

## **Acordia / Crescent Health Plan**

### **HIPAA Privacy Policy**

**Use and Disclosure of Protected Health Information (PHI).** The Plan will use protected health information (PHI) to the extent of and in accordance with the uses and disclosures permitted by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Specifically, the Plan will use and disclose PHI for purposes related to health care treatment, payment for health care and health care operations. The provisions of this Section 9.3 (and any other provisions of this Plan relating to the HIPAA privacy rules) shall be effective on April 14, 2003, or such later date as may be provided by federal law or regulation.

Payment includes activities undertaken by the Plan to obtain premiums or determine or fulfill its responsibility for coverage and provision of plan benefits which 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 copayments as determined for an individual's claim);
2. Adjudication of health benefit claims (including appeals and other payment disputes);
3. Subrogation of health benefit claims;
4. Establishing Employee Contributions;
5. Risk adjusting amounts due based on enrollee health status and demographic characteristics;
6. Billing, collection activities and related health care data processing;
7. Claims management and related health care data processing, including auditing payments, investigating and resolving payment disputes and responding to participant inquiries about payments;
8. Obtaining payment under a contract for reinsurance (including stop-loss and excess of loss insurance);
9. Medical necessity reviews or reviews of appropriateness of care or justification of charges;
10. Utilization review, including precertification, preauthorization, concurrent

review and retrospective review;

11. 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 the Provider and/or health plan); and
12. Reimbursement to the plan.

Health Care Operations include, but are not limited to, the following activities:

1. Quality assessment;
2. Population-based activities relating to improving health or reducing 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 functions, 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 improvements of payment methods or coverage policies;
7. Business management and general administrative activities of the Plan, including, but not limited to management activities relating to the implementation of and compliance with HIPAA's administrative simplification requirements;
  8. Customer service, including the provision of data analyses for policyholders, plan sponsors or other customers;
  9. Resolution of internal grievances; and

10. 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.

- A. **The Plan May Use and Disclose PHI for Treatment, Payment and Operations, as Required by Law and as Permitted by Authorization of the Participant or Benefit.** The Plan may, without the consent or authorization of the individual, use and disclose PHI for health care treatment, health care payment, and health care operations, and for such other uses or disclosures to the full extent permitted by regulations promulgated by the Secretary of Health and Human Services to implement HIPAA, subject to more stringent state privacy laws which do not conflict with HIPAA (if any).

The Plan may also disclose PHI to such other persons and for such other purposes when authorized by the individual on a form and in a manner provided for in regulations promulgated by the Secretary of Health and Human Services to implement HIPAA.

The Plan may also disclose summary health information to the plan sponsor if requested by the plan sponsor for the purpose of obtaining bids from health plans for providing health insurance coverage, or for modifying, amending or terminating the Plan. The Plan may also disclose to the Plan Sponsor information on whether the individual is participating in the group health plan, or is enrolled in or has disenrolled from a health insurance issuer or HMO offered by the Plan.

- B. **For Purposes of this Section, Mission St. Joseph's Health System, Inc. is the Plan Sponsor.** The Plan will disclose PHI to the Plan Sponsor only upon receipt of a certification from the Plan Sponsor that the plan documents have been amended to incorporate the following provisions.

- C. **With Respect to PHI, the Plan Sponsor Agrees to Certain Conditions.**

The Plan Sponsor agrees to:

1. Not use or further disclose PHI other than as permitted or required by the Plan document or as required by law;
2. Ensure that any agents, including a subcontractor, to whom the Plan Sponsor provides PHI received from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI;
3. Not use or disclose PHI for employment-related actions and decisions unless authorized by an individual;

4. Not use or disclose PHI in connection with any other benefit or Employee benefit plan of the Plan Sponsor unless authorized by an individual;
5. Report to the Plan any PHI use or disclosure that is inconsistent with the uses or disclosures provided for of which it becomes aware;
6. Make PHI available to an individual in accordance with HIPAA's access requirements;
7. Make PHI available for amendment and incorporate any amendments to PHI in accordance with HIPAA;
8. Make available the information required to provide an accounting of disclosures;
9. 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
10. If feasible, return or destroy all PHI received from 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).

D. **Adequate Separation Between the Plan and the Plan Sponsor Must Be Maintained.** In accordance with HIPAA, only the following classes of Employees may be given access to PHI:

1. The benefits manager;
2. Staff designated by the benefits manager;
3. Claims processors.

E. **Limitations of PHI Access and Disclosure.** The persons described in Paragraph D of this Section may only have access to and use and disclose PHI for plan administration functions which the Plan Sponsor performs for the Plan.

F. **Noncompliance Issues.** If the persons described in Paragraph D of this Section do not comply with this plan document, the Plan Sponsor shall provide a mechanism for resolving issues of noncompliance, including disciplinary sanctions.