

ALLEGHENY COLLEGE
NOTICE OF PRIVACY PRACTICES
UPDATED OCTOBER 1, 2010

The attached document contains important information regarding participant health information privacy under the Allegheny College Health Care Spending Account (“Plan”). The federal Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), which became effect in April 2004 and as amended, requires the Plan to implement privacy policies and procedures and affords participants in the Plan certain privacy rights, which are discussed in detail in the attached document, the “Notice of Privacy Practices” (the “Notice”). The Notice details how some plan participant health information may be used and disclosed by the Plan and how a participant may obtain access to his/her health information. Please be aware that the Plan is administered through ADP and as such does not receive health information subject to these rules. ADP, which receives health information, follows the privacy rules. The attached Notice should be reviewed and saved for future reference.

ALLEGHENY COLLEGE
NOTICE OF PRIVACY PRACTICES
FOR PROTECTED HEALTH INFORMATION

This Notice describes how health information about Plan participants may be used and disclosed and how participants can get access to this information. **Please review this Notice carefully.**

Allegheny College---Pledge Regarding Health Information Privacy:

The privacy policy and practices of the Allegheny College Health Care Spending Account (the "Plan") protects confidential health information that (a) identifies Plan participants or could be used to identify Plan participants, and (b) relates to a physical or mental health condition (past, present or future) or relates to the payment of participant health care expenses (past, present or future). This individually identifiable health information transmitted or maintained by the Plan, regardless of form (oral, written or electronic) is known as "Protected Health Information ("PHI"). Plan participant PHI will not be used or disclosed without a written authorization from the Plan participant except as described in this Notice or as otherwise permitted by federal and state health information privacy laws.

Health Information Held by Allegheny College In Employment Records is Not PHI:

The privacy policy and practices described in this Notice do not apply to health information that Allegheny College holds in employment records or in records relating to pre-employment screenings, disability benefits or claims, on-the-job injuries, workers' compensation claims, medical leave requests, return to work reports, life insurance, retirement benefits, accommodations under the Americans with Disabilities Act, or any records not pertaining to PHI from the Plan.

1. Privacy Obligations of the Plan

The Plan is required by law to:

- Make sure that the privacy of Plan participant PHI is maintained;
- Provide Plan participants with certain rights with respect to PHI;
- Give Plan participants this Notice of the Plan's legal duties and privacy practices with respect to health information; and
- Follow the terms of the Notice that is currently in effect.

How the Plan May Use and Disclose Health Information About Plan Participants

The following are the different ways the Plan may use and disclose participant PHI **without participant authorization, consent or request:**

- **For Payment.** The Plan may use and disclose participant PHI so claims for health care treatment, services, and supplies eligible for reimbursement may be paid according to the Plan's terms. For example, the Plan may use PHI to determine an appeal of a denied reimbursement claim.
- **For Treatment.** If necessary, the plan may use or disclose participant PHI to facilitate treatment by medical providers. The plan may disclose medical information to providers, including doctors, nurses, technicians, medical students, or other medical personnel who are involved in taking care of participants.
- **For Health Care Operations.** The Plan may use and disclose participant PHI to enable it to operate, operate more efficiently or make sure that all of the Plan's participants receive their health benefits. For example, the Plan may use or disclose participant PHI to conduct compliance reviews, audits, actuarial studies, for fraud and/or abuse detection, business management and general administrative activities.
- **To Allegheny College or its Employees.** The Plan may disclose participant PHI to designated Allegheny College 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 those employees who have access to PHI and are designated by the Privacy Officer in accordance with the Plan's Privacy Policy and procedures.

These individuals are required to protect participant PHI and ensure it is used only as described in this Notice or as permitted by law. Unless authorized by the Plan participant in writing, health information: (1) may not be disclosed by the Plan to any other Allegheny College employee or department than those specified above; and (2) will not be used by Allegheny College for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by Allegheny College.

- **To a Business Associate.** Certain services are provided to the Plan by third parties known as "business associates." For example, ADP is a Business Associates of the Plan with respect to administering certain reimbursement claims for the Plan. However, the Plan will require its business associates, through written contract, to appropriately safeguard participant health information.
- **As Required by Law.** The Plan will disclose participant PHI when required to do so by federal, state, or local law, for example those that require the reporting of certain types of wounds or physical injuries or are required by national security or public disclosure laws.

