

I.B.U. of the Pacific National Health Benefit Trust

November, 2013

Notice of Privacy Practices of the Trust and PPO Plan

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW THIS NOTICE CAREFULLY.

If you have health and welfare plan coverage provided by Kaiser Permanente or the HMSA Hawaii PPO Plan, those plans have their own notice of privacy practices to protect your medical information.

Policy regarding your Protected Health Information

This notice describes the legal obligations of the PPO Plan and your legal rights regarding your Protected Health Information held by the PPO Plan under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH). Among other things, this notice describes how your Protected Health Information may be used or disclosed to carry out treatment, payment, or health care operations, or for any other purposes that are permitted or required by law.

The HIPAA Privacy Rule protects only certain medical information known as Protected Health Information. Generally, Protected Health Information is health information, including demographic information, collected from you or created or received by a health care Provider, a health care clearinghouse, a health plan, or the PPO Plan, from which it is possible to individually identify you and that relates to:

- Your past, present, or future physical or mental health condition;
- The provision of health care to you; or
- The past, present, or future payment for health care services provided to you.

If you have any questions about this notice or about the PPO Plan's privacy practices, please contact the PPO Plan's HIPAA client service representative whose address and telephone number are listed on page 14.

I.B.U. of the Pacific National Health Benefit Trust

The PPO Plan's Responsibilities

The PPO Plan is required by law to:

- Maintain the privacy of your Protected Health Information;
- Provide you with certain rights with respect to your Protected Health Information;
- Give you this notice which describes the PPO Plan's legal duties and privacy policies regarding your Protected Health Information; and
- Follow the terms of this notice until modified.

The Board of Trustees reserves the right to change the terms of this notice and to make new provisions regarding the use and disclosure of your Protected Health Information that the PPO Plan maintains, as allowed or required by law. If there are material changes to this notice, you will be provided with a revised notice mailed to your last known address.

How the PPO Plan may Use and Disclose Protected Health Information about You

Under the law, the PPO Plan may use and disclose your Protected Health Information under certain circumstances without your permission. The following paragraphs describe different ways the PPO Plan may use and disclose your Protected Health Information. Each paragraph will explain what is meant and may present examples. Not every use or disclosure in a paragraph will be listed. However, all of the ways the PPO Plan is permitted to use and disclose your Protected Health Information will fall within one (1) of these paragraphs.

- *To Make or Obtain Payment.* The PPO Plan may use and disclose your Protected Health Information to determine your eligibility for PPO Plan benefits, to facilitate payment for the treatment and services you receive from your health care Providers, to determine benefit responsibility under the PPO Plan, or to coordinate PPO Plan coverage. For example, the PPO Plan 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 PPO Plan will cover the treatment. The PPO Plan may also share your Protected Health Information with a utilization review or precertification service provider. The PPO Plan may also share your Protected Health Information with

I.B.U. of the Pacific National Health Benefit Trust

another entity to assist with the adjudication or subrogation of health claims or to another health plan to coordinate benefit payments.

- *To Facilitate Treatment.* The PPO Plan may use and disclose your Protected Health Information to facilitate treatment or services by Providers. The PPO Plan may provide medical information about you to Providers, including doctors, nurses, and hospital personnel who are involved in your care. For example, the PPO Plan may disclose Protected Health Information about you to Providers who are treating you.
- *For Health Care Operations.* The PPO Plan may use and disclose your Protected Health Information to facilitate the administration of the PPO Plan. These uses and disclosures are necessary to run the PPO Plan. For example, health care operations include activities such 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 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. However, your genetic information will not be used for underwriting purposes;
 - Review and auditing, including compliance reviews, medical reviews, legal services, fraud and abuse detection and compliance programs;
 - Submitting claims for stop-loss reimbursement;
 - Business planning and development, including cost management and planning related to analyses and formulary development; and

I.B.U. of the Pacific National Health Benefit Trust

- Business management and general administration activities of the PPO Plan, including customer service and resolution of appeals and grievances.
- *When Required by Law.* The PPO Plan will disclose Protected Health Information about you when required to do so by federal, state or local law. For example, the PPO Plan may disclose Protected Health Information when required by a court order in a lawsuit such as a medical malpractice case.
- *To Avert a Serious Threat to Health or Safety.* The PPO Plan may use and disclose Protected Health Information about you when necessary to prevent a serious threat to your health and safety, 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 PPO Plan may disclose Protected Health Information about you in a proceeding regarding the licensure of a physician.
- *Military.* If you are a member of the armed forces, the PPO Plan may disclose Protected Health Information about you as required by military command authorities. The PPO Plan may also release Protected Health Information about foreign military personnel to the appropriate foreign military authority.
- *For Treatment Alternatives.* The PPO Plan may use and disclose your Protected Health Information to send you information about or recommend possible treatment options or alternatives that may be of interest to you.
- *For Disclosure to the Board of Trustees.* The PPO Plan may disclose your Protected Health Information to another health plan maintained by the Trust or to the Board of Trustees for plan administration functions performed by the Board of Trustees on behalf of the PPO Plan. In addition, the PPO Plan 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 the PPO Plan. The PPO Plan may also disclose to the Board of Trustees information whether you are participating in the PPO Plan. Your Protected Health Information cannot be used for employment purposes without your specific authorization.
- *Spouses, Family Members, and Close Personal Friends.* The PPO Plan may make your Protected Health Information known to a spouse, family

