

## **PRIVACY NOTICE**

### **Bird Island/Olivia/Lake Lillian School District #2534 Flexible Benefits Plan**

#### **Notice of Privacy Practices Regarding Protected Health Information**

Effective Date: *April 14, 2004*

**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.**

At Bird Island/Olivia/Lake Lillian School District #2534, we respect your privacy and will protect your health information responsibly and professionally. We're required to maintain the privacy of your health information and to provide you with this notice. Also, we're required to abide by the terms of the notice that's currently in effect.

This notice applies to all members of Bird Island/Olivia/Lake Lillian School District #2534 Flexible Benefits Plan. It describes how we may collect, use, and disclose your health information. It also describes your rights concerning your health information.

As you read this notice, you'll see an important term: "**protected health information**" or **PHI**. PHI is information about you, including health and demographic information created and received by us that can reasonably be used to identify you. PHI includes information that relates to your past, present, and future physical or mental condition, the provision of health care, and payment for that care.

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#### **How We Use or Share Protected Health Information (PHI)**

Below are some examples of ways we may use or share information about you without your consent or authorization. These examples are considered to be treatment, payment, and health care operations. We may use or share your PHI:

- (a) **Use and Disclosure of PHI.** The Plan will use PHI to the extent of and in accordance with the uses and disclosures permitted by HIPAA. Specifically, the Plan will use and disclose PHI for purposes related to health care treatment, payment for health care and health care operations.

**Payment** includes activities undertaken by the Plan to obtain premiums or determine or fulfill its responsibility for coverage and provision of Plan benefits that relate to an individual to whom health care is provided. These activities include, but are not limited to, the following:

- (1) Determination of eligibility, coverage and cost sharing amounts (for example, cost of a benefit, plan maximums and co-payments as determined for an individual's claim);
- (2) Coordination of benefits;
- (3) Adjudication of health benefits claims (including appeals and other payment disputes);
- (4) Subrogation of health benefit claims;
- (5) Establishing employee contributions;
- (6) Risk adjusting amounts due based on enrollee health status and demographic characteristics;
- (7) Billing, collection activities and related health care data processing;

- (8) Claims management and related health care data processing, including auditing payments, investigating and resolving payment disputes and responding to participant inquiries about payments;
- (9) Obtaining payment under a contract for reinsurance (including stop-loss and excess of loss insurance);
- (10) Medical necessity reviews or reviews of appropriateness of care or justification of charges;
- (11) Utilization review, including pre-certification, preauthorization, concurrent review and retrospective review;
- (12) Disclosure to consumer reporting agencies related to the collection of premiums or reimbursement (the following PHI may be disclosed for payment purposes: name and address, date of birth, Social Security number, payment history, account number and name and address of provider and/or health Plan; and
- (13) Reimbursement to the Plan.

(b) Health care operations include, but are not limited to, the following activities:

- (1) Quality assessment;
- (2) Population-based activities relating to improving health or reduction health care costs, protocol development, case management and care coordination, disease management, contacting health care providers and patients with information about treatment alternatives and related functions;
- (3) Rating provider and Plan performance, including accreditation, certification, licensing or credentialing activities;
- (4) Underwriting, premium rating and other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, and ceding, securing or placing a contract for reinsurance of risk relating to health care claims (including stop-loss insurance and excess of loss insurance);
- (5) Conducting or arranging for medical review, legal services and auditing function, including fraud and abuse detection and compliance programs;
- (6) Business planning and development, such as conducting cost-management and planning-related analyses related to managing and operating the Plan, including formulary development and administration, development or improvement of payment methods or coverage policies;
- (7) Business management and general administration activities of the Plan, including, but not limited to:
  - a. Management activities relating to the implementation of and compliance with HIPAA's administrative simplification requirements;
  - b. Customer service, including data analyses for policyholders;
- (8) Resolution of internal grievances.

- (9) Due diligence in connection with the sale or transfer of assets to a potential successor in interest, if the potential successor in interest is a covered entity under HIPAA or following completion of the sale or transfer, will become a covered entity.
- (10) The Plan will use and disclose PHI as required by law and as permitted by authorization of the subject of PHI.
- (11) With respect to PHI, the plan sponsor (as defined in the Privacy Rules under HIPAA) agrees to certain conditions. The Plan Sponsor agrees to:
  - a. Not use or further disclose PHI other than as permitted or required by the Plan document or as required by law;
  - b. Ensure that any agents, including a subcontractor, to whom the Plan provides PHI received from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI;
  - c. Not use or disclose PHI for employment related actions and decision unless authorized by an individual;
  - d. Not use or disclose PHI in connection with any other benefit or employee benefit plan of the Plan Sponsor unless authorized by an individual;
  - e. Report to the Plan any PHI use or disclosure, that is inconsistent with the uses or disclosures provided for, of which it becomes aware;
  - f. Make PHI available for amendment and incorporate any amendments to PHI in accordance with HIPAA;
  - g. Make available the information required to provide an accounting of disclosures;
  - h. Make internal practices, books and records relating to the use and disclosure of PHI received from Plan available to the HHS Secretary for the purposes of determining the Plan's compliance with HIPAA; and,
  - i. If feasible, return or destroy all PHI received for the Plan that the Plan Sponsor still maintains in any form, and retain no copies of such PHI when no longer needed for the purpose for which disclosure was made (or if return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction infeasible).

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### **What Are Your Rights**

You have the following rights regarding the protected health information (PHI) we maintain about you.