The following are the different ways the Plan may use and disclose participant PHI only **with participant written authorization, consent or request**:

- **Psychotherapy Notes.** Participant written authorization generally will be obtained before the Plan will use or disclose psychotherapy notes from the participant's psychotherapist.
- **Participant or an Individual Involved in the Participant's Care or Payment for Care.** The Plan may disclose PHI to a close friend or family member involved in or who helps pay for the participant's health care.

The following are the special use and disclosure situations which participant consent, authorization or opportunity to object is **not required**:

- **Lawsuits and Disputes.** If the participant becomes involved in a lawsuit or other legal action, the Plan may disclose the participant's 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 participant PHI if asked to do so by a law enforcement official, for example, to respond to a court order, subpoena, or summons, or 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 participant 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 a participant is or becomes a member of the U.S. armed forces, the Plan may release participant PHI as deemed necessary by military command authorities.
- **To Avert Serious Threat to Health or Safety.** The Plan may use and disclose participant PHI when necessary to prevent a serious threat to the participant's health and safety, or the health and safety of the public or another person.
- **Abuse, Neglect or Domestic Violence.** When authorized by law, the Plan may report information about abuse, neglect or domestic violence to the appropriate public authorities if there is a reasonable belief that the participant may be a victim of abuse, neglect or domestic violence. If the Plan does make such a disclosure, the participant will be notified of the disclosure unless the Notice would cause a risk of serious harm.
- **Public Health Risks.** The Plan may disclose health information about the participant 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 participant 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 limited circumstances, the Plan may use and disclose participant PHI for medical research purposes.
- **National Security, Intelligence Activities, and Protective Services.** The Plan may release participant PHI to authorized federal officials: (1) for intelligence, counterintelligence, and other national security activities authorized by law and (2) to enable them to provide protection to the members of the U.S. government or foreign heads of state, or to conduct special investigations.
- **Organ and Tissue Donation.** If the participant is an organ donor, the Plan may release participant PHI 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 participant 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 participant PHI to a funeral director, as necessary, to carry out his/her duty.
- **Inmates.** If a Plan participant is an inmate of a correctional institution or is in the custody of law enforcement, the Plan may disclose participant PHI to facilitate the provision of health care to the participant, to protect the health and safety of the participant or others.

2. Participant Rights Regarding Private Health Information

The participant has the following rights regarding participant PHI maintained by the Plan:

- **Right to Inspect and Copy PHI.** The participant has the right to inspect and copy his/her PHI. This includes information about the participant's plan eligibility, claim and appeal records, and billing records, but does not include psychotherapy notes.

To inspect and copy PHI maintained by the Plan, the participant must submit a request in writing to the Privacy Officer at the address listed at the end of this Notice. Alternatively, the Privacy Officer may arrange for such requests to be handled directly by the Claims Administrator or another of the Plan's Business Associates. The Plan may charge a fee for the cost of copying and/or mailing the request. In certain very limited circumstances, the Plan may deny the request to inspect and copy the PHI. Generally, if the participant is denied access to health information, the participant may request that the denial be reviewed by the Privacy Officer.

- **Right to Amend PHI.** If the participant feels that health information the Plan has about the participant is incorrect or incomplete, the participant may ask the Plan to amend the information. A participant has 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 Privacy Officer at the address listed at the end of this Notice. Alternatively, the Privacy Officer may arrange for such requests to be handled directly by the Claims Administrator or another of the Plan's Business Associates. The participant must provide the reason(s) to support the request. The Plan may deny the participant's request if the request is not in writing or fails to provide the supporting reason. The request will also be denied if the participant asks 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 the participant would be permitted to inspect and copy.

If a participant's request is denied, the participant has the right to file a statement of disagreement with the Privacy Officer and any future disclosures of the disputed information will include such statement

- **Right to an Accounting of PHI Disclosures.** The participant has the right to request an "accounting of disclosures." This is a list of disclosures of participant PHI that the Plan has made to others, but will not include disclosures necessary to carry out health care treatment, payment, or operations; disclosures made to the participant; disclosures made with the participant's authorization, or in certain other situations.

To request an accounting of disclosures, the participant must submit the request in writing to the Privacy Officer at the address listed at the end of this Notice. Alternatively, the Privacy Officer may arrange for such requests to be handled directly by the Claims Administrator or another of the Plan's Business Associates. The request must state a time period, which generally may not be longer than six years prior to the date the accounting was requested, and may not include dates prior to April 14, 2004.

