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OCT 13 2026
VANESSA JAMES, County Clerk
JACK COUNTY, TEXAS
BY_____ DEPUTY

# Letter of Agreement

September 2, 2026

County of Jack
100 N Main Street Room 202
Jacksboro, Texas 76458
Attn: Brian Umphress

Dear Brian Umphress

This Letter of Agreement ("***Agreement***") sets forth the terms of our agreement as of October 1, 2026 ("***Effective Date***").

1. **Definitions.** Capitalized terms not otherwise defined in the text of this Agreement are set forth in Appendix 1.

2. **Services**. Nonstop Administration and Insurance Services, Inc. ("***Nonstop***"), a California corporation, with offices at 2261 Market Street STE 52009, San Francisco, CA 94114, will provide a range of Nonstop Health administrative services to County of Jack, Government Entity incorporated in Texas with offices at 100 N Main Street Room 202, Jacksboro, Texas 76458 ("**County of Jack**"). The services provided by Nonstop under this Letter of Agreement ("***Agreement***") will include:

    a. The Nonstop Health Medical Expense Reimbursement Plan (MERP), as provided for in Section 105 of the Internal Revenue Code, which is intended to reimburse eligible employees for the cost of eligible medical expenses ("Nonstop Health" or "NSH"), as set forth in Appendix 2, as updated from time to time.

    b. The 2026-2027 Plan Year rates for County of Jack Medical Expense Reimbursement Plan, which are described in Appendix 2, and will be updated annually in a letter from Nonstop ("***Rate Confirmation Letter***"). The 2026-2027 Plan Year rates are based upon enrollment data provided at the start of the plan year. The pricing structure is contingent upon maintaining current enrollment levels. If the employee enrollment changes by 10% or more, Nonstop reserves the right to modify rates to accommodate the increased demand and operational costs. Notice of any rate changes will be provided no less than thirty (30) days in advance.

    c. Except as specifically provided in this Agreement, including any Appendix, County of Jack, or the County of Jack Insurer, as applicable, will retain all liabilities under the Plan. Nonstop will provide the agreed-upon services without assuming any such liabilities.

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3. **Nonstop is Not the Broker of Record.** Nonstop will not serve as broker of record on behalf of County of Jack for its employee medical benefits. Further, for clarity, Nonstop shall not be a party to any contract between County of Jack and the Insurer, whether Primary or Excess, or between County of Jack and the ASO provider.

4. **Term; Termination.**

   a. **Term; Renewal:** This Agreement begins on the **Effective Date** and continues for an initial period of twelve (12) months (the ***"Initial Term"***). Unless terminated as permitted under Section 4, this Agreement will automatically renew for successive one-year periods (each, a ***"Renewal Term"***), with each renewal beginning on the day following the then-current Initial Term or Renewal Term, as applicable (each, a **"Renewal Date")**. The first Renewal Date will be October 1, 2027. Either party may terminate this Agreement by providing written notice to the other party at least thirty (30) days before the next Renewal Date. Such termination will be effective at the end of the then-current Initial Term or Renewal Term, as applicable (the "Termination Date"). For clarity, and except as provided in section 4.b., the Termination Date will always align with the end of the Initial Term or Renewal Term. New rates will apply for each Renewal Term.

   b. **Termination for Material Breach; Written Notice**: If either party is in material breach of this Agreement, the non-breaching party may terminate this Agreement by providing written notice (***"Termination Notice"***) to the breaching party as follows: The Termination Notice shall set forth in reasonable detail the nature of the breach, and provide the breaching party with an opportunity to cure the breach for a period of thirty (30) days from the breaching party's receipt of the Termination Notice (***"Cure Period"***). If the breach is not cured within the Cure Period, this Agreement shall terminate upon the expiration of that period; provided however, that if the breach is not curable within the Cure Period, and the breaching party is making diligent efforts to cure the breach during that period ("***Good Faith Cure Efforts***") and has informed the non-breaching party in writing of those efforts, this Agreement shall not terminate. If after the exercise of Good Faith Cure Efforts, the breaching party is unable to cure the breach within sixty (60) days from its receipt of the Termination Notice, the non-breaching party may, in its sole discretion, extend the time in which to cure the breach. If the non-breaching party does not extend the time in which to cure the breach, this Agreement will terminate upon the expiration of sixty (60) days from the date on which the breaching party received the original Termination Notice.

