

**NOTICE OF PRIVACY PRACTICES OF THE
ALL ALASKA LONGSHORE WELFARE TRUST FUND**

EFFECTIVE APRIL 14, 2004

This Notice describes how protected health information about you may be used and disclosed and how you can get access to this information. Please review this Notice carefully. This Notice is applicable to the All Alaska Longshore Welfare Trust Fund (hereinafter the "Health Plans"). If you have medical and prescription drug coverage through an insured plan such as PCS, that plan has its own Privacy Practices to protect your health information.

POLICY OF THE HEALTH PLANS REGARDING YOUR HEALTH INFORMATION

The Health Plans understand that health information about you is personal. The Health Plans are committed to protecting health information about you. This Notice will tell you about the ways in which the Health Plans may use and disclose health information about you. This Notice also describes the Health Plans' obligations and your rights regarding the use and disclosure of health information. Your doctor or health care provider may have different policies or notices regarding their use and disclosure of your health information created in the doctor's office or clinic.

The Health Plans are required by law to:

- Make sure that health information that identifies you is kept private;
- Give you this Notice of our legal duties and privacy policies regarding your health information; and
- Follow the terms of the Notice that currently is in effect.

HOW THE HEALTH PLANS MAY USE AND DISCLOSE HEALTH INFORMATION ABOUT YOU

The following categories describe different ways the Health Plans may use and disclose your health information. For each category of use or disclosure, we will explain what we mean and present examples. Not every use or disclosure in a category will be listed. However, all of the ways the Health Plans are permitted to use and disclose your health information will fall within one of these categories.

To Make or Obtain Payment. The Health Plans may use and disclose health information about you to determine eligibility for benefits, to facilitate payment for the treatment and service you receive from health care providers, to determine benefit responsibility under one of the Health Plans or to coordinate health plan coverage. For example, the Health Plans may tell your health care provider about your medical history to determine whether a particular treatment is experimental, investigational or medically necessary or to determine whether the

Health Plans will cover the treatment. The Health Plans may also share health information with a stop loss insurance carrier or a utilization review or precertification service provider. Likewise, the Health Plans may share health information with another entity to assist with the adjudication of health claims or with another health plan to coordinate benefit payments.

To Facilitate Treatment. The Health Plans may use and disclose your health information to facilitate treatment or services by providers, including coordination or management of health insurance carrier-related services. For example, the Health Plans may disclose health information about you with physicians who are treating you.

To Coordinate Health Care Operations. The Health Plans may use and disclose your health information to facilitate the administration of the Health Plans. These uses and disclosures are necessary to run the Health Plans. For example, health care operations include such activities as:

- Quality assessment and improvement activities;
- Activities designed to improve health or reduce health care costs;
- Clinical guideline and protocol development, case management and care coordination;
- Contacting health care providers and participants with information about treatment alternatives and other related functions;
- Health care professional competence or qualification review and performance evaluation;
- Accreditation, certification, licensing and credentialing activities;
- Underwriting, including stop-loss underwriting, premium rating and related functions to create, renew or replace health insurance or health benefits;
- Review and auditing, including compliance reviews, medical reviews, legal services, fraud and abuse detection and compliance programs;
- Business planning and development, including cost management and planning related to analyses and formulary development; and
- Business management and general administration activities of the Health Plans, including customer service and resolution of appeals and grievances.

When Required by Law. The Health Plans will disclose health information about you when required to do so by federal, state or local law. For example, the Health Plans may disclose health information when required by a court order in a lawsuit such as a malpractice case.

ADDITIONAL SITUATIONS

To Avert a Serious Threat to Health or Safety. The Health Plans may use and disclose health information about you when necessary to prevent a serious threat to your health and safety or to the health and safety of the public or another person. Any disclosure, however, will only be made to someone able to help prevent the threat. For example, the Health Plans may disclose health information about you in a proceeding regarding the licensure of a physician.

