

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. CHSPSC LLC (“CHSPSC”) is a business associate as defined at 45 C.F.R. §160.103 and therefore is required to comply with the HIPAA Security Rule. CHSPSC provides services to hospitals and clinics indirectly owned by Community Health Systems, Inc. (“CHS Affiliates”), including legal, compliance, accounting, operations, human resources, information technology (IT) and health information management services.

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

2. Factual Background and Covered Conduct.

On April 10, 2014, an Advanced Persistent Threat group, known as APT18, compromised administrative credentials and remotely accessed CHSPSC’s information system through its virtual private network (VPN). CHSPSC was unaware of the intrusion until notified by the Federal Bureau of Investigation (FBI) on April 18, 2014. The last identified evidence of attacker activity occurred on August 18, 2014. It was determined that APT18’s intrusion affected 237 covered entities served by CHSPSC and that APT18 exfiltrated the PHI of 6,121,158 individuals, including name, sex, date of birth, phone number, social security number, email, ethnicity, and emergency contact information. HHS’s investigation indicated potential violations of the following provisions (“Covered Conduct”):

- A. The requirement to prevent unauthorized access to the ePHI of 6,121,158 individuals whose information was maintained in CHSPSC’s network. See 45 C.F.R. § 164.502(a).
- B. From April 18, 2014 to June 18, 2014, the requirement to respond to a known security incident; mitigate, to the extent practicable, harmful effects of the security incident; and

document the security incident and its outcome. *See* 45 C.F.R. §164.308(a)(6)(ii).

- C. The requirement to implement technical policies and procedures to allow access only to those persons or software programs that have been granted access rights to information systems maintained by CHSPSC. *See* 45 C.F.R. § 164.312(a).
 - D. The requirement to implement procedures to regularly review records of information system activity, such as audit logs, access reports, and security incident tracking reports. *See* 45 C.F.R. § 164.308(a)(1)(ii)(D).
 - E. The requirement to conduct accurate and thorough assessments of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of ePHI held by CHSPSC. *See* 45 C.F.R. § 164.308(a)(1)(ii)(A).
- 3. No Admission. This Agreement is not an admission of liability by CHSPSC.
 - 4. No Concession. This Agreement is not a concession by HHS that CHSPSC is not in violation of the HIPAA Rules and that CHSPSC is not liable for civil money penalties.
 - 5. Intention of Parties to Effect Resolution. This Agreement is intended to resolve HHS Transaction Number 14-189589 and any violations of the HIPAA Rules related to the Covered Conduct specified in Section I.2 of this Agreement. In consideration of the Parties' interest in avoiding the uncertainty, burden, and expense of formal proceedings, the Parties agree to resolve this matter according to the Terms and Conditions below.

II. Terms and Conditions

- 1. Payment. CHSPSC has agreed to pay HHS the amount of **\$2,300,000** ("Resolution Amount"). CHSPSC agrees to pay the Resolution Amount on the Effective Date of this Agreement as defined in Section II.9 pursuant to written instructions to be provided by HHS.
- 2. Corrective Action Plan. CHSPSC 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 CHSPSC breaches the CAP, and fails to cure the breach as set forth in the CAP, then CHSPSC will be in breach of this Agreement and HHS will not be subject to the Release set forth in Section II.3 of this Agreement.
- 3. Release by HHS. In consideration and conditioned upon CHSPSC's performance of its obligations under this Agreement, HHS releases CHSPSC from any actions it may have against CHSPSC under the HIPAA Rules for the Covered Conduct identified in Section I.2 of this Agreement. HHS does not release CHSPSC 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 Section I.2. 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.