   c. **Run-Out:** In the event of termination of this Agreement at County of Jack's request, Nonstop may offer to provide administrative services for Claims management and payment (***"Run-Out"***) ninety (90) days past the Termination Date, and will maintain

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control of the Reserve Fund for such payments until the end of this period (***"Run-Out Period"***).

d. **Run-Out Process:** The fee for run-out services will be twice the combined administrative and program fees per enrolled employee, calculated based on the number of employees billed on the final invoice immediately preceding the termination date, if Nonstop receives notification to provide Run-Out services thirty (30) days before termination. If notification of Run-Out is received less than thirty (30) days prior to the renewal date, the fee will be three times the combined administrative and program fees per enrolled employee.
    i. Nonstop will terminate all Nonstop Health debit cards as of the Termination Date and Members will have ninety (90) days to submit manual Claims.
    ii. Within fifteen (15) days of the Termination Date, Nonstop will provide a report of all open substantiation items to County of Jack's designated substantiation contact. County of Jack will be responsible for working with relevant Members to provide required documentation or provide repayment of non-Eligible Expenses that were swiped on the Nonstop Health debit cards issued to the employee.
    iii. At the completion of the Run-Out Period (or Termination Date if there is no Run-Out) any open substantiation items will become the responsibility of County of Jack.
    iv. At the completion of the Run-Out Period (or Termination Date if there is no Run-Out) any remaining Reserve Funds will be returned to County of Jack net of open substantiation items and subject to the Return of Reserve sharing program described in Appendix 1.
    v. If at the completion of the Run-Out Period (or Termination Date if there is no Run-Out) County of Jack's Reserve Fund is insufficient to cover any open substantiation items County of Jack will be billed for those items. The final bill for such items will be due and fully payable by County of Jack within 15 days of the invoice date. Any portion of the final invoice amount that is not paid by the due date shall be considered overdue. Overdue payments shall accrue interest at a rate of one and one-half percent (1.5%) per month, or eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is lower. Such interest shall accrue from the invoice due date until the outstanding balance is paid in full. Client shall be responsible for and shall promptly pay all costs incurred by Nonstop in collecting overdue payments, including but not limited to reasonable attorneys' fees, court costs, and collection agency fees.

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vi. In the event of a termination, once the Run-Out Period has ended (or Termination Date if there is no Run-Out), all County of Jack Member's questions will be referred back to County of Jack.

vii. Nonstop will not process Claims for Members past the end of the Run-Out Period (or Termination Date if there is no Run-Out). All further Claims will be handled by County of Jack or its designee, and Nonstop will refer all incoming questions and Claims to County of Jack or its designee.

5. **Governing Law**. This Agreement shall be governed by and interpreted in accordance with the law of the State of California, without regard to its choice of law provisions.

6. **Dispute Resolution; Arbitration**.

   a. **Mediation**. In the event of a dispute between the parties arising out of or related to this Agreement, which the parties are unable to resolve themselves through good faith discussions, the parties shall attempt to resolve the dispute by participating in a mediation administered by Judicial Arbitration and Mediation Services (JAMS), or its successor. Either party may commence the mediation process by providing JAMS and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will cooperate with each other in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation. The mediation shall be conducted in San Francisco, California. The parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.

   b. **Arbitration**. All disputes arising out of or related to this Agreement, which have not been resolved despite the parties' efforts under section 6.a., shall be resolved by final and binding arbitration before a single arbitrator under the then-applicable JAMS rules for the resolution of commercial disputes. The arbitration shall take place in San Francisco, California. Judgment on the arbitration award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction.

   c. **Jurisdiction**. If and to the extent there exists a dispute arising out of or related to this Agreement that is not subject to arbitration under section 6.b. above, such dispute shall be subject to the exclusive jurisdiction of the Superior Court for Contra Costa County, California, and the US District Court for the Northern District of California, and the parties consent to the personal jurisdiction of those courts.