Military and Veterans. If you are a member of the armed forces, the Health Plans may release health information about you as required by military command authorities. The Health Plans may also release health information about foreign military personnel to the appropriate foreign military authority.

For Treatment Alternatives. The Health Plans may use and disclose your health information to tell you about or recommend possible treatment options or alternatives that may be of interest to you.

For Distribution of Health-Related Benefits and Services. The Health Plans may use and disclose your health information to provide information on health-related benefits and services that may be of interest to you.

For Disclosure to the Board of Trustees. The Health Plans may disclose your health information to another health plan maintained by the Health Trust or to the Board of Trustees for plan administration functions performed by the Board of Trustees on behalf of the Health Plans. In addition, the Health Plans may provide summary health information to the Board of Trustees so that the Board of Trustees may solicit premium bids from health insurers or modify, amend or terminate one or more of the Health Plans. The Health Plans may also disclose to the Board of Trustees information whether you are participating in one of the Health Plans.

A Family Member or Close Personal Friend Involved in Your Health Care. The Health Plans may make your health information known to a family member or close personal friend. Disclosure of your health information will be determined based on how involved the person is in your health care or payment of your health care claims. For example, the Health Plans would normally provide information to a family member confirming eligibility for health coverage or if a claim was paid but not the specific treatment or diagnosis provided or the reason the provider was consulted. The Health Plans may release health information to parents or guardians, if allowed by law. If you are not present or able to agree to these disclosures of your health information, the Health Plans through its third party administrator may use its professional judgment to determine whether the disclosure is in your best interest. **If you do not want your health information disclosed to a family member or close personal friend as outlined in this section, you must notify the Health Plans as described in the Right to Request Restrictions section on page 6.**

Personal Representative. The Health Plans will disclose your health information to an individual who has been designated as your personal representative and has qualified for such designation in accordance with relevant state law. However, before the Health Plans will disclose health information to such a person, you must submit a written notice of his/her

designation, along with the documentation that supports his/her qualification, such as a power of attorney.

Even if you designate a personal representative, federal law permits the Health Plans to elect not to treat the person as your personal representative if the Health Plans have a reasonable belief that: (1) you have been, or may be, subject to domestic violence, abuse or neglect by such person; (2) treating such a person as your personal representative could endanger you; or (3) the Health Plans determine, in their professional judgment, that it is not in your best interest to treat the person as your personal representative.

Business Associates. Business Associates perform various functions and services on behalf of the Health Plans. For example, the Third-Party Administrator, A&I Benefit Plan Administrators, Inc., will be handling many of the functions in connection with the operation of the Health Plans. To perform these functions, or provide the services, the Health Plans' Business Associates may receive, create, maintain, use or disclose your health information, but only after agreeing, in writing, to appropriate safeguards concerning your health information.

Other Covered Entities. The Health Plans may use or disclose your health information to assist health care providers in connection with their treatment or payment activities or to assist other covered entities in connection with payment activities and certain health care operations. For example, the Health Plans may disclose your health information to a health care provider when needed by the provider to render treatment to you or the Health Plans may disclose health information to another covered entity to conduct health care operations in the area of quality assurance.

To Conduct Health Oversight Activities. The Health Plans may disclose your health information to a health oversight agency for authorized activities, including audits, civil, administrative or criminal investigations, inspections, licensure or disciplinary action. These activities are necessary for the government to monitor the health care system, government programs and compliance with civil rights laws. However, the Health Plans may not disclose your health information if you are the subject of an investigation and the investigation does not arise out of or is not directly related to your receipt of health care or public benefits.

Legal Proceedings. The Health Plans may disclose your health information: (1) in the course of any judicial or administrative proceeding; (2) in response to an order of a court or an administrative tribunal (to the extent such disclosure is expressly authorized); and (3) in response to a subpoena, discovery request or other lawful process once the Health Plans have met the administrative requirements of the Health Insurance Portability and Accountability Act of 1996 (hereinafter the "HIPAA Privacy Rule"). For example, the Health Plans may disclose your health information in response to a subpoena for such information, but only after the Health Plans meet certain conditions required by the HIPAA Privacy Rule.

