



Blue Shield of California
Electronic Data Exchange
Trading Partner Agreement

This Trading Partner Agreement (“Agreement”) is made as of _____,
between California Physicians’ Service dba Blue Shield of California, for and on behalf
of itself and its Affiliates and subsidiaries, including Blue Shield of California Life &
Health Insurance Company and Care 1st Health Plan (collectively “Blue Shield”) and
_____ (“Trading Partner”).

Trading Partner Name (please print)

A. Conducting Transactions

1. The parties shall exchange electronic transactions, which may include claim submissions, eligibility requests, claims status, authorizations, remittance advice, and/or electronic funds transfer. Trading Partner shall conform transactions to the applicable Blue Shield Companion Guide. Blue Shield may modify its Companion Guides at any time without amending this Agreement.
2. Blue Shield may reject any transaction that does not conform to the applicable transaction Companion Guide and HIPAA compliance edits.
3. Trading Partner and Blue Shield shall cooperate in testing the exchange of transactions, as Blue Shield deems appropriate. Testing will be designed to ensure the accuracy, timeliness, completeness, and security of each data transmission.
4. Each party shall take reasonable care to ensure information in each electronic transaction is timely, complete, accurate, and secure.
5. A party that receives from the other party a transaction not intended for the recipient shall immediately notify the other party to arrange for the return or destruction of the transaction, as the other party directs. A party that has evidence of a lost or indecipherable data transaction from or to the other party, shall immediately notify the other party to arrange for retransmission of the transaction.
6. Each party is responsible for all costs, charges, or fees it may incur by transmitting electronic transactions to, or receiving electronic transactions from, the other party.

7. Blue Shield will not send Trading Partner a health care provider's electronic remittance advice (ERA-835) unless (a) Trading Partner is the health care provider or (b) Trading Partner is named in a "Provider Authorization Form" as an authorized recipient of the health care provider's electronic remittance advice.
8. Blue Shield will only make electronic funds transfers to an authorized financial institution.

B. Privacy and Security

1. Each party is responsible for the accuracy, privacy, and security of transactions it submits to the other party, in accordance with state and federal laws, including the Administrative Simplification requirements of HIPAA, as set out in the Code of Federal Regulations Title 45 Parts 160164. Each party is solely responsible for the preservation, privacy, and security of data in its possession and during transmission, until the data are received by the other party.
2. Each party shall implement reasonable and appropriate safeguards to prevent unauthorized access to (a) its own and the other party's transmission and processing systems, (b) transactions with the other party, and (c) the control structure applied to transmissions between the parties. Such safeguards will include steps to prevent persons with authorized access from exceeding the scope of their access.
3. Each party shall implement reasonable and appropriate safeguards designed to prevent any person from circumventing security mechanisms or procedures safeguarding its own or the other party's computer systems or data.
4. Trading Partner shall treat and shall require its employees and agents to treat any user ID or password confidentially.

C. General Terms

1. Trading Partner agrees to require its employees and agents to comply with the terms of this Agreement.
2. This Agreement is effective when Blue Shield receives a copy of the Agreement signed by Trading Partner.
3. Each party shall establish and maintain a "Trade Data Log," in which the parties shall record all transactions exchanged with the other party under this Agreement. Each party shall take reasonable steps to ensure that the

Trade Data Log is a current, accurate, complete, and unaltered record of all data transmissions between the parties. Each party shall maintain accurate, complete, and unaltered copies of the Trade Data Log for ten (10) years. This paragraph shall survive the termination of the Agreement for any reason.

4. Trading Partner shall allow and shall require its agents to allow Blue Shield to audit Trading Partner's and Trading Partner's agents' Trade Data Log, operating systems, and relevant business records to assess Trading Partner's compliance with this Agreement. Blue Shield's audit may evaluate security precautions implemented by Trading Partner and Trading Partner's agents. Trading Partner shall cooperate and shall require the cooperation of its agents with any audit related to this Agreement by a governmental agency, licensing body, or accreditation body.
5. Should one party materially breach this Agreement, the other party may 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 (30) day period, the nonbreaching 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.

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 Platform Services

Date: _____

Date: _____

TIN: _____

Telephone: _____

Telephone: 800-480-1221

Fax: _____

Fax: 530-351-6150

eMail: _____

eMail: edi_bsc@blueshieldca.com