



TRADING PARTNER AGREEMENT

This Trading Partner Agreement (hereinafter referred to as the “Agreement”), is made as of this ___ day of _____, 200___, between CALIFORNIA PHYSICIANS’ SERVICE d/b/a Blue Shield of California (hereinafter called “Blue Shield”), located at 50 Beale Street, San Francisco, CA 94105,

AND _____

(hereinafter referred to as the “Trading Partner”) and provides the terms and conditions that govern the provision and acquisition of products, services, electronic transfer of data communications and funds between Blue Shield and Trading Partner (collectively, the “Parties” and individually a “Party”).

RECITALS

WHEREAS, the Parties consider it to be in their best interests to engage in the electronic transfer of data communications to further their business objectives and relationship; and

WHEREAS, Blue Shield does business under the laws of the State of California and provides benefit payments for Members (as defined herein) under health plans through electronic transfer of data between payers, providers and vendors; and

WHEREAS, the confidentiality and security of data exchanged between Parties are critically important and are required by state and federal statutes and regulations; and

NOW, THEREFORE, in consideration of the mutual promises herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

A. **Definitions.**

1. **“Agents”** mean third parties who also contract with the Trading Partner to perform services to facilitate the electronic transfer of data, funds or other business functions. Agents include claims clearinghouses, vendors, billing services, service bureaus, accounts receivable management firms and banks. Trading Partner shall be responsible for the acts and omissions of its Agents in performing services for Trading Partner under this Agreement, its attachments, exhibits, addenda, and amendments.
2. **“ANSI”** means the acronym for The American National Standards Institute whose Accredited Standards Committee develops uniform guidelines for the electronic interchange of business transactions.
3. **“Batch Mode”** means the description of EDI transactions grouped together and processed in large quantity. The transactions are sent either directly or through a clearinghouse and the sender does not remain connected while the receiver processes the transactions. When a response is required from a receiver, the response is created off-line and the sender typically receives the report the next business day.
4. **“CABBS”** means the California Bulletin Board System, a dial-up system submitters can use to send electronic claims to Blue Shield and to retrieve transmission log data and other reports.
5. **“Confidential Information”** means information which (i) is disclosed in written or other tangible form and conspicuously marked as being confidential and/or proprietary, or (ii) the other Party knew, or under the circumstances should have known, was considered confidential or proprietary by the other Party and includes but is not limited to a Party’s confidential, proprietary or trade secret information, its internal processes, policies or strategies, any information concerning a Member, the Data, and the terms and conditions of this Agreement and any other Confidential Information exchanged between Blue Shield, Trading Partner and their Agent(s) pursuant to this Agreement.
6. **“Data”** means a formal representation of facts or concepts suitable for communication, interpretation or processing.
7. **“Data Transmission”** means the automated transfer of Data between Trading Partner and Blue Shield using their Operating Systems (as defined herein). This data includes EDI, ERA, and EFT (as defined herein).