7. **Relationship of the Parties**. The parties are independent contractors. Nothing in this Agreement shall be construed to create an employment relationship, agency, partnership, joint venture or other association.

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8. **Indemnity; Limitation of Liability.**

   a. **Indemnity.** Each party (***"Indemnitor"***) shall indemnify, defend and hold harmless the other party (***"Indemnitee"***) from and against any and all liabilities, demands, actions, causes of action, losses, damages, claims, costs and expenses, including reasonable attorneys' fees and costs, arising out of or related to any failure by the Indemnitor to comply with its obligations under this Agreement or any negligent or wrongful act or omission on the part of the Indemnitor, its employees, agents and/or representatives. For purposes of this section 8.a., (i) "Indemnitee" shall be deemed to include the Affiliates of the indemnified party, and their respective shareholders, directors, officers, members, managers, employees, agents, and their respective predecessors, successors or permitted assigns, and (ii) an ***"Affiliate"*** of a party means another person or entity that controls, is controlled by or under common control with the party and where control, in turn is defined as the power to appoint a sufficient number of the governing body of such person or entity to manage its operations, whether by ownership or otherwise.

   b. **Limitation of Liability.** In no event will either party be liable to the other party for any incidental, indirect, speculative, consequential or punitive damages arising out of or related to this Agreement.

9. **Attorney's Fees:** In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or otherwise), or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney fees, together with any reasonable costs and expenses, to resolve the dispute and to enforce the final judgment.

10. **Miscellaneous.**

   a. **Notice.** Any notices under this Agreement shall be in writing, and may be delivered by hand, electronic means, by mail (registered or certified), or by nationally recognized private courier. Notice shall be deemed effective upon receipt.

   b. **Force Majeure.** Nonstop will not be considered in default hereunder, or to be liable for any failure to perform or delay in performing any provisions of this Agreement in the customary manner, to the extent that the failure or delay is caused by any reason beyond our control, including an act of God, fire, earthquake or other natural disasters, explosions, hostilities or war, terrorism, epidemics, civil disorder, curtailment of public utilities or internet availability, striking or work stoppage involving our employees or governmental restrictions, provided that Nonstop shall give notice to County of Jack promptly and in writing of the commencement and nature of the force majeure condition. Nonstop shall use every reasonable means to resume full performance of this Agreement as promptly as possible.

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c. **Survival.** Any provision of this Agreement that contemplates performance or observance subsequent to termination or expiration of this Agreement shall survive its termination or expiration and continue in full force and effect.

d. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in a manner as to be effective and valid under applicable law, but if a provision shall be held to be prohibited or invalid under applicable law, the provision shall be ineffective only to the extent of the prohibition or invalidity, without invalidating or affecting the remainder of the provision or any of the remaining provisions of this Agreement.

e. **Entire Agreement; Amendment.** This Agreement contains the entire agreement between the parties. It supersedes any and all agreements between the parties, oral or written, with regard to its subject matter. No part of this Agreement may be amended except in writing, executed by both parties.

f. **Headings; Counterparts.** Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single agreement.

If the above correctly expresses your understanding of the terms reached during our negotiations, please sign and date this Agreement.

Nonstop Administration and Insurance Services, Inc

Signed by:
By: Paymon Farazi
F1D3412FC0D2457...

Paymon Farazi
Chief Executive Officer

9/8/2026
Date

County of Jack

Signed by:
By: BU
700461C514DF488...

Brian Umphress

County Judge

9/28/2026
Date

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## APPENDIX 1

## DEFINITIONS

The following terms used in the Agreement shall have the meanings ascribed to them below:

1. *"ASO"* means the provision of Administrative Services Only; it does not include Insurance coverage.

