With State Law. Business Associate acknowledges that Business Associate and Agency may have confidentiality and privacy obligations under state law. If any provisions of this Agreement or HIPAA conflict with applicable state law regarding the degree of protection provided for PHI and patient medical records, then Business Associate shall comply with the more restrictive requirements.

8. Miscellaneous.

(a) *Amendment.* Business Associate and Agency agree to take such action as is necessary to amend this Agreement from time to time to enable the Parties to comply with the requirements of HIPAA. This Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed and agreed to by Business Associate and Agency.

(b) *Interpretation.* The provisions of this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA. The Parties agree that any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with HIPAA.

(c) *Entire Agreement.* This Agreement contains the agreement of the Parties hereto and supersedes all prior agreements, contracts and understandings, whether written or otherwise, between the Parties relating to the subject matter hereof. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(d) *No Third Party Beneficiaries.* Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Business Associate and Agency, and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

(e) *Notices.* All notices or other communications required or permitted hereunder shall be in writing and shall be deemed given or delivered (i) when delivered personally, against written receipt; (ii) if sent by registered or certified mail, return receipt requested, postage prepaid, when received; (iii) when received by facsimile transmission; and (iv) when delivered by a nationally recognized overnight courier service, prepaid, and shall be sent to the addresses set forth on the signature page of this Agreement or at such other address as each Party may designate by written notice to the other by following this notice procedure.

(f) *Regulatory References.* A reference in this Agreement to a section in the HIPAA means the section as in effect or as amended, and for which compliance is required.

(g) *Survival.* The respective rights and obligations of Business Associate under Section 3 et seq. of this Agreement shall survive the termination of this Agreement. In addition, Section 5(d) (Effect of Termination), Section 7 (Compliance with State Law), Section 8(e) (Notices), Section 8(h) (Governing Law), and Section 8(i) (Relationship to Services Agreement) shall survive the termination of this Agreement.

(h) *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California to the extent that the provisions of HIPAA do not preempt the laws of the State of California.

(i) *Relationship to Services Agreement.* In the event that a provision of this Agreement is contrary to a provision of any agreement with Agency pertaining to Business Associate's services, including but not limited to the Services Agreement, the provisions of this Agreement shall control.

(j) *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the Party against whom enforcement of this Agreement is sought. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same force and effect as physical execution and delivery of the paper document bearing the original signature.

*[Remainder of Page Intentionally Left Blank]*



IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf to be effective as of the Effective Date.

**BUSINESS ASSOCIATE**

By: Elizabeth S. Balfour

Name: Elizabeth Balfour

Title: Partner

Date: December 12, 2025

**SAN JOAQUIN VALLEY  
INSURANCE AUTHORITY**

By: Amy Shuklian

Name: Amy Shuklian

Title: SJVIA Board President

Date: Dec. 19, 2025