8. **“Electronic Data Interchange (“EDI”)”** means the automated exchange of business documents in an ANSI approved, or other mutually agreed upon, format.
9. **“Electronic Funds Transfer (“EFT”)”** means the transmission of an electronic message to a financial institution instructing its agent to log a book entry reflecting the transfer of funds from Blue Shield to or from Trading Partner.
10. **“Electronic Remittance Advice (“ERA”)”** means a document that contains information on the disposition of a claim filed with Blue Shield, such as the Provider’s or Supplier’s name, patient’s name, date of service, amount billed, amount allowed, and reason for denial if applicable.
11. **“Encryption”** means the process whereby a message, referred to as plaintext, is transformed into another message, referred to as ciphertext, by use of a mathematical formula, called an algorithm, and a special encryption password, called a key. This process renders the message unreadable.
12. **“Envelope”** means a control structure in a mutually agreed upon format for the electronic interchange of one or more encrypted Data Transmissions sent or received under this Agreement by the Parties
13. **“File Transfer Protocol”** means a service that allows the transfer of complete files between systems through a client and a server. Files may either be sent (pushed) or collected (pulled).
14. **“HIPAA”** means Title II of the Health Insurance Portability and Accountability Act of 1996 and its conforming regulations, as each may be amended from time to time.
15. **“Lost or Indecipherable Transmission”** means a Data Transmission that is never received or cannot be processed by the receiving Party because it is garbled or incomplete.
16. **“Member”** means an individual who is entitled to receive coverage under a group health service contract and who has enrolled with Blue Shield to receive such coverage, or an individual who is entitled to receive coverage pursuant to the individual’s (or the individual’s subscriber) health plan service agreement with Blue Shield.
17. **“Operating System”** means the equipment, software and trained personnel necessary for a successful Data Transmission.
18. **“Real-Time Mode”** means EDI transactions when the sender transmits a request to the receiver directly or through a clearinghouse and remains connected until a response is made. Response rates are typically under thirty seconds and should not exceed one minute.
19. **“Providers”** mean hospitals or professional providers licensed to dispense health care services to Members.
20. **“Security Access Codes”** mean those alphanumeric codes assigned to Trading Partner by Blue Shield to allow Trading Partner to access Blue Shield’s Operating System to execute Data Transmissions.
21. **“Source Documents”** mean those documents that contain underlying Data on charges for medical services rendered or supplies sold to an eligible Member that are required as part of a Data Transmission. The data elements include the Member’s name and ID number, claim number, diagnosis code, dates of service, service procedure description, billed amount and the Provider’s or Supplier’s name, ID number and signature.
22. **“Standard Transactions”** means those transactions that are required to contain only the elements stipulated in the HIPAA Electronic Health Care Transactions and Code Sets standards (codified at 45 C.F.R. Parts 160, 162) and are in the formats set forth therein.
23. **“Suppliers”** mean those persons or organizations that sell or lease durable medical equipment or supplies to Members.
24. **“Trade Data Log”** means the written summary of Data and Data Transmissions exchanged between the Parties during the term of this Agreement. The summary includes sender and receiver information, the date and time of the transmission and the nature of the transmission.
25. **“Trading Partner”** means a legally constituted organization, Provider or Supplier that has entered into this Agreement with Blue Shield to satisfy its obligations under such Agreement. This can include EDI, ERA, and EFT plus any other mutually agreed upon means of electronic exchange, transfer of data or transfer of funds.