2. *"Broker Fees"* means, if applicable, a pass-through arrangement in which Nonstop collects fees from a Client on behalf of a third-party broker or representative.

3. *"Carrier"* or *"Insurer"* means a company licensed under applicable law that writes health Insurance, which enters into a contract with a health care provider to provide covered benefits at designated rates of payment.

4. *"Claim(s)"* means a request made by a Member or the Member's health care provider to pay for medical services received by the Member.

5. *"Coverage"* means a class of Insurance benefits provided by County of Jack on a self-insured basis, or by a Carrier.

6. *"Insurance"* means an individual or group insurance policy that provides coverage for hospital, medical or surgical benefits, and sometimes for prescription drug benefits. "Insurance" does not include any other type of insurance. For example, disability, long-term care, workers compensation, and accidental death and dismemberment insurance do not constitute "Insurance" under this Agreement.

7. *"Maximum Annual Benefit"* means the annual amount credited to a Member's MERP based on the benefit Plan the Member is enrolled in and the eligible expenses as defined in the schedule of benefits applied to the MERP Plan.

8. *"Member"* means an individual who is enrolled as an employee or dependent for benefits under the Plan, including those whose coverage under the Plan is being continued under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time ("COBRA").

9. *"Nonstop Exchange"* means the online portal for centralized benefits administration, Claims management, and financial reporting available to County of Jack and Members during contracted Plan Years.

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10. *"NOON"* means Nonstop out-of-network. NOON expands coverage to include in-network and out-of-network, carrier-approved charges.

11. "*Plan*" means the employee welfare benefits plan(s) established by County of Jack within the meaning of ERISA, including the available benefits described in any summary plan description. For the purpose of this Agreement, the Plan relates solely to the provision of the type of Insurance defined as "Insurance," above.

12. "*Plan Year*" means the period of 12 consecutive months that begins on the Effective Date of this Agreement, and each subsequent Renewal Date; provided however, that Nonstop and County of Jack may agree in writing to treat any period other than 12 months as a Plan Year.

13. "*Primary*" Insurance means the Plan that pays a Member's Claim first, as if it were the only source of Insurance coverage. For employers that are self-insured, the "Primary" Insurance is typically provided by the employer. *"Excess"* or "*Secondary*" Insurance means a Plan that pays for some or all the cost of a Member's Claim that remains after payments have been made under the Primary Insurance Plan. Examples of "Secondary" Insurance may include, for example, Stop-loss Insurance.

14. "*Reserve Fund*" means all amounts paid by County of Jack to Nonstop and deposited into the Reserve Fund account. Claims will be paid with funds in that account. The Reserve Fund account will be reported monthly in the financial dashboard in the County of Jack's Nonstop Exchange portal, including the prior period balance, new contributions made, Claims paid and current balance detailed. The amount of funding for the Reserve Fund is determined by Nonstop on a per Member, per month basis (based on enrolled coverage tier), and will remain the same for the duration of the applicable Plan Year, subject to fluctuation based on enrollment in the Plan and/or changes in coverage tiers by participants during the year. County of Jack will not be asked to pay additional monies into the Reserve Fund for an applicable Plan Year based on the costs of Claims incurred, even if the cost of Claims exceeds the amount of reserves collected from the County of Jack. New rates, including the reserve amount, will be determined for each subsequent Plan Year, *i.e.,* for each Renewal Term.

15. "Return of Reserve" or "RoR" means the feature whereby County of Jack is eligible to receive a Return of Reserve ("RoR") equal to two-thirds (2/3) of Surplus Reserves, if any. At the direction of County of Jack, Nonstop will pay the two-thirds portion directly to County of Jack or apply it as a credit to the following plan year, provided County of Jack is current on all payments to Nonstop. County of Jack agrees that any remaining Surplus Reserves shall be paid to Nonstop as part of its reasonable compensation for services provided to County of Jack. Upon termination, Nonstop reserves the right to pay the RoR directly to County of Jack.

