

## RESOLUTION AGREEMENT

### I. Recitals

1. Parties. The Parties to this Resolution Agreement (“Agreement”) are:
  - A. The United States Department of Health and Human Services, Office for Civil Rights (“HHS”), which enforces the Federal standards that govern the privacy of individually identifiable health information (45 C.F.R. Part 160 and Subparts A and E of Part 164, the “Privacy Rule”), the Federal standards that govern the security of electronic individually identifiable health information (45 C.F.R. Part 160 and Subparts A and C of Part 164, the “Security Rule”), and the Federal standards for notification in the case of breach of unsecured protected health information (45 C.F.R. Part 160 and Subparts A and D of 45 C.F.R. Part 164, the “Breach Notification Rule”). HHS has the authority to conduct compliance reviews and investigations of complaints alleging violations of the Privacy, Security, and Breach Notification Rules (the “HIPAA Rules”) by covered entities and business associates, and covered entities and business associates must cooperate with HHS compliance reviews and investigations. *See* 45 C.F.R. §§ 160.306(c), 160.308, and 160.310(b).
  - B. All Inclusive Medical Services Inc. (“AIMS” or “Covered Entity”) is a covered entity, as defined at 45 C.F.R. § 160.103, and therefore is required to comply with the HIPAA Rules. AIMS is a health care provider covered entity. AIMS is located in Carmichael, California.

HHS and AIMS shall together be referred to herein as the “Parties.”

### 2. Factual Background and Covered Conduct.

On April 25, 2018, OCR received a complaint alleging that AIMS refused to give the complainant access to her medical records when it failed to provide her with a copy and refused her request to inspect her records.

HHS’s investigation indicated that the following conduct occurred (“Covered Conduct”)

- A. AIMS failed to provide access to inspect and obtain a copy of PHI about the individual in a designated record set. *See* 45 C.F.R. §164.524(a)(1)(Access to PHI).

### 3. No Admission. This Agreement is not an admission of liability by AIMS.

4. No Concession. This Agreement is not a concession by HHS that AIMS is not in violation of the HIPAA Rules and not liable for civil money penalties (“CMPs”).

5. Intention of Parties to Effect Resolution. This Agreement is intended to resolve OCR Transaction Number: 18-304034 and any potential violations of the HIPAA Rules related to the Covered Conduct specified in paragraph I.2 of this Agreement. In consideration of the Parties’ interest

in avoiding the uncertainty, burden, and expense of further investigation and formal proceedings, the Parties agree to resolve this matter according to the Terms and Conditions below.

## **II. Terms and Conditions**

6. Payment. HHS has agreed to accept, and AIMS has agreed to pay HHS, the amount of **\$15,000** (“Resolution Amount”). AIMS agrees to pay the Resolution Amount on or before August 15, 2020, pursuant to written instructions to be provided by HHS.

7. Corrective Action Plan. AIMS has entered into and agrees to comply with the Corrective Action Plan (“CAP”), attached as Appendix A, which is incorporated into this Agreement by reference. If AIMS breaches the CAP, and fails to cure the breach as set forth in the CAP, then AIMS will be in breach of this Agreement and HHS will not be subject to the Release set forth in paragraph II.8 of this Agreement.

8. Release by HHS. In consideration of and conditioned upon AIMS’s performance of its obligations under this Agreement, HHS releases AIMS from any actions it may have against AIMS under the HIPAA Rules arising out of or related to the Covered Conduct identified in paragraph I.2. of this Agreement. HHS does not release AIMS from, nor waive any rights, obligations, or causes of action other than those arising out of or related to the Covered Conduct and referred to in this paragraph. This release does not extend to actions that may be brought under section 1177 of the Social Security Act, 42 U.S.C. § 1320d-6.

9. Agreement by Released Parties. AIMS shall not contest the validity of its obligation to pay, nor the amount of, the Resolution Amount or any other obligations agreed to under this Agreement. AIMS waives all procedural rights granted under Section 1128A of the Social Security Act (42 U.S.C. § 1320a- 7a) and 45 C.F.R. Part 160 Subpart E, and HHS claims collection regulations at 45 C.F.R. Part 30, including, but not limited to, notice, hearing, and appeal with respect to the Resolution Amount.