B. Mutual Obligations.

1. **Accuracy of EDI/EFT Transmissions.** The Parties shall take reasonable care to ensure that Data and Data Transmissions are timely, complete, accurate and secure. They will also take reasonable precautions to prevent unauthorized access to the Operating System of the other Party, the Data Transmission itself or the contents of an Envelope that is transmitted to or from either Party to this Agreement.
2. **Communications and Protocols.** The Parties shall follow the communications and protocols for sending and receiving Standard Transactions as set forth in the Blue Shield Companion Guide, attached hereto and incorporated into this Agreement.
3. **Retransmission of Indecipherable Transmissions.** Where there is evidence that a Data Transmission is a Lost or Indecipherable Transmission, the transmitting Party shall trace and retransmit the original Data Transmission in a manner that allows it to be processed in a timely manner by the receiving Party.
4. **Cost of Equipment and Data Transmissions.** Each Party shall, at its expense, obtain and maintain its Operating System and may update the system as recommended by the manufacturer, owner or licensor. Each Party shall pay for all charges related to its Data Transmissions under this Agreement, including charges for Operating System equipment, software and services, maintaining an electronic mailbox, connect time, terminals, connections, telephones, modems and any minimum use charges. Each Party shall also be responsible for expenses it incurs for translating, formatting or sending and receiving communications over the electronic network to the electronic mailbox of the other Party.
5. **Back-up Files.** Each Party shall maintain back-up files, electronic tapes or other methods to capture a Data Transmission. Back-up files and tapes shall be subject to the terms of this Agreement, including Section C.9 of this Agreement.
6. **Format of Transmissions.** Each Party shall send and receive all Data Transmissions in the approved HIPAA/ANSI formats. Trading Partner shall refer to the HIPAA Implementation Guide published by the Center for Medicare and Medicaid Services and the Blue Shield Companion Guide for the transmissions formats for the HIPAA transactions, as each Guide is incorporated by reference herein and as each may be amended and updated from time to time.
7. **Testing.** Each Party shall, prior to the initial Data Transmission and throughout the term of this Agreement, test and cooperate with the other Party in the testing of the Operating Systems of both Parties to ensure the accuracy, timeliness, completeness and confidentiality of Data Transmissions. Trading Partner shall have files validated using a service provided by BSC free of charge.
8. **Electronic Funds Transfer Attachment.** The Parties agree that Trading Partner may elect to receive benefit payments for claims filed with Blue Shield on behalf of Members via Electronic Funds Transfers. These transactions shall consist of a credit to Trading Partner's designated bank account with an offsetting debit to Blue Shield's designated bank account. Trading Partner shall, at least forty-five (45) days prior to EFT, forward to Blue Shield the current, fully completed and executed Attachment 1 of this Agreement along with the Attachment's Appendix that contains Trading Partner's banking information. When Blue Shield receives the Attachment and Appendix, the Parties shall begin to test and verify procedures. The actual exchange of funds shall follow shortly after the testing and verification procedures are complete. If there is a conflict between the terms of the EFT Attachment and this Agreement, the terms of this Agreement will control.
9. **Acknowledgement of Enforceability.** The Parties agree that use of the Security Access Codes provided by Blue Shield to the Trading Partner for use with Data Transmissions is legally sufficient to verify the identity of the transmitter. Use of the Security Access Codes will also authenticate the Data Transmissions and their validity so they can be used for their intended purpose. Security Access Codes affixed to Data Transmissions will be construed as "written" or "signed" by the sender. The printed or electronic copies of these documents may be considered to be original records admissible in judicial, arbitration, mediation or administrative proceedings.
10. **Security.** Both Parties agree to provide security consistent with that set forth in this Agreement and as required by HIPAA regulations for Data Transmissions so that such transmissions are not accessible to unauthorized parties. Both Parties to this Agreement will accomplish this security protection by using authentication, Encryption, passwords and other means.
11. **Trade Data Log.** Both Parties shall establish and maintain a Trade Data Log that will record all Data Transmissions that take place between the Parties during the term of this Agreement. Trading Partner and Blue Shield will take necessary and reasonable steps to ensure that the Trade Data Log is a current, accurate, complete and unaltered record of all Data Transmissions between the Parties. The Trade Data Log shall be retained by the Parties for no less than seven (7) years following the date on each Data Transmission.