I.B.U. of the Pacific National Health Benefit Trust

member, or close personal friend. Disclosure of your Protected Health Information will be based on how involved the person is in your health care or payment of your health claims. For example, the PPO Plan will normally provide information to a spouse or family member confirming eligibility for health coverage or if a health claim was paid but not the specific treatment or diagnosis or the reason the health care provider was consulted. The PPO Plan may also release Protected Health Information to parents or guardians, if allowed by law. If you are not present or able to agree to these disclosures of your Protected Health Information, the PPO Plan, through the Trust Office or Board of Trustees, may use professional judgment to determine whether the disclosure is in your best interest. If you do not want your Protected Health Information disclosed to a spouse, family member, or close personal friend as outlined in this paragraph, you must notify the PPO Plan as described in the Right to Request Restrictions section on page 10.

With only limited exceptions, the PPO Plan will send all mail to the employee or early retiree. This includes mail related to the employee's or early retiree's spouse and other family members who are covered under the PPO Plan and includes mail with information on the use of PPO Plan benefits by the employee or early retiree, spouse, and other family members and information on the denial of any PPO Plan benefits to the employee or early retiree, spouse, and other family members. If a person covered by the PPO Plan has requested Restrictions or Confidential Communications and the PPO Plan has agreed to the request, the PPO Plan will send mail as provided by the request for Restrictions or Confidential Communications.

- *Personal Representative.* The PPO Plan will disclose your Protected Health Information to individuals authorized by you, or to an individual designated as your personal representative, attorney-in-fact, etc., so long as you provide written notice/authorization and any supporting documents (for example, power of attorney). Even if you designate a personal representative, federal law permits the PPO Plan to elect not to treat the person as your personal representative if the PPO Plan has a reasonable belief that:
 - You have been, or may be, subject to domestic violence, abuse or neglect by such person;
 - Treating such a person as your personal representative could endanger you; or

I.B.U. of the Pacific National Health Benefit Trust

- Plan representatives determine, in their professional judgment, that it is not in your best interest to treat the person as your personal representative.
- *Business Associates.* The PPO Plan contracts with business associates who perform various services for the PPO Plan. For example, the Trust Office handles many functions in connection with the operation of the PPO Plan. To perform these functions, or provide the services, the PPO Plan's business associates may receive, create, maintain, transmit, use or disclose your Protected Health Information, but only after agreeing, in writing, to implement appropriate safeguards concerning your Protected Health Information. For example, the PPO Plan may disclose your Protected Health Information to a business associate to process your medical claims for payment or to provide utilization management or pharmacy benefit management services but only after the business associate enters into a business associate contract with the Trust.
- *Other Covered Entities.* The PPO Plan may use or disclose your Protected 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 PPO Plan may disclose your Protected Health Information to a Provider when needed by the Provider to render treatment to you or the PPO Plan may disclose Protected Health Information to another covered entity to conduct health care operations in the area of quality assurance.
- *To Conduct Health Oversight Activities.* The PPO Plan may disclose your Protected 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.
- *Legal Proceedings.* If you are involved in a lawsuit or a dispute, the PPO Plan may disclose your Protected Health Information in response to a court or administrative order. The PPO Plan may also disclose your Protected Health Information in response to a subpoena, discovery request or other lawful process by someone else involved in the legal dispute, but only if efforts have been made to tell you about the request or to obtain a court or administrative order protecting the information requested.

I.B.U. of the Pacific National Health Benefit Trust

- *Law Enforcement.* The PPO Plan may disclose your Protected Health Information to law enforcement officials if asked to do so. Some of the reasons for such a disclosure include, but are not limited to:
 - It is required by law or some other legal process;
 - Locate or identify a suspect, fugitive, material witness or missing person;
 - A death believed to be the result of criminal conduct; or
 - It is necessary to provide evidence of a crime that occurred.
- *National Security and Intelligence.* The PPO Plan may disclose your Protected Health Information to authorized federal officials to facilitate specified government functions related to national security, intelligence activities and other national security activities authorized by law.
- *Research.* The PPO Plan may disclose your Protected Health Information to researchers when:
 - The individual identifiers have been removed; or
 - When the institutional review board or privacy board has reviewed the research proposal and established protocols to ensure the privacy of the requested information, and approved the research.
- *Inmates.* If you are an inmate in a correctional institution, the PPO Plan may disclose your Protected Health Information to the correctional institution or to a law enforcement official for:
 - The institution to provide health care to you;
 - Your health and safety and the health and safety of others; or
 - The safety and security of the correctional institution.
- *Coroners, Medical Examiners, and Funeral Directors.* The PPO Plan may disclose your Protected 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 PPO Plan may disclose information to funeral directors so they may carry out their duties.