10. Binding on Successors. This Agreement is binding on AIMS and its successors, heirs, transferees, and assigns.

11. Costs. Each Party to this Agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

12. No Additional Releases. This Agreement is intended to be for the benefit of the Parties only. No person, class or entity is intended to be a third party beneficiary of the provisions of this Agreement for purposes of any civil, criminal or administrative action or proceeding, and accordingly, no person, class or entity may assert any claim or right as a beneficiary to this Agreement in such action or proceeding. By this instrument the Parties do not release any claims against or by any other person or entity.

13. Effect of Agreement. This Agreement constitutes the complete agreement between the Parties. All material representations, understandings, and promises of the Parties are contained in this Agreement. Any modifications to this Agreement shall be set forth in writing and signed by all Parties.

14. Execution of Agreement and Effective Date. The Agreement shall become effective (*i.e.*, final and binding) upon the date of signing of this Agreement and the CAP by the last signatory (“Effective Date”).

15. Tolling of Statute of Limitations. Pursuant to 42 U.S.C. § 1320a-7a(c)(1), a CMP must be imposed within six (6) years from the date of the occurrence of the violation. To ensure that this six-year period does not expire during the term of this Agreement, AIMS agrees that the time between the Effective Date of this Agreement (as set forth in Paragraph 14) and the date the Agreement may be terminated by reason of AIMS’s breach, plus one-year thereafter, will not be included in calculating the six (6) year statute of limitations applicable to the violations which are the subject of this Agreement. AIMS waives and will not plead any statute of limitations, laches, or similar defenses to any administrative action relating to the covered conduct identified in paragraph I.2 that is filed by HHS within the time period set forth above, except to the extent that such defenses would have been available had an administrative action been filed on the Effective Date of this Agreement.

16. Disclosure. HHS places no restriction on the publication of the Agreement.

17. Execution in Counterparts. This Agreement may be executed in counterparts, each of which constitutes an original, and all of which shall constitute one and the same agreement.

18. Authorizations. The individual(s) signing this Agreement on behalf of AIMS represent and warrant that they are authorized by AIMS to execute this Agreement. The individual(s) signing this Agreement on behalf of HHS represent and warrant that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement.

**For All Inclusive Medical Services**

/s/

\_\_\_\_\_  
Dr. Sunil Dhir  
Chief Medical Officer  
All Inclusive Medical Services (AIMS)

July 15, 2020  
Date

**For the United States Department of Health and Human Services**

/s/

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Michael Leoz  
Regional Manager, Pacific Region  
U.S. Department of Health and Human Services  
Office for Civil Rights

July 15, 2020  
Date

**CORRECTIVE ACTION PLAN**  
**BETWEEN THE**  
**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**AND**  
**ALL INCLUSIVE MEDICAL SERVICES**

I. Preamble

All Inclusive Medical Services (“AIMS”) hereby enters into this Corrective Action Plan (“CAP”) with the United States Department of Health and Human Services, Office for Civil Rights (“HHS”). Contemporaneously with this CAP, AIMS is entering into a Resolution Agreement (“Agreement”) with HHS, and this CAP is incorporated by reference into the Agreement as Appendix A. AIMS enters into this CAP as part of consideration for the release set forth in paragraph II.8 of the Agreement.

II. Contact Persons and Submissions

A. Contact Persons

AIMS has identified the following individual as its authorized representative and contact person regarding the implementation of this CAP and for receipt and submission of notifications and reports:

Angie Fuher  
All Inclusive Medical Services (AIMS)  
5900 Coyle Ave  
Carmichael, CA 95608  
Email: [info@aimscare.org](mailto:info@aimscare.org)  
Phone: 916 330 4447

HHS has identified the following individual as its authorized representative and contact person with whom AIMS is to report information regarding the implementation of this CAP:

Lesley Morgan  
Investigator  
Office for Civil Rights, Pacific Region  
U.S. Department of Health and Human Services  
701 5<sup>th</sup> Avenue, Suite 1600  
Seattle, WA 98104  
[Lesley.Morgan@hhs.gov](mailto:Lesley.Morgan@hhs.gov)

AIMS and HHS agree to promptly notify each other of any changes in the contact persons or

the other information provided above.

