

Employee/Retiree Privacy Notice

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Background: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires health plans to notify plan participants and beneficiaries about its policies and practices to protect the confidentiality of their health information. This document is intended to satisfy HIPAA's notice requirement with respect to all health information created, received, or maintained by The Local Choice Plan (TLC), and the agents acting on its behalf, as the group health plan (the "Plan"). For purposes of HIPAA the covered entity is The Local Choice and the plan is sponsored by **(Enter Name of Local Employer)**.

The Plan needs to create, receive, and maintain records that contain health information about you to administer the Plan and provide you with health care benefits. This notice describes the Plan's health information privacy policy with respect to your health plan including any or all of the following plans; Medical, Prescription Drug, Dental, Behavioral Health and Vision plans . The notice tells you the ways the Plan may use and disclose health information about you, describes your rights, and the obligations the Plan has regarding the use and disclosure of your health information. However, it does not address the health information policies or practices of your health care providers.

The Local Choice' *Pledge Regarding Health Information Privacy*

The privacy policy and practices of the Plan protects confidential health information that identifies you or could be used to identify you and relates to a past, present, or future physical or mental health condition or the past, present or future payment of your health care expenses. This individually identifiable health information is known as "protected health information" (PHI). Your PHI will not be used or disclosed without a written authorization from you, except as described in this notice or as otherwise permitted by federal and state health information privacy laws.

Privacy Obligations of the Plan

The Plan is required by law to:

- make sure that health information that identifies you is kept private;
- give you this notice of the Plan's legal duties and privacy practices with respect to health information about you;
- notify you if you are affected by a breach of unsecured PHI; and
- follow the terms of the notice that is currently in effect.

How the Plan May Use and Disclose Health Information About You

The following are the different ways the Plan may use and disclose your PHI:

For Treatment. The Plan may disclose your PHI to a health care provider who renders treatment on your behalf. For example, if you are unable to provide your medical history as the result of an accident, the Plan may advise an emergency room physician about the types of prescription drugs you currently take.

For Payment. The Plan may use and disclose your PHI so claims for health care treatment, services, and supplies you receive from health care providers may be paid according to the Plan's terms. For example, the Plan may receive and maintain information about surgery you received to enable the Plan to process a hospital's claim for reimbursement of surgical expenses incurred on your behalf.

For Health Care Operations. The Plan may use and disclose your PHI to enable it to operate or operate more efficiently or make certain all of the Plan's participants receive their health benefits. For example, the Plan may use your PHI for case management or to perform population-based studies designed to reduce health care costs. In addition, the Plan may use or disclose your PHI to conduct compliance reviews, audits, actuarial

studies, and/or for fraud and abuse detection. The Plan may also combine health information about many Plan participants and disclose it to employees working under the Secretaries of Administration and Finance, and members of the General Assembly of Virginia in summary fashion so they can decide what coverages the Plan should provide. The Plan will remove information that identifies you from health information disclosed to these individuals so it may be used without these individuals learning who the specific participants are. The Plan may also use or disclose your PHI for underwriting and premium rating purposes, but the Plan does not use or disclose your PHI that is genetic information for underwriting purposes.

To The Commonwealth of Virginia. The Plan may disclose your PHI to designated Department of Human Resource Management personnel so they can carry out their Plan-related administrative functions, including the uses and disclosures described in this notice. Such disclosures will be made only to the Director of the Department of Human Resource Management and/or the Director of the Office of Contracts and Finance. These individuals will protect the privacy of your health information and ensure it is used only as described in this notice or as permitted by law. Unless authorized by you in writing, your health information: (1) may not be disclosed by the Plan to any other Commonwealth employee or department and (2) will not be used by the Commonwealth for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by the Commonwealth of Virginia.

To a Business Associate. Certain services are provided to the Plan by third party administrators known as "business associates." For example, the Plan may input information about your health care treatment into an electronic claims processing system maintained by the Plan's business associate so your claim may be paid. In so doing, the Plan will disclose your PHI to its business associate so it can perform its claims payment function. However, the Plan will require its business associates, through contract, to appropriately safeguard your health information.

Treatment Alternatives. The Plan may use and disclose your PHI to tell you about possible treatment options or alternatives that may be of interest to you.

Health-Related Benefits and Services. The Plan may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.