**You have the right to ask us to restrict** our use and disclosure of protected health information for the purposes of treatment, payment or health care operations. This includes uses and disclosures to family members, relatives, close personal friends, or other persons identified by you who may be involved with your care or payment for your care. We'll consider your request, but we aren't required to agree to restrict the information.

**You have the right to ask to receive confidential communications.** You may request that when we send communications to you that contain PHI, we send them to you by alternative means or to an alternative location. You must request this in writing and clearly state that our disclosure of all or part of that communication could endanger you. You must also tell us the alternative location (e.g., fax number, address, etc.) to which you would like us to send the information.

**You have the right to inspect and obtain a copy** of the protected health information (PHI) that we maintain about you in a designated record set. A designated record set contains PHI that we collect, maintain or use to administer or make decisions regarding your enrollment, payment, claims adjudication, or case/medical management. If we don't maintain the PHI, but we know who does, we'll tell you. Requests to access the information must be made in writing, and we'll respond within 30 days of receipt of your request. We may charge a reasonable, cost-based fee to provide you with the information. There are exceptions as to what information can be accessed. For example, information compiled for legal proceedings cannot be accessed. If we deny access to your information, in part or in whole, we will notify you in writing. Our denial will include the reason for the denial, your review rights (if applicable), and information on how to file a complaint.

**You have the right to ask us to amend** protected health information about you that's contained in a designated record set (as described above). All amendment requests must be in writing and include a reason for the request. We'll respond within 60 days of receiving the request. If the request is approved, we'll amend the information in our records and notify any other individual(s) whom we know and/or whom you have told us have received the information, and we'll provide them with the amendment as well. In certain cases, your request may be denied. For example, we may deny a request if the information we have on file is accurate or if we didn't create the information. We'll notify you in writing of any denial. You may respond by filing a written statement of disagreement with us, and we have the right to rebut the disagreement statement. Should this occur, you have the right to request that your original request, our denial, and any statement of disagreement, along with our rebuttal, be included in future disclosures of the PHI.

**You have the right to request an accounting of certain disclosures** of protected health information. An accounting will show you to whom we provided your PHI. The first accounting request in a 12-month period of time will be provided free of charge. Subsequent requests are subject to a reasonable, cost-based fee, of which you will be made aware in advance. All requests for disclosures must be made in writing, and we'll respond within 60 days of receipt. There are some accountings we aren't required to provide. For example, we aren't required to account for disclosures made for purposes of treatment, payment, or health care operations. Also, we won't provide accountings for disclosures that you have authorized, and certain other disclosures such as for national security purposes.

**You have the right to a paper copy of this notice** upon request. You may write us at the address provided in the complaints and inquiries section of this notice, or call us at the number on the back of your health plan identification card and we'll mail or fax a current notice to you.

For more information, or to begin the formal process connected with these rights, please contact our Privacy Officer for working with your PHI.

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### **Complaints and Inquiries**

You may register a complaint to us or to the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated. To file a complaint with us, please submit it in writing and address it to:

Human Resource Manager  
Bird Island/Olivia/Lake Lillian School District #2534  
701 South 9th Street  
Olivia, MN 56277  
Telephone: 320-523-1031  
Fax: 320-523-2399

To submit a complaint to the Secretary of the Department of Health and Human Services, please submit it in writing to:

Secretary, Department of Health and Human Services  
200 Independence Ave SW  
Washington, DC 20201  
877-696-6775

Your complaint should include the following:

- your name
- the policyholder's name
- contract or policy number
- name of employer or plan sponsor
- the identification number on the health plan card (this may be the employee's social security number)
- address or other means of communicating with you in writing
- a telephone number where you can be reached
- a brief description of the nature of your complaint
- the names and phone numbers, if available, of any of our employees with whom you have discussed your complaint
- any other information you think is important in order to resolve your complaint

Please note: You won't be retaliated against or denied any health plan benefit or service because you file a complaint.

#### **Effective Date of this Notice and Revisions to the Notice**

This notice is effective April 14, 2004. We're required to abide by the terms of the notice that's currently in effect.

We reserve the right to change the terms of this notice and to make the new notice effective for all PHI we maintain. If we change the notice, we will provide it to you by direct mail. We will promptly revise and distribute this notice whenever there is a material change to the uses or disclosures, your rights, our duties, or other practices stated in this notice. Except when required by law, a material change to this notice will not be implemented before the effective date of the new notice in which the material change is reflected.

#### **General Affect of this Notice**

The general affect of this new federal government requirement is that you must give us written authorization if you want us to discuss your PHI with anyone other than yourself. The requirement for written authorization requires that you sign a form each time you want us to discuss any PHI with anyone other than yourself. A copy of the authorization is attached. Please feel free to duplicate it as many times as you would like and give it to the appropriate party you are asking us to correspond with on your PHI.

**REMEMBER:** Each individual who receives a benefit under the plan has (in their own right) PHI. No one person (who is not the legal guardian or parent of a minor) may request disclosure of PHI for or on behalf of any other person.

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**Request for and Authorization of Alternative Communication of PHI**

**Dated:** \_\_\_\_\_

**Individual's Name:** \_\_\_\_\_

I hereby request that **Bird Island/Olivia/Lake Lillian School District #2534 Flexible Benefits Plan** and any component Plan communicate my protected health information (PHI) as follows:

Please describe the incident and the specifics of what you would like disclosed and to whom and for what purpose (you will get confirmation of any such disclosures for your information):

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I understand that the disclosure of all or part of the information to which this request pertains could endanger me in some manner.

\_\_\_\_\_  
Signature

(If applicable)  
Printed name of individual's personal representative: \_\_\_\_\_

Relationship to the individual, including authority for status as representative: \_\_\_\_\_