B. Proof of Submissions. Unless otherwise specified, all notifications and reports required by this CAP may be made by any means, including certified mail, overnight mail, or hand delivery, provided that there is proof that such notification was received. For purposes of this requirement, internal facsimile confirmation sheets do not constitute proof of receipt.

### III. Effective Date and Term of CAP

The Effective Date for this CAP shall be calculated in accordance with paragraph II.14 of the Agreement (“Effective Date”). The period for compliance (“Compliance Term”) with the obligations assumed by AIMS under this CAP shall begin on the Effective Date of this CAP and end two (2) years from the Effective Date, unless HHS has notified AIMS under Section VIII hereof of its determination that AIMS breached this CAP. In the event HHS notifies AIMS of a breach under section VIII hereof, the Compliance Term shall not end until HHS notifies AIMS that HHS has determined AIMS failed to meet the requirements of section VIII.C of this CAP and issues a written notice of intent to proceed with an imposition of a civil money penalty against AIMS pursuant to 45 C.F.R. Part 160. After the Compliance Term ends, AIMS shall still be obligated to submit the final Annual Report as required by Section VI and comply with the document retention requirement in Section VII. Nothing in this CAP is intended to eliminate or modify AIMS’s obligation to comply with the document retention requirements in 45 C.F.R. § 164.316(b) and § 164.530(j).

### IV. Time

In computing any period of time prescribed or allowed by this CAP, all days referred to shall be calendar days. The day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not one of the aforementioned days.

### V. Corrective Action Obligations

AIMS agrees to the following:

#### A. Policies and Procedures

1. AIMS shall review and, to the extent necessary, develop, maintain, and revise its written privacy policies and procedures (“Policies and Procedures”) to comply with the Federal standards that govern the privacy of individually identifiable health information. (45 C.F.R. Part 160 and 164, Subpart E of 45 C.F.R. Part 164). AIMS’s Policies and Procedures shall include, but not be limited to, the minimum content set forth in Section V.C.

2. Within ninety (90) days following the Effective Date of the Agreement, AIMS shall provide such Policies and Procedures, consistent with paragraph 1 above, to HHS for review and approval. Upon receiving any required changes to such Policies and Procedures from HHS, AIMS shall have thirty (30) days to revise the Policies and Procedures accordingly and provide the revised Policies and Procedures to HHS for review and approval. This process shall continue until HHS approves such Policies and Procedures.

3. Within thirty (30) days after receiving HHS's final approval of any revisions to the Policies and Procedures described in Section V.A.1 and V.C.1, AIMS shall implement and distribute the Policies and Procedures in to all appropriate workforce members.

**B. Distribution and Updating of Policies and Procedures**

1. AIMS shall distribute the Policies and Procedures identified in Section V.A. and V.C to all members of the workforce within sixty days of HHS's approval of such Policies and Procedures and to new members of the workforce within sixty (60) days of their beginning of service.

2. AIMS shall require, at the time of distribution of the Policies and Procedures, a signed written or electronic initial compliance certification from all members of the workforce, stating that the workforce members have read, understand, and shall abide by such Policies and Procedures.

3. AIMS shall assess, update, and revise, as necessary, the Policies and Procedures at least annually. AIMS shall provide the revised Policies and Procedures to HHS for review and approval. Within 30 days of HHS's approval of any substantive revisions, AIMS shall distribute such revised Policies and Procedures to all members of its workforce, and shall require new compliance certifications.

4. AIMS shall not provide any member of its workforce with access to PHI if that workforce member has not signed or provided the written or electronic certification required by paragraphs 2 & 3 of this section.