4. Agreement by Released Parties. CHSPSC 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. CHSPSC 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.
5. Binding on Successors. This Agreement is binding on CHSPSC and its successors, heirs, transferees, and assigns.
6. 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.
7. No Additional Releases. This Agreement is intended to be for the benefit of the Parties only, and by this instrument the Parties do not release any claims against or by any other person or entity.
8. 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.
9. 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”).
10. Tolling of Statute of Limitations. Pursuant to 42 U.S.C. § 1320a-7a(c)(1), a civil money penalty (“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, CHSPSC agrees that the time between the Effective Date of this Agreement (as set forth in Section II.9) and the date the Agreement may be terminated by reason of CHSPSC’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. CHSPSC waives and will not plead any statute of limitations, laches, or similar defenses to any administrative action relating to the Covered Conduct identified in Section 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.
11. Disclosure. HHS places no restriction on the publication of the Agreement.
12. 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.
13. Authorizations. The individual(s) signing this Agreement on behalf of CHSPSC represent and warrant that they are authorized by CHSPSC 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 CHSPSC LLC

/s/

3/27/2020

Ben Fordham
Executive Vice President, General Counsel and Assistant
Secretary CHSPSC, LLC

Date

For United States Department of Health and Human Services

/s/

3/30/2020

Barbara Stampul
Acting Regional Manager, Southeast
Region Office for Civil Rights

Date

Appendix A

CORRECTIVE ACTION PLAN BETWEEN THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES AND CHSPSC LLC

I. Preamble

CHSPSC LLC (“CHSPSC”) 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, CHSPSC is entering into a Resolution Agreement (“Agreement”) with HHS, and this CAP is incorporated by reference into the Resolution Agreement as Appendix A. CHSPSC enters into this CAP as consideration for the release set forth in Section II.3 of the Agreement.

II. Contact Persons and Submissions

A. Compliance Representative as Contact Person

CHSPSC shall designate an individual to serve as the Compliance Representative (“CR”). The CR shall be an individual who is knowledgeable about the HIPAA Rules and about the policies and practices of CHSPSC with respect to ePHI. The CR shall be responsible for assuring CHSPSC’s compliance with this Agreement and the CAP and for arranging for the provision of such assistance as CHSPSC may require to comply with the Agreement and the CAP, including, but not limited to, arranging for and/or providing policies, procedures, training and internal monitoring services.

The CR, designated immediately below, shall also serve as the contact person on behalf of CHSPSC regarding the implementation of this CAP and for receipt and submission of notifications and reports:

Name: Scott Breece
Title: VP of Security - CISO
Address: 4000 Meridian Boulevard, Franklin, Tennessee 37067
Email: scott_breece@chs.net
Office Phone: 615-465-7860
Fax: 615-465-3212

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

Barbara Stampul
Acting Regional Manager Office for Civil Rights
Southeast Region 61 Forsyth St, Suite 16T70
Atlanta, GA 30303-8909
Voice: (404) 562-2799
Fax: (404) 562-7881
Email: barbara.stampul@hhs.gov

CHSPSC 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.9 of the Agreement (“Effective Date”). The period for compliance (“Compliance Term”) with the obligations assumed by CHSPSC 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 CHSPSC under Section VIII hereof of its determination that CHSPSC breached this CAP. In the event HHS notifies CHSPSC of a breach under Section VIII hereof, the Compliance Term shall not end until HHS notifies CHSPSC that HHS has determined CHSPSC 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 (CMP) against CHSPSC pursuant to 45 C.F.R. Part 160. After the Compliance Term ends, CHSPSC shall still be obligated to: (a) submit the final Annual Report as required by Section V.G.; and (b) comply with the document retention requirement in Section VII. Nothing in this CAP is intended to eliminate or modify CHSPSC obligation to comply with the document retention requirements in 45 C.F.R. § 164.316(b) and § 164.530(j).