C. **Trading Partner Obligations.**

1. **Reverse Engineering.** Trading Partner shall refrain from copying, reverse engineering, disclosing, publishing, distributing or altering any Data, Data Transmissions or the contents of an Envelope, except as required to comply with the terms of this Agreement or as specifically authorized in writing by Blue Shield. Notwithstanding Section G.2 below, Blue Shield may terminate this Agreement immediately upon written notice to Trading Partner for violation of this Section.
2. **Response Time.** Trading Partner shall respond within 24 hours by telephone or electronic mail to inquiries or complaints from Blue Shield relating to Data Transmissions and to advise Blue Shield about inquiries or complaints Trading Partner receives from third parties concerning Blue Shield or this Agreement.
3. **Authorized Access Only.** Trading Partner shall refrain from obtaining access to any Data, Data Transmission, Envelope or Blue Shield's Operating System for any purposes other than those authorized by this Agreement or by Blue Shield. If Trading Partner receives Data or Data transmissions that are not intended for it, Trading Partner shall immediately notify Blue Shield and make arrangements to return these Data or to send the Data to Blue Shield. Trading Partner will immediately delete the Data contained in the Data submission from its Operating System after retransmission to Blue Shield is verified, will retain no copies of the Data, will not provide the Data to a third party and will not use the Data for any purpose whatsoever. Notwithstanding Section G.2 below, Blue Shield may terminate this Agreement immediately upon written notice to Trading Partner for violation of this Section.
4. **Security.** Trading Partner shall install systems and procedures to ensure the security of its Operating System and records relating to the Operating System of Blue Shield or Trading Partner when the Operating System is not in active use by Trading Partner.
5. **Security Access Codes.** Trading Partner shall maintain Security Access Codes in a strictly confidential manner and abide by the requirements for the Security Access Codes contained in this Agreement. Access to Security Access Codes shall be limited to Trading Partner's authorized electronic personnel who have a need to know. Notwithstanding Section G.2 below, Blue Shield may terminate this Agreement immediately upon written notice to Trading Partner for violation of this Section.
6. **Exhibit A.** Trading Partner shall provide Blue Shield in writing with all of the information requested in Exhibit A (Trading Partner Information) prior to execution of this Agreement. Trading Partner will notify Blue Shield in writing within five (5) business days of any subsequent material changes to the information provided in Exhibit A.
7. **Agents.** Blue Shield must approve Trading Partner's designation of its Agent(s) for the purposes of this Agreement which approval will not be unreasonably withheld.
8. **No Changes to Data.** Trading Partner shall represent and warrant that its Agents will not change the Data content of any Data Transmission or Envelope. Agent will take all appropriate measures to maintain the timeliness, accuracy, confidentiality and completeness of Data Transmissions. Trading Partner represents and warrants that its Agents will be advised of and directed to comply with the terms of this Agreement. Notwithstanding Section G.2 below, Blue Shield may terminate this Agreement immediately upon written notice to Trading Partner for violation of this Section.
9. **Licenses.** Trading Partner shall represent and warrant that it has and will maintain any and all licenses and permits required to perform the services set forth in this Agreement.
10. **Security Procedures.** Trading Partner shall maintain all appropriate security procedures to prevent unauthorized access to Data, Data Transmissions, Security Access Codes and Blue Shield's Operating System. Trading Partner shall immediately notify Blue Shield of unauthorized attempts to obtain access or to tamper with the Data, Data Transmissions, Security Access Codes or Blue Shield's Operating System. Notwithstanding Section G.2 below, Blue Shield may terminate this Agreement immediately upon written notice to Trading Partner for violation of this Section.
11. **Maintenance of Records.** Trading Partner shall maintain, from date of receipt, complete, accurate and unaltered copies of all Source Documents from all Data Transmissions for a period of at least seven (7) years. This paragraph shall survive the termination of the Agreement for any reason.
12. **Audit.** Trading Partner shall allow Blue Shield to audit relevant business records, Trade Data Log and Operating System of Trading Partner and its Agents to ensure compliance with this Agreement. The audit will also ensure that security precautions have been made and implemented by Trading Partner to prevent unauthorized disclosure of information. In addition, Trading Partner agrees to cooperate with Blue Shield in the conduct of any audit by a governmental agency, licensing body, or accreditation body.
13. **Governmental Inquiries.** Trading Partner shall immediately notify Blue Shield of all requests it receives for information from government agencies concerning the services provided under this Agreement or concerning Blue Shield, unless law prohibits these disclosures.

D. Blue Shield Obligations.

1. **Availability of Data.** Blue Shield shall make available to Trading Partner by electronic means Data and Data Transmission to which Trading Partner is entitled by the terms of this Agreement or by mutual consent of both Parties.
2. **Format Notices.** Blue Shield shall inform Trading Partner in writing of any changes in the transmission formats which changes will be sent in writing by Blue Shield to Trading Partner at least thirty (30) days prior to their testing or production dates.
3. **Security Access Codes.** Blue Shield will provide Trading Partner with Security Access Codes that allow Trading Partner access to Blue Shield's Operating System. Blue Shield reserves the right to change the designated Security Access Codes when Blue Shield deems it necessary.
4. **Fees.** Providers and Suppliers shall not pay any fees for data sets to send and receive transactions from and to Blue Shield.

