

***THIS NOTICE DESCRIBES HOW HEALTH 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 Notice is intended to satisfy HIPAA's notice requirement with respect to all health information created, received or maintained by the Plan.

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 and practices with respect to your Health, Prescription Drug, Dental, Vision, and/or Health Care Flexible Spending Account (HCFA) benefits. 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, this Notice does not state the policies or practices of your health care providers (such as doctors, hospitals or laboratories) with respect to privacy of health information.

*Plan Policy on Privacy of Your Health Information*

The privacy policy and practices of the Plan protect confidential health information that identifies you or could be used to identify you and relates to a physical or mental health condition or the 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.

*HIPAA Plan Privacy Requirements*

The Plan is required by law to:

- Maintain the privacy of PHI about you;
- Provide you this Notice of the Plan's legal duties and privacy practices with respect to your PHI; and
- Follow the terms of this Notice that are currently in effect, from time to time.

*How the Plan May Use and Disclose Health Information about You*

Although HIPAA generally requires that the Plan protect the confidentiality of your PHI, there are certain uses and disclosures by the Plan allowed under HIPAA and applicable regulations. Those uses and disclosures are allowed in order to properly operate and administer the Plan for your benefit according to its terms.

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 health 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 for your benefit 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 the Plan to operate or operate more efficiently, or to make certain that 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's participants and disclose it to the Company in summary fashion so the Company can decide what overages the Plan should provide. The Plan will remove information that identifies you from health information disclosed to the Company so it may be used without the Company learning who the specific participants are.

- **To the Company.** The Plan may disclose your PHI to designated Company 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 Company's Vice President, Benefits and Payroll (the "Plan Administrator") and/or the personnel of the Company's Benefits Department. 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 Company employee or department and (2) will not be used by the Company for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by the Company.
- **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 a Plan Business Associate so your claim may be paid. In doing so, the Plan will disclose your PHI to its Business Associate so it can perform its claims payment function. However, the Plan will require all 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 disclose PHI to a close friend or family member involved in, or who helps pay for your health care. The Plan may also advise a family member or close friend about your condition, your location (for example, that you are in the hospital) or death.
- **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 that requires such use or disclosure.
- **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 and other similar programs.
- **Military and Veterans.** If you are or become a member of the U.S. armed forces, the Plan may release health 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 health research purposes.
- **National Security, Intelligence Activities and Protective Services.** The Plan may release your 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 you are an organ donor, the Plan may release health 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 Funeral 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.

#### *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. This includes information about your plan eligibility, claim and appeal records, and billing records, but does not include psychotherapy notes.

To inspect and copy your PHI maintained by the Plan, submit your request in writing to the Plan Administrator. The Plan may charge a fee for the cost of copying and/or mailing your PHI that you request. 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 either: (1) is accurate and complete; (2) was not created by the Plan; (3) is not part of the health information kept by or for the Plan; or (4) is 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." This is a list of disclosures of your PHI that the Plan has made to others, except for those necessary to carry out health care treatment, payment or operations; disclosures made to you; or in certain other situations.

To request an accounting of disclosures that have occurred since the effective date of this notice, submit your request in writing to the Plan Administrator. Your request must state a time period, which may not be longer than six years prior to the

date the accounting was requested.

- **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 disclose 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 the Plan Administrator: (1) what health information you want to restrict or limit; (2) whether you want to restrict or limit the Plan's use, disclosure or both; and (3) to whom you want the restriction(s) and limit(s) to apply.

**NOTE:** *The Plan is not required to agree to your request. The Plan may refuse to agree to a requested restriction on certain uses and disclosures recognized by HIPAA regulations as being necessary to properly administer a health plan. The Plan will advise you if it does not agree to follow a restriction you request, or if it terminates a restriction it has previously agreed to follow*

- **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 take action needed to accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

- **Right to a Paper Copy of this Notice.**

You have the right to a paper copy of this Notice. 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.

#### *Complaints*

If you believe your HIPAA privacy rights described in this Notice have been violated, you may file a written complaint with the Plan Administrator at the address listed below. Alternatively, you may make a complaint 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.*

#### *You Must Authorize Any Other Uses and Disclosures of Health Information*

Any other uses and disclosures of health information that are not described above in this Notice, or allowed by the laws that apply to the Plan, will be made only with your prior written authorization.

The Individual Authorization Form is designed to include information and instructions that should be given by you to voluntarily authorize a particular use or disclosure of your PHI. You should sign and deliver that form to the Plan Administrator to authorize such a use or disclosure.

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 withdraw or change any uses or disclosures already made by the Plan.

*Contact Information*

If you have any questions or want further information about this Notice, please contact the Privacy Official:

Waterstone Benefit Administrators  
4013 NW Expressway Ste 575  
Oklahoma City, OK 73116  
405-440-8888