I.B.U. of the Pacific National Health Benefit Trust

- *Organ and Tissue Donation.* If you are an organ or tissue donor, the PPO Plan may disclose Protected Health Information after your death to organizations that handle organ, eye or tissue donation and transplantation or to an organ or tissue donation bank.
- *Workers' Compensation.* The PPO Plan may disclose your Protected Health Information for workers' compensation or similar programs but only as authorized by and 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 PPO Plan is required to disclose your Protected Health Information to the Secretary of the U.S. Department of Health and Human Services when the Secretary is investigating or determining the PPO Plan's compliance with the HIPAA Privacy Rule.
- *Public Health Risks.* The PPO Plan may disclose your Protected Health Information for public health activities. These activities generally include the following:
 - To prevent or control disease, Injury or disability;
 - To report births and deaths;
 - To report child abuse or neglect;
 - To report reactions to medications or problems with products;
 - To notify people of recalls of products they may be using;
 - To notify a person who may have been exposed to a disease or may be at risk of contracting or spreading a disease or condition; and
 - To notify the appropriate governmental authority if the PPO Plan believe that a person has been the victim of abuse, neglect, or domestic violence. The PPO Plan will only make this disclosure if you agree, or when required or authorized by law.
- *Disclosures to the Centers for Medicaid and Medicare Services.* The PPO Plan may disclose your Protected Health Information, as permitted by federal regulations, to the Centers for Medicaid and Medicare Services, in order to comply with mandatory Medicare coordination of benefit

I.B.U. of the Pacific National Health Benefit Trust

requirements. The PPO Plan may share required data, including health information, with the Centers for Medicaid and Medicare Services and state Medicaid agencies.

- *Disclosures to You.* At your request, the PPO Plan is required to disclose the portion of your Protected Health Information that contains medical records, billing records and other records used to make decisions regarding your health care benefits. The PPO Plan is also required, when requested, to provide you with an accounting of most disclosures of your Protected Health Information if the disclosure was for reasons other than for payment, treatment, or health care operations and if the Protected Health Information was not disclosed pursuant to your authorization.

Authorization to Use or Disclose Your Protected Health Information

Other uses or disclosures of your Protected Health Information not disclosed above will only be made with your written authorization. For example, in general and subject to specific conditions, the PPO Plan will not use or disclose your psychiatric notes; will not use or disclose your Protected Health Information for marketing purposes; and the PPO Plan will not sell your Protected Health Information, unless you give the PPO Plan written authorization. You may revoke written authorization at any time so long as the revocation is in writing. Once the PPO Plan receives your written revocation, it will only be effective for further uses and disclosures. It will not be effective for any Protected Health Information that may have been used or disclosed in reliance upon the written authorization prior to receiving your written revocation.

Minimum Necessary Disclosure of Protected Health Information

The amount of Protected Health Information the PPO Plan 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 PPO Plan will be required to operate. For example, the PPO Plan will follow more stringent state privacy laws that relate to use and disclosure of Protected Health Information concerning HIV or AIDS, mental health, substance abuse/chemical dependency, genetic testing, reproduction rights, and so on.

I.B.U. of the Pacific National Health Benefit Trust

Your Rights with Respect to your Protected Health Information

You have the following rights regarding your Protected Health Information that the PPO Plan maintains:

- *Right to Request Restrictions.* You have the right to request restrictions or limitations on the Protected Health Information the PPO Plan uses or discloses about you for treatment, payment or health care operations. You also have the right to request a limit on your Protected Health Information that the PPO Plan discloses to someone involved in your care or the payment for your care such as a family member or friend. For example, you could ask that the PPO Plan not use or disclose information about a surgery you had.

Except as provided in the next paragraph, the PPO Plan is not required to agree to your request. However, if the PPO Plan does agree to the request, it will honor the restriction until you revoke it or the PPO Plan notifies you.

The PPO Plan will comply with any restriction request if: except as otherwise required by law, the disclosure is to a health plan for purposes of carrying out payment or health care operations (and is not for the purpose of carrying out treatment); and the Protected Health Information pertains solely to a health care item or service for which the Provider involved has been paid in full by you or someone else.

