

§ 160.401 Definitions.

As used in this subpart, the following terms have the following meanings:

*Reasonable cause* means an act or omission in which a covered entity or business associate knew, or by exercising reasonable diligence would have known, that the act or omission violated an administrative simplification provision, but in which the covered entity or business associate did not act with willful neglect.

*Reasonable diligence* means the business care and prudence expected from a person seeking to satisfy a legal requirement under similar circumstances.

*Willful neglect* means conscious, intentional failure or reckless indifference to the obligation to comply with the administrative simplification provision violated.

[74 FR 56130, Oct. 30, 2009, as amended at 78 FR 5691, Jan. 25, 2013]