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16. "Surplus Reserves" means funds remaining in the Reserve Fund at the end of a Plan Year after deducting actual, projected, unsubstantiated, runout claims, fees owed to Nonstop, and any necessary adjustments from the eligible funds.

17. "*Stop-loss*" Insurance means Insurance that provides protection against catastrophic or unpredictable losses. It is purchased by employers that have decided to self-fund their employee benefit Plans, but do not want to assume 100 percent of the liability for losses arising from the Plans. Under a Stop-loss policy, the Insurance company becomes liable for losses that exceed certain limits. "Stop-loss" Insurance is sometimes referred to as "Excess" Insurance.

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## APPENDIX 2

## County of Jack MEDICAL EXPENSE REIMBURSEMENT PLAN AND BILLING

1. Nonstop Health includes the following elements:
    a. The establishment and operation of an IRC Section 105 Medical Expense Reimbursement Plan (MERP).
    b. Management of the Reserve Fund as defined in Appendix 1.
    c. Claims reimbursement is done through a licensed third-party administrator ("TPA"), which is currently Nonstop Administration and Insurance Services, Inc. Nonstop reserves the right to change the TPA in its sole discretion.
    d. Access to the Nonstop Exchange.
    e. The Return of Reserve program.

2. Nonstop Health invoices will reflect enrollments in effect as of the billing date each month. Monthly rates are detailed below. Retroactive terminations or reductions in coverage will only be accepted for the three months prior to the current coverage month, unless the terminated Member has incurred claims, in which case the termination will be prospective to the first of the following month. Retroactive enrollments will only be accepted to the beginning of the current plan year. Except as set forth below, these billings are the only financial obligations borne by County of Jack, and all Claims will be managed by Nonstop with the reserves funded by County of Jack.
    a. Notwithstanding the above,
        i. If County of Jack is self-insured, or has retained Nonstop under an ASO model, such that County of Jack functions as the Primary Insurer, County of Jack shall also be responsible for funding any gap between a Member's financial obligations under the Plan and the level at which Stop-Loss Insurance takes effect.
        ii. Nonstop Health shall cover only in-network, carrier-approved charges that are designated as the Member's responsibility under the Plan. It shall not include (a) charges incurred by a Member outside of the approved network of health care providers under the Plan, (b) non-covered services on the Plan, or (c) in-network charges that exceed a Member's responsibility under the Plan, all of which shall be borne by the Member or the Primary Insurer, as applicable. Unless the Nonstop out-of-network (NOON) coverage is included in the Plan and identified in 3.c. below. Plans that include NOON coverage shall cover both in and out-of-network, carrier-approved charges.
        iii. Optional enhancements to Member coverage, such as alternative care or other fee-for-service programs, will be billed as set forth in the Pricing Detail set forth in section 3, below.
        iv. United Healthcare bills will be paid by County of Jack, not by Nonstop. County of Jack will continue to receive a copy of the monthly bills from United Healthcare.
        v. Run-out charges as outlined in section 4.d, Run-Out Process.

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b. The Nonstop Health invoice is due and payable by Client prior to the first day of the coverage month unless Nonstop and Client agree in writing to alternate billing arrangements. Late payments of a Nonstop Health invoice may result in late fees equal to the lesser of 1.5% per month or the highest rate of interest allowed by applicable law, on the outstanding balance, and/or the termination of this Agreement.

3. **Monthly Pricing Detail for 2026/2027-County of Jack-UnitedHealthcare PPO ETMT-NSH**
   a. Maximum Annual Benefit employee plans: $8,300
   b. Maximum Annual Benefit employee + dependent plans: $16,600
   c. Nonstop out-of-network is included in rates: **No**
      i. See rates below

| Family Indicator | Reserve | Admin | NSH | Broker Fee | NSH Premium |
|---|---|---|---|---|---|
| Employee Only | $221.74 | $15.00 | $40.00 | $15.00 | $291.74 |
| Employee + Spouse | $459.99 | $15.00 | $40.00 | $15.00 | $529.99 |
| Employee + Child(ren) | $432.60 | $15.00 | $40.00 | $15.00 | $502.60 |
| Employee + Family | $742.07 | $15.00 | $40.00 | $15.00 | $812.07 |

All rates are expressed as per employee enrolled per month ("PEPM").

