

# LEGAL Q&A

**Q** What is a Business Associate Agreement and Who is Required to Enter Into One ?

**A** Generally, a Business Associate Agreement is a written agreement between a Covered Entity (Doctor, Clinic, etc.) and a Business Associate that establishes the permitted and required uses and disclosures of personal health information by the Business Associate. Business Associates are often vendors who create, receive, maintain or transmit personal health information. This can include entities providing a wide array of services such as billing services, legal services, claims processing, electronic storage, etc.

Due to new regulations, not only must business associates enter into a Business Associate Agreements, but all subcontractors of the business associate must also enter into Business Associate Agreements. Of course not every entity that provides a service to a Covered Entity must enter into a Business Associate Agreement. For example, health care providers disclosing personal health information for treatment purposes are exempted from these rules, as are entities that merely have incidental contact with protected health information (such as a cleaning service). Failure to enter into a Business Associate Agreement where required by law, could have significant negative consequences including fines and additional liability.



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