E. Service Levels.

1. **Enrollment.** Blue Shield shall enroll Trading Partners for EDI transactions within forty-five (45) business days of signing this Agreement, contingent upon successful testing periods, if required.
2. **System Availability.** Blue Shield shall provide Trading Partners with access to Blue Shield's EDI system through CABBS or a direct connection (Secure File Transmission) in order to send and received EDI 24/7.
3. **Processing of Transactions.** Batch modes sent to Blue Shield in the required format will be processed within twenty-four (24) hours. Real-time transactions that are properly formatted will be processed immediately.

F. Confidentiality.

1. **Property of Blue Shield.** Any and all information and material provided to Trading Partner by Blue Shield, or anyone acting for or on behalf of Blue Shield, will remain the sole property of Blue Shield and any such information and material is provided to Trading Partner solely for the purpose set forth in this Agreement.
2. **Confidentiality of Information.** Each Party agrees that the Confidential Information made available to it by the other Party shall be kept confidential by it; provided, however, that such information may be disclosed to those representatives of each Party who need to know such information for the purpose of assisting that Party (it being understood that prior to the receipt of any Confidential Information by representatives of such Party such representatives shall be informed of the confidential nature of such information and directed by the Party to treat such information as confidential and such representatives shall agree to comply with and be bound by the confidentiality terms and conditions of this Agreement) and shall not be used for any purpose other than to fulfill its obligations under this Agreement. Upon termination of this Agreement for any reason, then upon the disclosing Party's direction, the Party with the disclosing Party's Confidential Information shall either (1) return to the disclosing Party its Confidential Information, or (2) destroy such Confidential Information, without retaining any copies, extracts or other reproductions in whole or in part, and further, upon the written request of the disclosing Party, shall provide written certification by its officer of the delivery or destruction of the Confidential Information to the disclosing Party no later than ten (10) business days following delivery of the Request by the disclosing Party.
3. **Non-Confidential Information.** Notwithstanding anything to the contrary herein, this provision shall not apply to any Confidential Information: a) which at the time disclosed to or obtained by the receiving party is in the public domain, b) which becomes part of the public domain through no fault of the receiving party c) which was communicated to the receiving party by a third party who is not, to the receiving party's knowledge, subject to any confidentiality obligations with respect thereto; d) prior to disclosure hereunder was already rightfully in the receiving party's possession; or e) is required to be disclosed pursuant to a court order, so long as the disclosing party is given adequate notice and the ability to challenge such required disclosure.
4. **Survival.** The obligations under this Section F shall survive termination for any reason of this Agreement.

G. Term and Termination.

1. **Term of Agreement.** This Agreement will be effective on _____, 200_, and shall remain in effect for an initial period of one (1) year unless earlier terminated as provided herein. It shall be automatically renewed for successive one (1) year periods. This Agreement may be terminated on any anniversary date with thirty (30) days advance written notice to the other Party.
2. **Termination for Cause.** Should either Party materially breach this Agreement, the other Party will give the breaching Party written notice of the breach and the breaching Party shall have thirty (30) days to cure the breach. If the breaching Party does

not cure the breach within the thirty day period, the non-breaching Party may, in its sole discretion, either extend the cure period or give a written termination notice that becomes effective five (5) working days thereafter.

3. **Termination Without Cause.** Either party shall have the right to terminate this Agreement at any time without cause by giving the other party sixty (60) days prior written notice of its intent to terminate.