IV. Time

Any reference to number of days refers to number of calendar days. In computing any period of time prescribed or allowed by this CAP, 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 Federal 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

CHSPSC agrees to the following:

A. Monitoring

1. Within sixty (60) days of the Effective Date, CHSPSC shall develop, and the CR shall submit to HHS, a written description of CHSPSC's plan to monitor internally its compliance with this CAP ("Internal Monitoring Plan"). CHSPSC shall forward the proposed Internal Monitoring Plan to HHS for HHS's review and approval. HHS will inform CHSPSC in writing, through the CR, as to whether HHS approves or disapproves of the proposed Internal Monitoring Plan.
2. If HHS does not approve of the proposed Internal Monitoring Plan, HHS shall set forth in writing the reasons for its disapproval and recommendations for the necessary modifications to the proposed Internal Monitoring Plan. Within thirty (30) days of HHS's disapproval, CHSPSC shall submit a revised Internal Monitoring Plan to HHS, incorporating HHS's comments and requested revisions. This process shall continue until HHS approves of the proposed Internal Monitoring Plan.
3. While this CAP is in effect, CHSPSC may wish, or be required by changes in the law, technology, or otherwise, to update, revise or prepare a new Internal Monitoring Plan. CHSPSC shall be permitted to do so provided that CHSPSC submits any updated, revised, or new Internal Monitoring Plan to HHS for its review and comment, and obtains HHS' approval, before CHSPSC implements the revised Internal Monitoring Plan. Whenever the existing Internal Monitoring Plan is updated or revised and the updated or revised version has been approved by HHS and has then gone into effect, the updated or revised Internal Monitoring Plan shall be deemed to have superseded the prior Internal Monitoring Plan.

B. Risk Analysis and Risk Management Plan

1. CHSPSC shall conduct and complete an accurate, thorough, enterprise-wide analysis of security risks and vulnerabilities ("Risk Analysis") that incorporates all electronic equipment, data systems, programs and applications owned, controlled or managed by CHSPSC that contain, store, transmit or receive ePHI. For purposes of clarity, the Risk Analysis will exclude all electronic equipment, data systems, programs and applications that contain, store, transmit or receive ePHI solely at CHS Affiliates, but will include any interfaces, applications, and protocols from the CHS Affiliates to CHSPSC through which ePHI is transmitted from the CHS Affiliates to CHSPSC. As part of this process, CHSPSC shall develop a complete inventory of all electronic equipment, data systems, off-site data storage facilities, and applications that contain or store ePHI that are owned and managed by CHSPSC, including data centers, shared service centers, and the Corporate offices, which will then be incorporated in its Risk Analysis.
2. Within ninety (90) days of the Effective Date, CHSPSC shall submit to HHS the scope and methodology by which it proposes to conduct the Risk Analysis required by Section V.B.1. HHS shall notify CHSPSC whether the proposed scope and

methodology is or is not consistent with 45 C.F.R. § 164.308 (a)(l)(ii)(A).

3. CHSPSC shall provide the Risk Analysis, consistent with Section V.B.1, to HHS within one-hundred twenty (120) days of HHS' approval of the scope and methodology described in paragraph V.B.2 for HHS' review.
4. Upon submission by CHSPSC, HHS shall review and recommend changes to the aforementioned Risk Analysis. If HHS requires revisions to the Risk Analysis, HHS shall provide CHSPSC with a detailed, written explanation of such required revisions and with comments and recommendations in order for CHSPSC to be able to prepare a revised Risk Analysis. Upon receiving HHS' recommended changes, CHSPSC shall have thirty (30) calendar days to submit a revised Risk Analysis. This process will continue until HHS provides final approval of the Risk Analysis.
5. Within sixty (60) calendar days of HHS's approval of the Risk Analysis, CHSPSC shall create an organization-wide Risk Management Plan (RMP) to address and mitigate any security risks and vulnerabilities identified in its Risk Analysis. The RMP shall include a process and timeline for implementation, evaluation, and revision. The RMP shall be forwarded to HHS for its review.
6. HHS shall review and recommend changes to the aforementioned RMP. Upon receiving HHS' recommended changes, CHSPSC shall have thirty (30) calendar days to submit a revised RMP. This process will continue until HHS provides final approval of the RMP. Upon HHS approval, CHSPSC shall begin implementation of the RMP and distribute to workforce members involved with the implementation of the RMP.
7. CHSPSC shall annually conduct an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of e-PHI held by CHSPSC, and document the security measures CHSPSC implemented or is implementing to sufficiently reduce the identified risks and vulnerabilities to a reasonable and appropriate level.