**C. Minimum Content of the Policies and Procedures**

At a minimum, the Policies and Procedures shall include measures to address the following Privacy Rule provisions:

1. Right to Notice – 45 C.F.R. §164.520(a)(1)
2. Content of Notice – 45 C.F.R. §164.520(b)(1)
3. Provision of Notice – 45 C.F.R. §164.520(c)
4. Right of Access – 45 C.F.R. §164.524(a)(1)
5. Timely Action by the Covered Entity – 45 C.F.R. §164.524(b)(2)
6. Time and Manner of Access – 45 C.F.R. §164.524(c)(3)
7. Fees – 45 C.F.R. §164.524(c)(4)
8. Documentation – 45. C.F.R.§ 164.524(e)

**D. Mitigation**

Within fifteen (15) days following the Effective Date of the Agreement, AIMS shall provide OCR with evidence of making good faith efforts to provide the complainant access to inspect and obtain a copy of her complete designated record set consistent with 45 CFR 164.524(a)(1).

## E. Reportable Events

1. During the Compliance Term, AIMS shall, upon learning that a workforce member likely failed to comply with its Policies and Procedures described in Section V.A.1, promptly investigate this matter. If AIMS, after review and investigation, determines that a member of its workforce has failed to comply with its Policies and Procedures, AIMS shall report such events to HHS as provided in Section VI.B.3. Such violations shall be known as Reportable Events. The report to HHS shall include the following:

- a. A complete description of the event, including the relevant facts, the persons involved, and the applicable provision(s) of AIMS's Privacy, Security, and Breach Notification Policies and Procedures; and
- b. A description of the actions taken and any further steps AIMS plans to take to address the matter to mitigate any harm, and to prevent it from recurring, including application of any appropriate sanctions against workforce members who failed to comply with its Privacy, Security, and Breach Notification Policies and Procedures.

2. If no Reportable Events occur during the Compliance term, AIMS shall so inform HHS in the Implementation Report as specified in Section VI below.

## F. Training

1. AIMS shall provide HHS with training materials for all members of the workforce and management that have access to PHI to include specific training related to its new Policies and Procedures under Section V.A-C above, within sixty (60) days after HHS approves AIMS's Policies and Procedures per Section V.A.2 above.

2. Upon receiving notice from HHS specifying any required changes, AIMS shall make the required changes and provide revised training materials to HHS within 30 days.

3. Within sixty (60) days after receiving HHS's final approval and at least every twelve (12) months thereafter, AIMS shall provide training for each workforce member who has access to PHI. AIMS shall also provide such privacy awareness training to each new member of the workforce who has access to PHI within thirty (30) days of their beginning of service.

4. Each workforce member who is required to attend privacy training shall certify, in electronic or written form, that he or she has received the training. The training certification shall specify the date training was received. All course materials shall be retained in compliance with Section VII.

5. AIMS shall review the privacy training at least annually, and, where appropriate, update the training to reflect changes in Federal law or HHS guidance, any issues discovered during audits or reviews, and any other relevant developments.

## **VI. Implementation Report and Annual Reports**

A. Implementation Report. Within one hundred twenty (120) days after HHS approves the Policies and Procedures specified in Section V.A and V.C above, AIMS shall submit a written report with the documentation described below to HHS for review and approval (“Implementation Report”). The Implementation Report shall include:

1. An attestation signed by an owner or officer of AIMS attesting that the Policies and Procedures are being implemented, have been distributed to all appropriate members of the workforce, and that AIMS has obtained all of the compliance certifications required by Sections V.B.2 and V.B.3;
2. A copy of all training materials used for the training required by this CAP, a description of the training, including a summary of the topics covered, the length of the session(s) and a schedule of when the training session(s) were held;
3. An attestation signed by an owner or officer of AIMS attesting that all members of the workforce have completed the initial training required by this CAP and have executed the training certifications required by Section V.F.4;
4. An attestation signed by an owner or officer of AIMS listing all AIMS locations (including locations and mailing addresses), the corresponding name under which each location is doing business, the corresponding phone numbers and fax numbers, and attesting that each such location has complied with the obligations of this CAP; and
5. An attestation signed by an owner or officer of AIMS stating that he or she has reviewed the Implementation Report, has made a reasonable inquiry regarding its content and believes that, upon such inquiry, the information is accurate and truthful.