H. **Miscellaneous.**

1. **Amendments.** No change, amendment or modification of this Agreement shall be valid unless the same is in writing and signed by the Trading Partner and an authorized representative of Blue Shield.
2. **Indemnification.** Trading Partner shall be fully liable for the acts, failures or omissions of Agents who receive, transmit, store or process Blue Shield Data or Data Transmissions. In addition, Trading Partner shall indemnify, defend and hold harmless Blue Shield from any and all third party claims, losses, actions, causes of actions, demands, damages, liabilities, costs, expenses and reasonable attorney's fees arising from the acts or omissions of Trading Partner, its Agents, employees and subcontractors in the performance of this Agreement. Blue Shield shall provide Trading Partner with timely notice of the existence of legal proceedings which would give rise to this duty of indemnification and will provide information and cooperation to assist Trading Partner in its defense, at Trading Partner's expense. Blue Shield may also opt to hire and pay for its own counsel in the defense of any suit or proceeding. This Section shall survive the termination of this Agreement for any reason.
3. **Choice of Law/Compliance With Law.** The Agreement will be governed by and construed under the laws of the State of California, without regard to its conflict of laws principles. It is agreed by the Parties that any action arising out of, in connection with, or in any way involving this Agreement or the Parties hereto, shall be brought only in California (or federal, as applicable) courts with proper venue and jurisdiction and proper venue shall lie only in a court of competent jurisdiction located in San Francisco County. Each Party shall comply with all current and future applicable federal, state and local statutes, laws, ordinances, regulations, rules, orders and codes in the performance of its obligations hereunder. This Agreement shall be automatically modified to the extent required by statute or regulation.
4. **Dispute Resolution.** The Parties agree in the event of a dispute or alleged breach of terms of this Agreement, that is not subject to immediate termination under this Agreement, they will work together in good faith to resolve the issue(s). If this remedy does not resolve the issue(s), the Parties agree to seek a mutually agreed upon alternative dispute resolution technique prior to resorting to litigation.
5. **Assignment of Rights and Delegation of Duties.** This Agreement binds and inures to the benefit of the Parties and their successors and assigns. Neither Party may assign its rights or delegate its obligations without the prior written consent of the other, which consent will not be unreasonably withheld or delayed. Notwithstanding the above, Blue Shield may assign or delegate its right or obligations in this Agreement to its wholly owned subsidiaries, affiliates or successors.
6. **Association Disclosure.** Trading Partner hereby expressly acknowledges its understanding that this Agreement constitutes a Agreement between Trading Partner and Blue Shield, that Blue Shield is an independent corporation operating under a license from the BlueCross BlueShield Association, an association of independent Blue Cross and Blue Shield Plans ("the Association") permitting Blue Shield to use the Blue Shield Service Mark in the State of California, and that Blue Shield is not contracting as the agent of the Association. Trading Partner further acknowledges and agrees that it has not entered into this Agreement based upon representations by any person other than Blue Shield and that no person, entity, or organization other than Blue Shield shall be held accountable or liable to Trading Partner for any of Blue Shield's obligations to Trading Partner created under this Agreement. This paragraph shall not create any additional obligations whatsoever on the part of Blue Shield other than those obligations created under other provisions of this Agreement.
7. **BlueCross BlueShield (BCBS) Transactions.** Trading Partner will transmit through a vendor or clearinghouse any Blue Shield transaction for health care services provided in California to an out-of-area Blue plan member accessing services through the BlueCard program. Conversely, health care services rendered to Blue Shield members in another state should be sent to that state's BC BS Plan for adjudication and payment. Providers contracted with Blue Shield of California with practice sites in contiguous counties to California, such as a county in Nevada or Oregon, should send all claims for services rendered to Blue Shield members to Blue Shield for processing.
8. **Force Majeure.** The Parties shall be excused from performance during this Agreement as a result of causes that are beyond their control. These causes include acts of God, strikes, lockouts, riots, acts of war, terrorist acts, epidemics, newly-imposed government regulations, fire, communication line failures, power failures, earthquakes, floods and other natural disasters. Performance extensions shall be granted to the Parties for a period equal to the duration of the triggering event described above
9. **No Waiver.** The waiver by either party of any breach or defect in performance by the other party of any obligation shall not be construed as a waiver of any other or future breach or defect.