- **Right to Request Restrictions.** The participant has the right to request a restriction on the PHI the Plan uses or disclosures about the participant for treatment, payment, or health care operations. The participant also has the right to request a limit on the PHI that the Plan discloses about the participant to someone who is involved in the care or the payment for care, like a family member or friend. For example, a participant could ask that the Plan not use or disclose information about a participant's surgery.

Except as provided in the following paragraph, the Plan is not required to agree to a participant's request. If a request is agreed to the Plan will honor the restriction until you revoke it or the Plan notifies the participant of the revocation.

Effective February 17, 2010 the Plan will comply with any restriction request if, except as otherwise required by law, the disclosure is to the health plan for purposes of carrying out payment or health care operations (and is not for purposes of carrying out treatment); and (2) the protected health information pertains solely to a health care item or service for which the health care provider involved has been paid out-of-pocket in full.

To request restrictions, the participant must make the request in writing to the Privacy Officer at the address listed at the end of this Notice. Alternatively, the Privacy Officer may arrange for such requests to be handled directly by the Claims Administrator or another of the Plan's Business Associates. In the request, the participant must state: (1) what information the participant wants to limit; (2) whether the participant wants to limit the Plan's use, disclosure, or both; and (3) to whom the participant wants the limit(s) to apply.

- **Right to Request Confidential Communications.** The participant has the right to request that the Plan communicate with the participant about health matters in a certain way or at a certain location. For example, the participant can ask that the Plan contact the participant at a specified address.

To request confidential communications, the participant must make the request in writing to the Privacy Officer at the address listed at the end of this Notice. Alternatively, the Privacy Officer may arrange for such requests to be handled directly by the Claims Administrator or another of the Plan's Business Associates. The Plan will make every attempt to accommodate all reasonable requests if it is administratively practicable to do so, however, **the Plan is not required to agree to the request.** The request must specify how or where the participant wishes to be contacted.

- **Right to be Notified of a Breach.** Participant's have the right to be notified in the event that the Plan or a Business Associate discovers a breach of unsecured PHI.
- **Right to Receive a Paper Copy of this Notice Upon Request.** Participants have the right to a paper copy of this Notice. The participant may write to the Privacy Officer at the address listed at the end of this Notice to request a written copy of this Notice at any time.

Some or all PHI may be created or held by the Plan's Business Associates and, in this regard, the Privacy Officer may refer the participant to the Claims Administrator or another Business Associate in connection with the participant's rights under HIPAA.

3. Duties of Plan

The Plan is required by law to maintain the privacy of PHI and to provide Plan participants with Notice of its legal duties and privacy practices.

- **Minimum Necessary Standard**

When using or disclosing PHI or when requested, PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations.

However, the minimum necessary standard will not apply in the following situations:

- disclosures to or requests by a health care provider for treatment;
- uses or disclosures made to the individual;
- disclosures made to the Secretary of the U.S. Department of Health and Human Services;
- uses or disclosures that are required by law; and
- uses or disclosures that are required for the Plan's compliance with legal resolutions.

This Notice does not apply to information that has been de-identified. Information is de-identified if it does not identify an individual with respect to which there is no reasonable basis to believe that the information can be used to identify an individual. De-identified information is not individually identifiable health information.

In addition, the Plan may use or disclose "summary health information" to Allegheny College for obtaining premium bids or modifying, amending or terminating the Plan, which summarizes the claims history, claims expenses or type of claims experienced by individuals for whom Allegheny College has provided health benefits under a group health plan; and from which identifying information has been deleted in accordance with HIPAA.

4. 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 Participant PHI that the Plan already has, as well as any information the Plan receives in the future. Changes in the plans covered by the Notice will not be treated as a material modification of the Notice which would give rise to a change to this Notice.

5. Complaints

If a participant believes his/her privacy rights under this policy have been violated, the participant may file a written complaint with the Privacy Officer at the address listed at the end of this Notice. Alternatively, the participant 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. **The participant will not be penalized or retaliated against for filing a complaint.**

6. 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 the participant's written authorization. If the participant authorizes the Plan to use or disclose his/her PHI, the participant may revoke the authorization, in writing, at any time. If the participant revokes his/her authorization, the Plan will no longer use or disclose the participant's PHI for the reasons covered by the written authorization; however, the Plan will not reverse any uses or disclosures already made in reliance on the participant's prior authorization.

7. Contact Information

If you have any questions about this Notice or complaints, please contact the Privacy Officer at Allegheny College:

Director of Human Resources
520 N. Main Street
Meadville, PA 16335