B. Annual Reports. The one-year period beginning on the Effective Date and each subsequent one-year period during the course of the period of compliance obligations shall be referred to as “the Reporting Periods.” AIMS also shall submit to HHS Annual Reports with respect to the status of and findings regarding AIMS’s compliance with this CAP for each of the three Reporting Periods. AIMS shall submit each Annual Report to HHS no later than sixty (60) days after the end of each corresponding Reporting Period. The Annual Report shall include:

1. A schedule, topic outline, and copies of the training materials for the training programs attended in accordance with this CAP during the Reporting Period that is the subject of the report;
2. An attestation signed by an owner or officer of AIMS attesting that it is obtaining and maintaining written training certifications from all persons that require training that they received training pursuant to the requirements set forth in this CAP;
3. A summary of Reportable Events (defined in Section V.E.1) identified during the Reporting Period and the status of any corrective and preventative action relating to all such Reportable Events;



4. An attestation signed by an owner or officer of AIMS attesting that he or she has reviewed the Annual Report, has made a reasonable inquiry regarding its content and believes that, upon such inquiry, the information is accurate and truthful.

## **VII. Document Retention**

AIMS shall maintain for inspection and copying, and shall provide to HHS upon request, all documents and records relating to compliance with this CAP for six (6) years from the Effective Date.

## **VIII. Breach Provisions**

AIMS is expected to fully and timely comply with all provisions contained in this CAP.

### **A. Timely Written Requests for Extensions**

AIMS may, in advance of any due date set forth in this CAP, submit a timely written request for an extension of time to perform any act required by this CAP. A “timely written request” is defined as a request in writing received by HHS at least five (5) days prior to the date such an act is required or due to be performed. This requirement may be waived by HHS only.

B. Notice of Breach of this CAP and Intent to Impose Civil Monetary Penalty. The parties agree that a breach of this CAP by AIMS constitutes a breach of the Agreement. Upon a determination by HHS that AIMS has breached this CAP, HHS may notify AIMS of: (1) AIMS’s breach; and (2) HHS’ intent to impose a CMP pursuant to 45 C.F.R. Part 160, or other remedies for the Covered Conduct set forth in paragraph I.2 of the Agreement and any other conduct that constitutes a violation of the HIPAA Privacy, Security, or Breach Notification Rules (“Notice of Breach and Intent to Impose CMP”).

C. AIMS’s Response. AIMS shall have thirty (30) days from the date of receipt of the Notice of Breach and Intent to Impose CMP to demonstrate to HHS’ satisfaction that:

1. AIMS is in compliance with the obligations of the CAP that HHS cited as the basis for the breach;
2. The alleged breach has been cured; or
3. The alleged breach cannot be cured within the thirty (30)-day period, but that: (a) AIMS has begun to take action to cure the breach; (b) AIMS is pursuing such action with due diligence; and (c) AIMS has provided to HHS a reasonable timetable for curing the breach.

D. Imposition of CMP. If at the conclusion of the thirty (30)-day period, AIMS fails to meet the requirements of Section VIII.C. of this CAP to HHS’s satisfaction, HHS may proceed with the imposition of a CMP against AIMS pursuant to 45 C.F.R. Part 160 for any violations of the Covered Conduct set forth in paragraph I.2 of the Agreement and for any other act or failure to act that constitutes a violation of the HIPAA Rules. HHS shall notify AIMS in writing of its determination to proceed with the imposition of a CMP pursuant to 45 C.F.R. Part 160.

**For All Inclusive Medical Services**

/s/

\_\_\_\_\_  
Dr. Sunil Dhir  
Chief Medical Officer  
All Inclusive Medical Services (AIMS)

July 15, 2020  
Date

**For United States Department of Health and Human Services**

/s/

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Michael Leoz  
Regional Manager, Pacific Region  
U.S. Department of Health and Human Services  
Office for Civil Rights

July 15, 2020  
Date