

CMRE Financial Services, Inc.: Collection Agreement

This agreement is made and entered into between _____ and **CMRE Financial Services, Inc.** (AGENCY) to be effective the _____ day of _____, 2017, or upon receipt of accounts whichever shall first occur. Subject to each party's right of termination as set forth below, this Agreement shall be for a two (2) year term from effective date. Agreement shall automatically renew each year on the anniversary of above indicated effective date.

- A. AGENCY agrees to provide collection services as outlined in the **Collection Services Overview**.
- B. **Scheduled Services.** AGENCY shall provide Services at times mutually agreeable between both parties.
- C. **Business Reports.** Upon request, AGENCY shall prepare and submit to CLIENT, in such detail as CLIENT reasonably may require, business reports relating to the Services.
- D. **Medical Records.** In accordance with Applicable Laws, AGENCY shall maintain the confidentiality of all patient-related medical records information. CLIENT retains exclusive rights to the ownership of and control of all medical records.
- E. AGENCY acknowledges agency capacity and at all times promises to represent CLIENT in the best possible light. All documentation is the sole property of CLIENT. AGENCY will cancel accounts as specifically requested by CLIENT. Said request may be performed by phone or written communication.
- F. **AGENCY's Status.** AGENCY shall act at all times under this Agreement as an independent contractor. The parties hereto agree that CLIENT shall not have and shall not exercise any control or direction over the manner or methods by which AGENCY provides the Services set forth herein. However, AGENCY agrees to perform the Services at all times in accordance with Applicable Laws and currently approved methods and standards of practice in the profession and shall act at all times in accordance with applicable ethical and professional standards. AGENCY shall have no claim under this Agreement or otherwise for vacation or sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits, or employee benefits of any kind. AGENCY shall be solely responsible for the payment of all applicable federal, state, and local income or other taxes (including, but not limited to, federal social security tax and federal and state unemployment taxes) on the compensation received under this Agreement. The sole interest and obligation of CLIENT is to assure that the Services will be performed in a competent, efficient, and satisfactory manner.
- G. **Indemnity.**
 - 1. CLIENT covenants and agrees to indemnify and hold harmless AGENCY from and against any and all losses, damages, expenses, or other liabilities, including reasonable attorneys' fees incurred as a result of the negligent acts, intentional acts, breach of this Agreement or omissions of CLIENT's agents, servants, or employees.
 - 2. AGENCY covenants and agrees to indemnify and hold harmless CLIENT from and against any and all losses, damages, expenses, or other liabilities, including reasonable attorneys' fees incurred as a result of the negligent acts, intentional acts, breach of this Agreement or omissions of AGENCY's agents, servants, or employees.
- H. **Financial Obligation.** AGENCY shall not incur nor shall AGENCY have authority to incur any financial obligation on behalf of CLIENT without the prior approval of CLIENT.
- I. **Notices.** Notices or communications required or permitted to be given under this Agreement shall be in writing and given to the respective parties either by personal delivery or by certified mail, return receipt requested, addressed as follows, unless a party shall notify the other in writing of a change of address:

AGENCY: CMRE Financial Services, Inc. 3075 E. Imperial Hwy., Suite 200 Brea, CA 92821	CLIENT:
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- J. **Entire Agreement.** This Agreement supersedes all previous agreements and representations, whether oral or written, between the parties and constitutes the entire Agreement between the parties regarding the subject matter hereof.

Notices given pursuant to this Paragraph shall be deemed to have been given upon delivery if personal delivery, and if mailed, two (2) days after the date of mailing.

- K. **Binding Arbitration.** Both parties agree to binding arbitration for unresolved disputes. The rules of the American Arbitration Association will prevail with each party equally sharing in the cost. Each party will have full discovery rights. The prevailing party will recover from the other party all costs, fees, losses, including attorneys' fees and damages.
- L. **Provisions Held Invalid.** If any one or more of the provisions contained in this Agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed and interpreted as if such provision had never been contained herein.
- M. **Insurance.** AGENCY maintains and agrees to continue to maintain errors and omissions liability and professional liability insurance.
- N. **Confidentiality.** AGENCY shall maintain the confidentiality of all patient-related billing and medical records information.
- O. **Termination.** Notwithstanding anything herein to the contrary, this agreement may be terminated at any time as follows:
1. Whenever CLIENT and AGENCY shall mutually agree in writing; or
 2. Without cause by either party upon at least thirty-(30) days prior written notice to the other party in which case the agreement shall terminate on the future date specified in such notice.
- P. **Health Information Portability and Accountability Act (HIPAA).** This Agreement is entered into by AGENCY as a business associate and CLIENT pursuant to the requirements of HIPAA and nothing herein shall be a basis for determining or construing AGENCY as a covered entity under HIPAA. As such, AGENCY will work with CLIENT to implement appropriate safeguards to protect against unauthorized disclosure of protected health information (PHI) and protect confidential patient information.