C. Revision of Policies & Procedures

1. Within two-hundred ten (210) days of the Effective Date:
 - a. CHSPSC shall review and revise its policies and procedures regarding technical access controls for any and all software applications and network or server equipment and systems to ensure authorized access is limited to the minimum amount necessary and to prevent impermissible access and disclosure of ePHI in compliance with 45 C.F.R. § 164.312(a).
 - b. CHSPSC shall review and revise its policies and procedures regarding information system activity review for the regular review of audit logs, access reports, and security incident tracking reports to monitor and respond to

suspicious events pursuant to 45 C.F.R. §164.308(a)(1)(ii)(D).

- c. CHSPSC shall review and revise its policies and procedures regarding Security Incident Procedures and Response and Reporting to identify and respond to a known security incident, mitigate, to the extent practicable, the harmful effects of the security incident, and document the security incident and its outcome pursuant to 45. C.F.R. §164.308(a)(6)(ii).
- d. CHSPSC shall review and revise its policies and procedures regarding password management, specifically relating to password strength and safeguarding. 45 C.F.R. §164.308(a)(5)(ii)(D).

2. Minimum Content of the Policies and Procedures

- a. The Policies and Procedures required in Section C.1. shall meet the standards of the following Security Rule Provisions:
 - i. Administrative Safeguards, including all required and addressable implementation specifications – 45 C.F.R. § 164.308(a) and(b).
 - ii. Physical Safeguards, including all required and addressable implementation specifications – 45 C.F.R. § 164.310.
 - iii. Technical Safeguards, including all required and addressable implementation specifications – 45 C.F.R. § 164.312.
- 3. CHSPSC shall forward the policies and procedures required by this Section to HHS for HHS's review and approval. HHS will inform CHSPSC in writing, through the CR, as to whether HHS approves or disapproves of the policies and procedures.
- 4. If HHS disapproves of proposed policies and procedures, HHS shall provide CHSPSC with comments and required revisions. Upon receiving any required revisions to such policies and procedures from HHS, CHSPSC shall have thirty (30) calendar days in which to revise the policies and procedures accordingly and then submit the revised policies and procedures to HHS for review and approval. This process shall continue until HHS approves the policies and procedures.
- 5. As necessary and appropriate, CHSPSC shall create or revise policies and procedures in response to any findings in its Risk Analysis or to implement actions required by the corresponding Risk Management Plan completed pursuant to Section V.B above and in compliance with 45 C.F.R. §§ 164.308(a)(1)(A) and (B).
 - i. CHSPSC shall forward the revised policies and procedures required by this

Section, if any, to HHS for HHS's review and approval within thirty (30) days of HHS' approval of the Risk Management Plan completed pursuant to Section V.B above. HHS will inform CHSPSC in writing, through the CR, as to whether HHS approves or disapproves of the revised policies and procedures.

- ii. If HHS disapproves of proposed policies and procedures, HHS shall provide CHSPSC with comments and required revisions. Upon receiving any required revisions to such policies and procedures from HHS, CHSPSC shall have thirty (30) calendar days in which to revise the policies and procedures accordingly and then submit the revised policies and procedures to HHS for review and approval. This process shall continue until HHS approves the policies and procedures.