Individual Involved in Your Care or Payment of Your Care. The Plan may use or disclose to your family member, other relative, your close personal friend, or other person you identify, PHI directly relevant to such person's involvement in your health care or payment related to your care. The Plan may use or disclose your PHI to notify a family member, your personal representative, or another person responsible for your care, about your location, condition, or death. In these situations, when you are present and not incapacitated, they will either (1) obtain your agreement; (2) provide you with an opportunity to disagree to the use or disclosure; or (3) using reasonable judgment, infer from the circumstances that you do not object to the disclosure. If you are not present, or you cannot agree or disagree to the use or disclosure due to incapacity or emergency circumstances, the Plan may use professional judgment to determine that the disclosure is in your best interests and disclose PHI relevant to such person's involvement in your care, payment related to your health care, or notification purposes. If you are deceased, the Plan may disclose PHI to such individuals involved in your care or payment for your health care prior to your death the PHI that is relevant the individual's involvement, unless you have previously instructed the Plan otherwise.

As Required by Law. The Plan will disclose your PHI when required to do so by federal, state, or local law, including those that require the reporting of certain types of wounds or physical injuries.

Special Use and Disclosure Situations

The Plan may also use or disclose your PHI under the following circumstances:

Lawsuits and Disputes. If you become involved in a lawsuit or other legal action, the Plan may disclose your PHI in response to a court or administrative order, a subpoena, warrant, discovery request, or other lawful due process.

Law Enforcement. The Plan may release your PHI if asked to do so by a law enforcement official, for example, to identify or locate a suspect, material witness, or missing person or to report a crime, the crime's location or victims, or the identity, description, or location of the person who committed the crime.

Workers' Compensation. The Plan may disclose your PHI to the extent authorized by and to the extent necessary to comply with workers' compensation laws or other similar programs.

Military and Veterans. If you are or become a member of the U.S. armed forces, the Plan may release medical information about you as deemed necessary by military command authorities.

To Avert Serious Threat to Health or Safety. The Plan may use and disclose your PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.

Public Health Risks. The Plan may disclose health information about you for public health activities. These activities include preventing or controlling disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; or reporting reactions to medication or problems with medical products or to notify people of recalls of products they have been using.

Health Oversight Activities. The Plan may disclose your PHI to a health oversight agency for audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs.

Research. Under certain circumstances, the Plan may use and disclose your PHI for medical research purposes.

National Security, Intelligence Activities, and Protective Services. The Plan may release your PHI to facilitate specified government functions related to: (1) intelligence, counterintelligence and other national security activities authorized by law; (2) the provision of protective services to the President of the United States, members of the U.S. government or foreign heads of state, or to conduct special investigations; and (3) correctional institutions and other law enforcement custodial situations..

Organ and Tissue Donation. If you are an organ donor, the Plan may release medical information to organizations that handle organ procurement or organ, eye, or tissue transplantation or to an organ donation bank to facilitate organ or tissue donation and transplantation.

Coroners, Medical Examiners, and Funerals Directors. The Plan may release your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Plan may also release your PHI to a funeral director, as necessary, to carry out his/her duty.

Assist Victims of Abuse, Neglect, or Domestic Violence. The Plan may, under certain circumstances, disclose PHI about you if you are reasonably believed to be a victim of abuse, neglect, or domestic violence to a government authority, including a social service or protective services agency, authorized by law to receive such reports.

Certain Government-Approved Research Activities. The Plan may use or disclose PHI about you to research as provided under the Privacy Rule.

Breach of Unsecured PHI

You must be notified in the event of a breach of unsecured PHI that affects you. A “breach” is the acquisition, access, use, or disclosure of PHI in a manner that compromises the security or privacy of the PHI. If you are affected by a breach of unsecured PHI you must receive a notice of the breach as soon as possible and no later than 60 days after the discovery of the breach.

Your Rights Regarding Health Information About You

Your rights regarding the health information the Plan maintains about you are as follows:

Right to Inspect and Copy. You have the right to inspect and copy your PHI, including your PHI maintained in an electronic format. This includes information about your plan eligibility, claim and appeal records, and billing records, but does not include psychotherapy notes. If your PHI is available in an electronic format, you may request access electronically.

To inspect and copy health information maintained by the Plan, submit your request in writing to the Privacy Official. The Plan may charge a fee for the cost of copying and/or mailing your request. But, this fee must be limited to the cost of labor involved in responding to your request if you requested access to an electronic health record. In limited circumstances, the Plan may deny your request to inspect and copy your PHI. Generally, if you are denied access to health information, you may request a review of the denial.