AGENCY will implement regulations and restrictions to protect against unauthorized disclosure of PHI, but not be limited to the following which:

1. Require AGENCY personnel to become knowledgeable about HIPAA regulations and the security features available within their systems;
 2. Prohibit AGENCY from further use or disclosure beyond the purpose stated in the contract;
 3. Prohibit AGENCY from any use or disclosure that would violate HIPAA regulations if AGENCY were a covered entity;
 4. Require AGENCY to maintain safeguards to ensure data is used as specified by the contract;
 5. Require AGENCY to report any misuse or unauthorized disclosure to the information security officer or other specified individual within CLIENT organization;
 6. Require AGENCY to have all subcontractors agree to these same restrictions;
 7. Establish a procedure for CLIENT to have access to protect information in AGENCY's possession when it has been materially altered by the AGENCY;
 8. Require AGENCY to provide access to patients who request their information if AGENCY holds that data and CLIENT does not;
 9. Require AGENCY to make its internal practices, books, and records related to protected information available to U.S. Department of Health and Human Service (DHHS) or its agents for enforcement of HIPAA regulations;
 10. Require AGENCY to incorporate a patient's amendment or correction, if requested;
 11. Require AGENCY at termination of contract to return or destroy all protected information;
 12. Provide that individuals who are the subject of protected information are intended to be third-party beneficiaries of this contract; and
 13. Provide that CLIENT can terminate the contract if AGENCY repeatedly violates the above provisions.
- Q. CLIENT agrees to comply with and otherwise abide by the following conditions in the assignment of accounts receivable:
1. CLIENT will not knowingly place for collection any account that by state or federal law is precluded or barred from collection at the time of placement. CLIENT will ascertain that all charges assigned will be legally proper and just debts that federal and state regulations have been met by the CLIENT.
 2. CLIENT understands that AGENCY must comply with the Fair Debt Collections Practices Act (FDCPA) and Fair Credit Reporting Act (FCRA) and in doing so must rely in part on the representations of the CLIENT as to the amount of the account and any interest, service fees or charges added by the Client to the account. CLIENT certifies that when interest is added in excess of normal legal interest or service fees are added that it has a contract with patient-debtor that it will provide to AGENCY upon request. Should CLIENT fail to maintain or provide the said agreement,

the CLIENT shall hold AGENCY harmless for all costs associated with defending a FDCPA and/or FCRA claim, including attorney fees, resulting from such breach.

3. CLIENT will mark on its system so as to identify all accounts assigned to AGENCY for collections.
 4. CLIENT will promptly report any and all payments received on assigned accounts.
 5. CLIENT will promptly notify AGENCY of any notices of Bankruptcy and will further provide information regarding any workers' compensation claim. CLIENT will not place any account for collection that is reported to be in bankruptcy.
 6. CLIENT grants and conveys to AGENCY the right of endorsement in clearing drafts and checks for payment.
 7. CLIENT will inform its staff on all working conditions of collection services agreement with AGENCY.
- R. Contingency Fees: Contingency fees are based upon the actual principal amounts collected by AGENCY and direct payments reported to AGENCY by CLIENT. AGENCY is responsible for all collection costs (excluding costs associated with law suits) unless AGENCY and CLIENT agree otherwise. All court costs and attorney fees will be advanced by AGENCY. All applicable legal costs advanced by AGENCY will be taken from first monies recovered. CLIENT will be responsible for court costs and attorney fees if account is canceled after case has been filed.

Service	Contingency Fee
Soft-core Collection Services	N/A%
Bad Debt Collections	22%
Bad Debt Collections – * Legal with suit filed	35%

* All court costs and attorney fees will be advanced by AGENCY. All applicable legal costs advanced by AGENCY will be taken first from monies recovered. CLIENT will be responsible for court costs and attorney fees should CLIENT request that account be canceled after case has been filed.

Initial the following Remittance Cycle:

_____ Net Remit Cycle

TAX ID: _____

NPI: _____

IN WITNESS WHEREOF, the undersigned have executed this agreement as of the date first above written.

CLIENT: _____

(authorized name [printed])

(authorized signature & date)

AGENCY: CMRE Financial Services, Inc.

(authorized name [printed])

(authorized signature & date)

BILLING AND COLLECTION SERVICES AUTHORIZATION

Provider: _____

Address: _____

City, State & Zip: _____

The undersigned, an authorized agent of the provider as indicated above, hereby certifies that CMRE Financial Services, Inc. (and its wholly owned subsidiaries and divisions, located at 3075 East Imperial Highway, Suite 200, Brea CA 92821) is an authorized agent providing billing (primary claim submission and/or re-submission) and complete collection services on behalf of the above referenced provider.

(name)

(title)

(signature)

(date)