Law Enforcement. Under certain conditions, the Health Plans may disclose your health information to law enforcement officials. Some of the reasons for such a disclosure include, but are not limited to: (1) it is required by law or some other legal process; (2) it is necessary to

locate or identify a suspect, fugitive, material witness or missing person; and (3) it is necessary to provide evidence of a crime that occurred.

National Security and Intelligence. In certain circumstances, federal regulations require the Health Plans to disclose your health information to facilitate specified government functions related to national security, intelligence activities and other national security activities authorized by law.

Abuse or Neglect. The Health Plans may disclose your health information to a governmental entity that is authorized by law to receive reports of abuse, neglect or domestic violence. Additionally, as required by law, the Health Plans may disclose to a governmental entity authorized to receive such information your health information if the Health Plans believe that you have been a victim of abuse, neglect or domestic violence.

Research. The Health Plans may disclose your health information to researchers when an institutional review board or privacy board has: (1) reviewed the research proposal and established protocols to ensure the privacy of your health information; and (2) approved the research.

Inmates. If you are an inmate of a correctional institution, the Health Plans may disclose your health information to the correctional institution or to a law enforcement official for: (1) the institution to provide health care to you; (2) your health and safety and the health and safety of others; or (3) the safety and security of the correctional institution.

Coroners, Medical Examiners, Funeral Directors and Organ Donation. The Health Plans may disclose health information to a coroner or medical examiner for purposes of identifying a deceased person, determining a cause of death, or for the coroner or medical examiner to perform other duties authorized by law. The Health Plans may also disclose, as authorized by law, information to funeral directors so they may carry out their duties. Further, the Health Plans may disclose health information to organizations that handle organ, eye or tissue donation and transplantation.

Workers' Compensation. The Health Plans may release your health information to the extent necessary to comply with workers' compensation laws and other similar programs that provide benefits for work-related injuries or illnesses.

Disclosures to the Secretary of the U.S. Department of Health and Human Services. The Health Plans are required to disclose your health information to the Secretary of the U.S. Department of Health and Human Services when the Secretary is investigating or determining the Health Plans' compliance with the HIPAA Privacy Rule.

AUTHORIZATION TO USE OR DISCLOSE HEALTH INFORMATION

Other than as stated above, the Health Plans will not disclose your health information without your written authorization. If you authorize the Health Plans to use or disclose your health information, you may revoke that authorization in writing at any time.

MINIMUM NECESSARY DISCLOSURE OF HEALTH INFORMATION

The amount of health information the Health Plans will use or disclose will be limited to the “minimum necessary” as defined in the HIPAA Privacy Rule.

POTENTIAL IMPACT OF STATE LAWS

The HIPAA Privacy Rule generally does not take precedence over state privacy or other applicable laws that provide individuals greater privacy protections. As a result, to the extent state law applies, the privacy laws of a particular state, or other federal laws, rather than the HIPAA Privacy Rule, might impose a privacy standard under which the Health Plans will be required to operate. For example, where such laws have been enacted, the Health Plans will follow more stringent state privacy laws that relate to uses and disclosures of health information concerning HIV or AIDS, mental health, substance abuse/chemical dependency, genetic testing, reproduction rights, and so on.

YOUR RIGHTS WITH RESPECT TO YOUR HEALTH INFORMATION

You have the following rights regarding your health information that the Health Plans maintain:

Right to Request Restrictions. You have the right to request restrictions or limitations on the health information the Health Plans use or disclose about you for treatment, payment or health care operations. You have the right to request a limit on the Health Plans’ disclosure of your health information to someone involved in your care or the payment for your care. However, the Health Plans are not required to agree to your request. If the Health Plans do agree to the restriction, the Health Plans will comply with the restriction unless the information is needed to provide emergency medical treatment.