10. **Independent Contractor.** This Agreement does not place Blue Shield and the Trading Partner in a relationship whereby: (a) either is considered to be the principal or agent of the other, (b) either is considered to be a partner, in a joint venture or a member of a common entity or (c) either has the authority to bind the other Party and each Party is considered to be an independent contractor to the other Party.
11. **Severability.** If any provision of this Agreement is deemed to be invalid or unenforceable by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and the parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each party as close as possible to that under the provision rendered unenforceable. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms..
12. **Entire Agreement.** This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter hereof, and supersedes any and all prior agreements, representations, or understandings, whether written or oral, express or implied with respect to that relationship. No agreements related to the subject matter of this Agreement that are not set forth herein (or in a written modification of this Agreement) shall be of any force or effect.
13. **Notices.** Agreement notices shall be in writing and delivered to the Trading Partner's authorized representative as listed below in person, by overnight carrier or via certified mail, return receipt requested. All notices shall be addressed to the appropriate Party as follows:

Trading Partner: _____

 ATTN: _____

Blue Shield of California: Blue Shield of California
 P. O. Box 7168
 San Francisco, CA 94120-7168
 ATTN: _____

14. **Use of Names/Publicity.** Trading Partner shall not use Blue Shield's name, logo, service marks, domain names, symbols or any other Blue Shield name or mark without Blue Shield's written consent, other than in providing the services to Blue Shield under this Agreement. Trading Partner may not use Blue Shield as a reference or this Agreement as an endorsement of Trading Partner's work without Blue Shield's written consent. The Parties will cooperate to create any and all appropriate public, promotional announcements or press releases relating to the relationship set forth in this Agreement. Neither Party shall make any public announcement regarding the existence or content of this Agreement without the other party's prior written approval and consent.
15. **Legal Fees.** If any action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such Party may be entitled.
16. **Insurance.** Trading Partner shall provide, pay for, and maintain in full force and effect during the term of the Agreement the insurance outlined herein covering its activities, and anyone directly or indirectly engaged by it. Trading Partner shall carry workers' compensation insurance in the statutory amount and employer liability insurance, errors and omissions insurance for the services rendered hereunder and general liability insurance with these individual policies being written on an occurrence basis with no contractual liability exclusion and in the amount of Three Million (\$3,000,000) dollars per occurrence and Five Million (\$5,000,000) dollars in the aggregate during the term of the Agreement.
17. **Successors And Assigns.** This Agreement and all of the terms and conditions hereof shall be binding upon and inure to the benefit of Blue Shield and Trading Partner and their respective successors, transferees, permitted assignees or legal representatives. Any terms of this Agreement containing a reference to Trading Partner or Blue Shield shall apply with equal effect to any such successor, permitted assignee, transferee or legal representative of the party in question.
18. **Interpretation.** In the event any dispute arises in regard to the interpretation of any term or condition of this Agreement, the parties agree that the drafting of this Agreement shall not be deemed that of one party or their agent and that any rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be applicable.

I. EDI Transactions.

1. **Electronic Transactions.** Trading Partner intends to engage in the following electronic activities with Blue Shield:

- | | |
|--|---|
| <input type="checkbox"/> Claims/Encounters (837) | <input type="checkbox"/> Eligibility (270-271) |
| <input type="checkbox"/> ERA/Remittance (835) | <input type="checkbox"/> Claims Status (276-277) |
| <input type="checkbox"/> EFT/Funds (835) | <input type="checkbox"/> Referral/Authorization (278) |
| <input type="checkbox"/> Premium Payment (820) | <input type="checkbox"/> Enrollment (834) |

2. **Submission Version.** Trading Partner will submit EDI in version ANSI X12 4010 or in the version that is, at that time, the recognized health care industry format.

The Parties acknowledge, agree to and shall be bound by all of the terms, provisions and conditions of the Agreement with the execution hereof by duly authorized representatives:

TRADING PARTNER

CALIFORNIA PHYSICIANS' SERVICE dba
BLUE SHIELD OF CALIFORNIA

By: _____

By: _____

Title: _____

Title: Manager EDI Department

Date: _____

Date: _____

TIN: _____

Telephone: _____

FAX: _____

E-Mail: _____

