

## **HIPAA PRIVACY PROVISIONS**

These provisions, effective April 14, 2003, are included in order to comply with the standards for privacy of individually identifiable health information (the "Privacy Standards") issued pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA").

### **1. Disclosure of Summary Health Information to the Plan Sponsor**

In accordance with the Privacy Standards, the Plan may disclose Summary Health Information to the Plan Sponsor, if the Plan Sponsor requests the Summary Health Information for the purpose of (a) obtaining premium bids from health plans for providing health insurance coverage under this Plan or (b) modifying, amending or terminating the Plan.

### **2. Disclosure of Protected Health Information ("PHI") to the Plan Sponsor**

The Plan may disclose PHI to the Plan Sponsor for Plan administrative purposes. The Plan's "Notice of Privacy Practices" also permits the Plan to disclose PHI to the Plan Sponsor.

In order that the Plan Sponsor may receive and use PHI for Plan Administration purposes, the Plan Sponsor agrees to:

- a. Not use or further disclose PHI other than as permitted or required by the Plan Documents or as required by law;
- b. 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;
- c. Not use or disclose PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor;
- d. Report to the Plan any PHI use or disclosure that is inconsistent with the uses or disclosures provided for of which the Plan Sponsor becomes aware;
- e. Make available PHI for inspection or copying in accordance with the Privacy Standards (45 CFR 164.524);
- f. Make available PHI for amendment and incorporate any amendments to PHI in accordance with the Privacy Standards (45 CFR 164.526);
- g. Make available the information required to provide an accounting of disclosures in accordance with the Privacy Standards (45 CFR 164.528);
- h. Make its internal practices, books and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of the U.S. Department of Health and Human Services ("HHS") for purposes of determining compliance by the Plan;
- i. 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 information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

- j. Ensure that adequate separation between the Plan and the Plan Sponsor, as required in the Privacy Standards (45 CFR 164.504(f)(2)(iii)), is established as follows:
  - i. The following employees, or classes of employees, or other persons under control of the Plan Sponsor, shall be given access to the PHI to be disclosed:
    - Vice President, Human Resources
    - Staff designated by Vice President, Human Resources
    - Chief Financial Officer
    - Staff designated by Chief Financial Officer
    - Internal Audit personnel
  - ii. The access to and use of PHI by the individuals described in subsection (i) above shall be restricted to the Plan administration functions that the Plan Sponsor performs for the Plan.
  - iii. In the event any of the individuals described in subsection (i) above do not comply with the provisions of the Plan Documents relating to use and disclosure of PHI, the Plan Administrator shall impose reasonable sanctions as necessary, in its discretion, to ensure that no further non-compliance occurs.

The Plan shall disclose PHI to the Plan Sponsor only upon receipt of a certification by the Plan Sponsor that (a) the Plan Documents have been amended to incorporate the above provisions and (b) the Plan Sponsor agrees to comply with such provisions.

### **3. Disclosure of Certain Enrollment Information to the Plan Sponsor**

The Plan may disclose to the Plan Sponsor information on whether an individual is participating in the Plan or is enrolled in or has disenrolled from a health insurance issuer or health maintenance organization offered by the Plan to the Plan Sponsor (45 CFR 164.504(f)(1)(iii)).

### **4. Other Disclosures and Uses of PHI**

With respect to all other uses and disclosures of PHI, the Plan shall comply with the Privacy Standards.