D. Adoption, Distribution and Updating of Policies and Procedures

1. Within thirty (30) calendar days of obtaining HHS' approval of the policies and procedures required by Section V.C. of this CAP, CHSPSC shall finalize and officially adopt the policies and procedures in accordance with its applicable administrative procedures.
2. Within thirty (30) calendar days of obtaining HHS' approval of the policies and procedures required by Section V.C. of this CAP, if any, CHSPSC shall finalize and officially adopt the policies and procedures in accordance with its applicable administrative procedures.
3. CHSPSC shall distribute the approved policies and procedures to all CHSPSC workforce members as relevant to their workforce functions, within thirty (30) calendar days of official adoption by CHSPSC of the policies and procedures.
4. CHSPSC shall distribute the approved policies and procedures to all new workforce members within fourteen (14) days of when they become workforce members of CHSPSC.
5. CHSPSC shall review the approved policies and procedures routinely and shall promptly update the policies and procedures to reflect changes in operations at CHSPSC, federal law, HHS guidance, and/or any material compliance issues discovered by CHSPSC that warrant a change in the policies and procedures. CHSPSC shall assess, update, and revise, as necessary, the policies and procedures at least annually. CHSPSC shall provide such revised policies and procedures to HHS for review and approval. Within thirty (30) days of any approved revisions, CHSPSC shall distribute such revised policies and procedures to all workforce members. CHSPSC shall document that workforce members have read, understand, and shall abide by such policies and procedures.

E. Training

1. Within two-hundred ten (210) days of the Effective Date, CHSPSC shall submit its proposed training materials to HHS for its review and approval, along with the policies and procedures required by Section V.C. of this CAP.
2. HHS will inform CHSPSC in writing as to whether HHS approves or disapproves of the proposed training materials. If HHS disapproves of them, HHS shall provide CHSPSC with comments and required revisions. Upon receiving notice of any required revisions to the training materials from HHS, CHSPSC shall have thirty (30) calendar days in which to revise the training materials and then submit the revised training materials to HHS for review and approval. This process shall continue until HHS approves the training materials.
3. Within thirty (30) days of HHS' approval of the training materials, CHSPSC shall provide training to all workforce members, in accordance with CHSPSC's approved procedures. Any new workforce members that are hired during or after the initial training period described in this paragraph shall be trained within fourteen (14) days of when they become workforce members of CHSPSC and in all cases before being provided access to PHI.
4. Concurrent with training, CHSPSC shall document that workforce members have read, understand, and shall abide by the policies and procedures in Section V.C. of this CAP. This documentation shall be retained in compliance with Section VII of this CAP.
5. CHSPSC shall continue to provide routine retraining using the training materials HHS approved under this CAP to all workforce members for the duration of the Compliance Term of this CAP and as required by CHSPSC's approved training procedures.
6. Each workforce member who is required to receive training shall certify, in electronic or written form, that he or she received the training. The training certification shall specify the date on which the training was received. All training materials and certifications shall be retained in compliance with Section VII of this CAP.
7. CHSPSC shall be responsible for ensuring workforce members comply with training requirements and complete all required training.
8. CHSPSC shall review the training materials 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.

F. Internal Reporting

1. *Procedure for Internal Reporting.* CHSPSC shall require all members of its workforce who have access to ePHI to report to the CR at the earliest possible time any violation of CHSPSC's policies and procedures approved by HHS under Section V.C, of which they become aware. Within sixty (60) days of the Effective Date, CHSPSC shall develop a written procedure for such reporting ("Internal Reporting Procedure") and shall submit the Internal Reporting Procedure to HHS for its comment and approval. The review and approval process of the Internal Reporting Procedure shall be identical to that of the Internal Monitoring Plan, as set out in this CAP.

While the CAP is in effect, CHSPSC may determine from time to time to revise or amend the Internal Reporting Procedure; such revisions or amendments may only take effect after the CR has presented them to HHS for review and approval and made any changes that HHS may reasonably request.