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## APPENDIX 3

## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("*Agreement*") is made by and between County of Jack's Medical Expense Reimbursement Plan with principal offices at 100 N Main Street Room 202, Jacksboro, Texas 76458 (hereafter, "*Covered Entity*" or "*CE*") and Nonstop Administration and Insurance Services, Inc. with principal offices at 1800 Sutter Street Ste. 730., Concord, CA, 95420 ] (hereafter, "*Business Associate*" or "*BA*") and modifies any other prior existing contract for this purpose.

The effective date of this Agreement is: October 1, 2026

**1. DEFINITIONS.**

1.1. "*Breach*" means the acquisition, access, use or disclosure of PHI in a manner not permitted by the Privacy Rule that compromises the security or privacy of the PHI as defined, and subject to the exceptions set forth, in 45 CFR Section 164.402.

1.2. "*Covered Entity*" or "*CE*" means County of Jack Medical Expense Reimbursement Plan

1.3. "*Business Associate*" means Nonstop Administration and Insurance Services, Inc.

1.4. "*HITECH BA Provisions*" means those provisions of the HITECH Act of the American Reinvestment and Recovery Act of 2009, as it may be amended from time to time, imposing requirements on business associates with respect to privacy, security and breach notification, plus any regulations adopted by the Secretary to implement the HITECH Act business associate provisions.

1.5. "*Individual*" has the same meaning as the term "individual" in 45 CFR 164.501 and includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

1.6. "*Privacy Rule*" means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

1.7. "*Protected Health Information*" has the same meaning as the term "protected health information" in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

1.8. "*Required by Law*" has the same meaning as the term "required by law" in 45 CFR 164.501.

1.9. "*Secretary*" means the Secretary of the Department of Health and Human Services, or his or her designee.

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1.10. "*Security Rule*" means the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.

1.11. "*Service Agreement*" means the Letter of Agreement between Business Associate and Covered Entity dated October 1, 2026.

1.12. All other capitalized terms not defined herein shall have the meanings assigned in the Privacy Rule, the Security Rule and the HITECH Act.

**2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE.**

2.1. Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as Required by Law.

2.2. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.

2.3. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

2.4. Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.

2.5. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

2.6. Business Associate agrees to provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.

2.7. Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

2.8. Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the

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Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

2.9. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with CFR 164.528.

2.10. Within fifteen (15) days of receiving a request from Covered Entity, Business Associate agrees to make available the information necessary for Covered Entity to make an accounting of Disclosures of PHI about an Individual.

2.11. The provisions of the HITECH Act that apply to business associates and are required to be incorporated by reference in a business associate agreement are hereby incorporated into this Agreement, including, without limitation, 42 USC Sections 17935(b), (c),(d) & (e), and 17936(a) & (b).

2.12. Business Associate will comply with any confidentiality requirements pertaining to substance use disorder patient records under 42 C.F.R. Part 2.

2.13. Without limitation of the foregoing:

2.13.1. Pursuant to 42 USC Section 17931(a), the following sections of the Security Rule shall apply to Business Associate in the same manner as they apply to the covered entity:

2.13.1.1. Section 164.308 - Administrative Safeguards;

2.13.1.2. Section 164.310 - Physical Safeguards;

2.13.1.3. Section 164.312 - Technical Safeguard; and

2.13.1.4. Section 164.316 - Policies and procedures and documentation requirements.

2.13.2. Pursuant to 42 USC Section 17934(a), Business Associate may use or disclose PHI that it obtains or creates only if such use or disclosure, respectively, is in compliance with each applicable requirements of Section 164.504(e) of the Privacy Rule.