To request restrictions, you must make your request in writing to the HIPAA Client Service Representative for the Trust at the address on page 14. In your written request, you must tell the PPO Plan:

- What Protected Health Information you want to limit;
 - Whether you want to limit the PPO Plan's use, disclosure or both; and
 - To whom you want the limits to apply, for example, non-disclosure to your spouse.
- *Right to Request Confidential Communications.* You have the right to request that the PPO Plan communicate with you about health matters in a certain way or in a certain location. For example, you may ask that the PPO Plan communicate with you only at a certain post office box, telephone number or by email.

I.B.U. of the Pacific National Health Benefit Trust

To request confidential communications, you must make your request in writing to the HIPAA Client Service Representative for the Trust at the address on page 14. The PPO Plan will not ask you the reason for the request. Your written request must specify how or where you wish to receive confidential communications. The PPO Plan will accommodate all reasonable requests.

- *Right to Inspect and Copy your Protected Health Information.* You have the right to inspect and copy your Protected Health Information that may be used to make decisions about your PPO Plan benefits. If the Protected Health Information you request is maintained electronically, and you request an electronic copy, the PPO Plan will provide a copy in the electronic form and format you request, if the Protected Health Information can be readily produced in that form and format. If the Protected Health Information cannot be readily produced in that form and format, the PPO Plan will work with you to come to an agreement on form and format. If the PPO Plan cannot agree on an electronic form and format, it will provide you with a paper copy. A request to inspect and copy records containing your Protected Health Information must be made in writing to the HIPAA Client Service Representative for the Trust at the address on page 14. If you request a copy of your Protected Health Information, the PPO Plan may charge a reasonable fee for copying, mailing, or other supplies associated with the request.
- *Right to Amend your Protected Health Information.* If you believe that your Protected Health Information maintained by the PPO Plan is inaccurate or incomplete, you may request that the PPO Plan amend your Protected Health Information. The request may be made as long as the Protected Health Information is maintained by the PPO Plan.

A request for an amendment of Protected Health Information records must be made in writing to the HIPAA Client Service Representative for the Trust at the address on page 14 and must provide a reason for the request.

The PPO Plan may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, the PPO Plan may deny your request if you ask the PPO Plan to amend Protected Health Information that: is not part of the Protected Health Information kept by or for the PPO Plan; was not created by the PPO Plan, unless the person or entity that created the Protected Health Information is no longer available to make the amendment; is not part of the Protected Health Information that you would be permitted to inspect and copy; or is

I.B.U. of the Pacific National Health Benefit Trust

already accurate and complete. If the PPO Plan denies your request, you have the right to file a statement of disagreement with the PPO Plan and any future disclosures of the disputed Protected Health Information will include your statement.

- *Right to an Accounting of Disclosures.* You have the right to request an accounting of certain disclosures of your Protected Health Information that were made contrary to the Notice of Privacy Practices and/or the HIPAA Privacy Rule. The accounting will not include: disclosures for purposes of treatment, payment or health care operations; disclosures made to you; disclosures made pursuant to your authorization; disclosures made to friends or family members in your presence or because of an emergency; disclosures for national security purposes; and disclosures incidental to otherwise permissible disclosures.

The request for an accounting must be made in writing to the HIPAA Client Service Representative for the Trust at the address on page 14. The accounting request should specify the time period for which you are requesting the accounting. Accounting requests may not be made for periods of time going back more than six years from the date of the request. Your request should state the form you want the list of disclosures (for example, paper or electronic). The PPO Plan 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 PPO Plan will inform you of the fee in advance.

- *Right to be Notified of a Breach.* You have the right to be notified in the event that the PPO Plan, or a business associate, discovers a breach of your unsecured Protected Health Information.
- *Right to a Paper Copy of the PPO Plan's Privacy Notice.* You have a right to a paper copy of the PPO Plan's Privacy Practices. You may ask the PPO Plan to give you a copy of this notice at any time. To receive a paper copy, please contact the HIPAA Client Service Representative for the Trust at the address on page 14.

Complaints

If you believe that your privacy rights have been violated, you may file a complaint with the PPO Plan or with the Office for Civil Rights of the United States Department of Health and Human Services. To file a complaint with the PPO Plan, you should notify the HIPAA Client Service Representative for the Trust, in writing, at the address on page 14.

I.B.U. of the Pacific National Health Benefit Trust

You will not be penalized, or in any other way retaliated against, for filing a complaint with the Office for Civil Rights or with the PPO Plan.

HIPAA Client Service Representative

The PPO Plan has designated the Trust's Client Service Representative to answer all questions and respond to all issues regarding this notice and your privacy rights. You may contact this person at:

Inlandboatmen's Union of the Pacific
National Health Benefit Trust
Attention: HIPAA Client Service Representative
PMB #116 5331 SW Macadam Avenue, Suite 258
Portland OR 97239
(503) 224-0048
(800) 547-4457

If you have any questions regarding this notice, please contact the Trust's HIPAA Client Service Representative.