Pursuant to the Internal Reporting Procedure, whenever CHSPSC or the CR learns that a member of its workforce may have violated CHSPSC's policies and procedures approved by HHS under Section V.C, the CR, with the full cooperation of CHSPSC, shall promptly investigate the allegations raised and shall document each investigation in writing. If CHSPSC determines that a member of its workforce has failed to comply with CHSPSC's policies and procedures approved by HHS under Section V.C, and such failure was material (e.g., a violation that results in a presumed Breach of Unsecured PHI), the CR shall notify HHS in writing of the finding within thirty (30) days of such determination. Such violation findings shall be known as "Reportable Events." The CR's written report to HHS shall include the following information:

- a. A complete description of the Reportable Event, including the relevant facts, the persons involved, the date, time and place on which the events occurred, and the provision(s) of the implicated requirement; and
 - b. A description of the actions taken by CHSPSC and/or the CR to mitigate any harm and any further steps that they plan to take to address the problems that gave rise to the violation(s) and prevent them from recurring.
2. If no Reportable Events occur during any one Reporting Period, as defined in this CAP, CHSPSC shall so inform HHS in its Annual Report for that Reporting Period.

G. Annual Reports

1. Within one (1) year after the Effective Date, CHSPSC shall submit to HHS a report with respect to the status of and findings regarding its compliance with this CAP during the first year of the CAP, and within two (2) years after the Effective Date, CHSPSC shall submit to HHS a report with respect to the status of and findings regarding its compliance with this CAP during the second year of the CAP (the "Annual Reports"). Each Annual Report shall include:

- a. An attestation signed by the CR attesting that the activities and obligations required under this CAP for the applicable year have been performed;
- b. An attestation signed by the CR listing all of CHSPSC's locations and facilities, the name under which each such location is doing business, the corresponding mailing address, phone number and fax number for each location, and attesting that each location has complied with the obligations of this CAP for the applicable year;
- c. A summary of Reportable Events identified during the applicable year and the status of any corrective or preventative action(s) taken by CHSPSC relating to each Reportable Event;
- d. An attestation signed by the CR stating 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

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

VIII. Breach Provisions

CHSPSC is expected to fully and timely comply with all provisions of its CAP obligations.

A. Timely Written Requests for Extensions.

CHSPSC 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 or file any notification or report 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 by which any act is due to be performed or any notification or report is due to be filed. It is within HHS's sole discretion as to whether to grant or deny the extension requested.

B. Notice of Breach and Intent to Impose CMP.

The Parties agree that a breach of this CAP by CHSPSC constitutes a breach of the Resolution Agreement. Upon a determination by HHS that CHSPSC has breached this CAP, HHS may notify CHSPSC of (a) CHSPSC's breach; and (b) HHS's intent to impose a civil money penalty (CMP) pursuant to 45 C.F.R. Part 160 for the Covered Conduct set forth in Section I.2 of the Agreement (this notification is hereinafter referred to as the "Notice of Breach and Intent to Impose CMP").

C. Response.

CHSPSC 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. CHSPSC is in compliance with the obligations of the CAP cited by HHS as being the basis for the breach;
2. The alleged breach has been cured; or
3. The alleged breach cannot be cured within the 30 day period, but that CHSPSC (i) has begun to take action to cure the breach; (ii) is pursuing such action with due diligence; and (iii) has provided to HHS a reasonable timetable for curing the breach.

D. Imposition of CMP.

If at the conclusion of the 30 day period, CHSPSC fails to meet the requirements of this CAP to HHS's satisfaction, HHS may proceed with the imposition of a CMP against CHSPSC pursuant to 45 C.F.R. Part 160 for the Covered Conduct set forth in Section I.2 of the Resolution Agreement. HHS shall notify CHSPSC in writing of its determination to proceed with the imposition of a CMP.

For CHSPSC LLC

/s/

3/27/2020

Ben Fordham
Executive Vice President, General Counsel and Assistant
Secretary CHSPSC, LLC

Date

For United States Department of Health and Human Services

/s/

3/30/2020

Barbara Stampul
Acting Regional Manager, Southeast
Region Office for Civil Rights

Date