2.13.3. Pursuant to 42 USC Sections 17931(b), 17934(b) & 17934(c), Section 164.504(e)(1)(ii) of the Privacy Rule shall apply to Business Associate with respect to compliance with such subsection, in the same manner that such section applies to Covered Entity, with respect to compliance with the standards in sections 164.502(e) and 164.504(e) of the Privacy Rule, except that in applying such Section 164.504(e)(1)(ii) each reference to Business Associate, with respect to a contract, shall be treated as a reference to the Covered Entity involved in such contract. To the extent necessary to achieve the purposes of the foregoing, Business Associate shall have the right to terminate this Agreement

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and all contracts to which it relates if Covered Entity is in material breach or violation of this Agreement and fails to cure such breach or violation.

2.13.4. 42 USC Sections 17931(b) & 17934(c) each apply to Business Associate with respect to its status as a Business Associate to the extent set forth in each such Section.

2.13.5. Pursuant to 42 USC Section 17932, without unreasonable delay, and in any event no later than sixty (60) calendar days after Discovery, Business Associate shall notify Covered Entity or any Breach of Unsecured PHI. The notification shall include, to the extent possible and subsequently as the information becomes available, the identification of all individuals whose Unsecured PHI is reasonably believed by Business Associate to have been Breached along with any other available information that is required to be included in the notification to the Individual, HHS and/or the media, all in accordance with the data breach notification requirements set forth in 42 USC Section 17932 and 45 CFR Parts 160 & 164 subparts A, D, & E.

**3. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE.**

3.1. General Use and Disclosure Provisions: Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, a Covered Entity for the purposes discussed in this section, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by Covered Entity, for the purpose of performing the Service Agreement.

3.2. Specific Use and Disclosure Provisions:

3.2.1. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

3.2.2. Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

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3.2.3. Except as otherwise limited in this Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 CFR I64.504(e)(2)(i) (B).

3.2.4. Any use or disclosure of Protected Health Information by Business Associate will be in compliance with the minimum necessary policies and procedures of the Covered Entity, and with the minimum necessary requirements of HIPAA.

3.2.5. Business Associate may use or disclose Protected Health Information as Required by Law.

3.2.6. Business Associate may use Protected Health Information to report violations of law to the appropriate federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1).

3.2.7. Business Associate may use de-identified Protected Health Information in accordance with 45 C.F.R. § 164.514(a) – (c); provided, however, that Business Associate may use the de-identified information only if and to the extent expressly permitted in this Section 3.

**4. OBLIGATIONS OF COVERED ENTITY.**

4.1. Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR 164.520, as well as any changes to such notice.

4.2. Covered Entity shall notify Business Associate of any limitation(s) in its notice of privacy practices to the extent that such limitation may affect Business Associate's use or disclosure of Protected Health Information.

4.3. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

4.4. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 CFR 164.522.

4.5. Permissible Requests by Covered Entity: Covered entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

**5. TERM AND TERMINATION.**

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5.1. Term. The Term of this Agreement shall be effective as of the date first written above, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section. Termination of this Agreement shall automatically terminate the Service Agreement.

5.2. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation, and Covered Entity shall:

5.2.1. terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity, or

5.2.2. immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible.

5.2.3. If neither termination, nor cure is feasible, Covered Entity will report the violation to the Secretary.

5.3. Effect of Termination.

5.3.1. Except as provided in the following paragraph, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity in accordance with State and Federal retention guidelines. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

5.3.2. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

**6. MISCELLANEOUS.**

6.1. Regulatory References. A reference in this Agreement to a section in the Privacy means the section as in effect or as amended, and for which compliance is required.

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6.2. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104-191.

6.3. Survival. The respective rights and obligations of Business Associate under Section 5.3 of this Agreement shall survive the termination of this Agreement.

6.4. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy Rule.

**AGREED**

Nonstop Administration and Insurance Services, Inc

Signed by:
By: Paymon Farazi
F1D3412FC0D2457...
Paymon Farazi
Chief Executive Officer

9/8/2026
Date

County of Jack Medical Expense Reimbursement Plan

Signed by:
By:
700461C514DF488...
Brian Umphress
County Judge

9/28/2026
Date