To request restrictions, you must make your request in writing to the organization listed on page 8. Any restrictions that may have been provided to the administrator for the Health Plans before April 14, 2004 must be renewed in writing. In your request, you must tell the Health Plans:

- What information you want to limit;
- Whether you want to limit the Health Plans’ use, disclosure or both; and
- To whom you want the limits to apply, for example, non-disclosure to your spouse.

Right to Receive Confidential Communications. You have the right to request that the Health Plans communicate with you about health matters in a manner other than by mail or at an alternative location if you feel the disclosure of your health information could endanger you. For example, you may ask that the Health Plans communicate with you only at a certain post office box, telephone number or by e-mail.

To request confidential communications, you must make your request in writing to the organization listed on page 8. The Health Plans will not ask you the reason for the request. The Health Plans will attempt to honor all reasonable requests. Your written request must specify how or where you wish to receive confidential communications.

Right to Inspect and Copy Your Health Information. You have the right to inspect and copy your health information. A request to inspect and copy records containing your health information must be made in writing to the organization listed on page 8. If you request a copy of your health information, the Health Plans may charge a reasonable fee for copying, assembling and postage.

Right to Amend Your Health Information. If you believe that your health information records are inaccurate or incomplete, you may request that the Health Plans amend their records. The request may be made as long as the health information is maintained by the Health Plans.

A request for an amendment of health information records must be made in writing to the organization listed on page 8. The Health Plans may deny the request if it does not include a reason to support the amendment. The request may also be denied if your health information records were not created by the Health Plans, if the health information you are requesting to amend is not part of the Health Plans' records, if the health information you wish to amend falls within an exception to the health information you are permitted to inspect and copy, or if the Health Plans determine that records containing your health information are accurate and complete.

Right to an Accounting of Disclosures. You have the right to request an accounting of disclosures of your health information when the disclosure was made for any purpose other than treatment, payment, health care operations or when disclosures are not in accordance with the Health Plans' Notice of Privacy Practices and applicable law. An accounting of disclosures is not required for disclosures made pursuant to a signed authorization by you or your personal representative. Most disclosures of your health information will be for purposes of treatment, payment or health care operations and, therefore, will not be subject to your right to an accounting.

The request for an accounting must be made in writing to the organization listed on page 8. The accounting request should specify the time period for which you are requesting the accounting but may not start earlier than April 14, 2004. Accounting requests may not be made for periods of time going back more than six (6) years. The Health Plans will provide the first accounting you request during any 12-month period without charge. Subsequent accounting requests may be subject to a reasonable cost-based fee. The Health Plans will inform you of the fee in advance.

Right to a Paper Copy of this Notice. You have the right to request and receive a paper copy of this Notice at any time, even if you have received this Notice previously or agreed to receive the Notice electronically. To receive a paper copy, please contact the organization listed below.

DUTIES OF THE HEALTH PLANS

The Health Plans are required by law to maintain the privacy of your health information as set forth in this Notice and to provide to you this Notice. The Health Plans are required to abide by the terms of this Notice, which may be amended from time to time. The Health Plans reserve the right to change the terms of this Notice and to make the new Notice provisions effective for all health information that they maintain. If the Health Plans change their policies and procedures, the Health Plans will revise the Notice and will provide a copy of the revised Notice to you within sixty (60) days of the change.

COMPLAINTS

You have the right to express complaints to the Health Plans and to the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated. Any complaints to the Health Plans should be made in writing to the organization listed below. The Health Plans encourage you to express any concerns you may have regarding the privacy of your health information. All complaints should be in writing. You will not be retaliated against in any way for filing a complaint.

CONTACT PERSON

The Health Plans have designated the Health Trust's client service representative to answer all issues regarding this Notice and your privacy rights. You may contact this person at:

Client Service Representative
All Alaska Longshore Welfare Trust Fund
1220 S.W. Morrison Street, Suite 300
Portland, OR 97205
Tele: (503) 224-0048

**IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE, PLEASE
CONTACT CLIENT SERVICE REPRESENTATIVE AT THE ADDRESS
AND TELEPHONE NUMBER LISTED ABOVE.**