Right to Amend. If you feel that health information the Plan has about you is incorrect or incomplete, you may ask the Plan to amend it. You have the right to request an amendment for as long as the information is kept by or for the Plan.

To request an amendment, send a detailed request in writing to the Plan Administrator. You must provide the reason(s) to support your request. The Plan may deny your request if you ask the Plan to amend health information that was: accurate and complete, not created by the Plan; not part of the health information kept by or for the Plan; or not information that you would be permitted to inspect and copy.

Right to An Accounting of Disclosures. You have the right to request an “accounting of disclosures,” including a disclosure involving an electronic health record. This is a list of disclosures of your PHI that the Plan has made to others, except those necessary to carry out health care treatment, payment, or operations (Note: does not apply to electronic health records); disclosures made to you; or in certain other situations.

To request an accounting of disclosures, submit your request in writing to the Privacy Official. Your request must state a time period, which may not be longer than six years prior to the date the accounting was requested (three years in the case of a disclosure involving an electronic health record).

Right to Request Restrictions. You have the right to request a restriction on the health information the Plan uses or disclosures about you for treatment, payment, or health care operations. You also have the right to request a limit on the health information the Plan discloses about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that the Plan not use or disclose information about a surgery you had.

To request restrictions, make your request in writing to the Plan Administrator. You must advise us: (1) what information you want to limit; (2) whether you want to limit the Plan's use, disclosure, or both; and (3) to whom you want the limit(s) to apply.

Note: *The Plan is not required to agree to your request.*

Right to Request Confidential Communications. You have the right to request that the Plan communicate with you about health matters in a certain way or at a certain location. For example, you can ask that the Plan send you explanation of benefits (EOB) forms about your benefit claims to a specified address.

To request confidential communications, make your request in writing to the Plan Administrator. The Plan will make every attempt to accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

Disclosure of PHI to a Personal Representative. You may request that the Plan disclose your PHI to your personal representative. A personal representative is an individual you designate to act on your behalf and make decisions about your health care. If you want the Plan to disclose your PHI to your personal representative, submit a written statement giving the Plan permission to release your PHI to your personal

representative and documentation that this individual qualifies as your personal representative under state law, such as a power of attorney. Submit this request in writing to the appropriate privacy contact listed below. The Plan may elect not to treat a person as your personal representation if (1) the Plan reasonably believes that you have been or may be subject to domestic violence, abuse or neglect by such person, or treating such person as your personal representative could endanger you; or (2) the Plan, using professional judgment, decides that it is not in your best interest to treat the person as your personal representative

Right to a Paper Copy of this Notice. You have the right to a paper copy of this notice, even if you received this Notice previously or agreed to receive this Notice electronically. You may write to the Plan Administrator to request a written copy of this notice at any time.

Changes to this Notice

The Plan reserves the right to change this notice at any time and to make the revised or changed notice effective for health information the Plan already has about you, as well as any information the Plan receives in the future. The Plan will provide a copy of the current notice to be posted in the Benefits Office of each employer at all times.

Complaints

If you believe your privacy rights under this policy have been violated, you may file a written complaint with the Plan Administrator at the address listed below. Alternatively, you may complain to the Secretary of the U.S. Department of Health and Human Services, generally, within 180 days of when the act or omission complained of occurred.

Note: **You will not be penalized or retaliated against for filing a complaint.**

Other Uses and Disclosures of Health Information

Other uses and disclosures of health information not covered by this notice or by the laws that apply to the Plan will be made only with your written authorization. Your written authorization is also required for:

- Most uses or disclosures of psychotherapy notes (where appropriate);
- Uses or disclosures of your health information for marketing purposes. Marketing does not include communications, involving no financial remuneration, for certain treatment or health care operations purposes, such as communications about entities that participate in a health plan network, health plan enhancements or replacements, case management or care coordination, or contacting individuals about treatment alternatives; and
- Disclosures of PHI that are considered a sale

If you authorize the Plan to use or disclose your PHI, you may revoke the authorization, in writing, at any time. If you revoke your authorization, the Plan will no longer use or disclose your PHI for the reasons covered by your written authorization; however, the Plan will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

If you have any questions about this notice, please contact:

The Local Choice Program
c/o The Department of Human Resource Management
101 North 14th Street, 12th Floor
Richmond, VA 23219
804/225-2131

Notice Effective Date: January 1, 2003, as revised effective September 23, 2013.

