

Notice of privacy practices for the health plans of the Association of Washington Cities Employee Benefit Trust

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

This Privacy Notice applies to you if you are enrolled or participating in one or more of the following group health plans (“Health Plans”) sponsored by the Association of Washington Cities Employee Benefit Trust (“AWC Trust”): Regence BlueShield, Asuris Northwest Health, Group Health Cooperative, Group Health Options Inc., Delta Dental of Washington, Willamette Dental, ComPsych, Vision Service Plan, or Wellness Programs.

The Health Plans, the insurance carriers, and the AWC Trust are committed to protecting the confidentiality of any health information they collect about you. This Notice describes the legal obligations of the Health Plans and your rights regarding your protected health information (“PHI”) under the Health Insurance Portability and Accountability Act, as amended (“HIPAA”), including how the Health Plans may use and disclose your PHI.

PHI is any information created or received by a health care provider or a health plan that relates: (1) to your past, present, or future physical or mental health or condition; (2) the provision of health care to you; or (3) the past, present or future payment for your health care. However, such information is only PHI if the information identifies the individual (or contains information that can reasonably be used to identify the individual) which is the subject of the information. Such information is PHI during your lifetime and remains PHI for a period of 50 years after your death.

Employees of the Association of Washington Cities (“AWC”) who administer and manage the Health Plans may use your PHI only for appropriate plan purposes (such as for payment or health care operations), but not for purposes of other benefits not provided by the Health Plans, and not for employment-related purposes. These employees must comply with the same requirements that apply to the Health Plan(s) to protect the confidentiality of PHI.

The Health Plans are required by HIPAA to provide this Notice to you. Additionally, the Health Plans are required by law to:

- Maintain the privacy of your PHI;
- Provide you with certain rights with respect to your PHI;
- Provide you with a Privacy Notice of their legal duties and privacy practices with respect to your PHI; and
- Follow the terms of their Privacy Notice currently in effect.

If you have questions about any part of this privacy notice or if you want more information about the privacy practices of the Health Plans, please contact the privacy officer listed at the end of this notice.

Uses and disclosures of PHI

The Health Plans are permitted by law to use and disclose your PHI in certain ways without your express written permission. These are described below, with some examples of permitted uses and disclosures. This Notice does not list every permitted use or disclosure each Health Plan may make. However, all the ways the Health Plans are permitted to use or disclose PHI will fall within one of the categories below. In most situations, the amount of PHI used or disclosed will be limited to the amount "minimum necessary" for these purposes, as defined under the HIPAA rules.

1. **Treatment purposes:** The Health Plans may use or disclose PHI to a health care provider to facilitate medical treatment or services by health care providers. For example, if your health care provider refers you to a specialist for treatment, the Health Plans can disclose your PHI to the specialist to whom you have been referred so the specialist can become familiar with your medical condition, prior diagnoses and treatment, and prognoses. However, it is more likely that a health care provider would receive your PHI for treatment purposes from another health care provider than from a Health Plan.
2. **Payment purposes:** The Health Plans may use and disclose your PHI for payment purposes, including: (1) to determine your eligibility for the Health Plans or your benefits under the Health Plans; and (2) to evaluate and process any requests for coverage and claims for benefits you make. The Health Plans may review PHI included with claims in order to reimburse your health care providers for treatment and services rendered. For example, the Health Plans may use and disclose to your health care provider certain information about your medical history to determine whether a particular treatment is medically necessary under the terms of the Health Plan or to determine whether the Health Plan will provide benefits for the treatment or proposed treatment. Additionally, a Health Plan may disclose PHI to another group health plan or to a health care provider for the payment purposes of the Health Plan, the other group health plan, or the health care provider. For example, a Health Plan can disclose your PHI to another health plan or payer for the purpose of coordinating payment of benefits.
3. **Health care operations purposes:** A health plan may use and disclose PHI for its own health care operations. These uses and disclosures are necessary to run the Health Plan. For example, a

Health Plan may use and disclose PHI for: (1) underwriting and premium rating; (2) other activities relating to plan coverage; (3) conducting quality assessment and improvement activities; (4) submitting claims for stop-loss coverage; (4) conducting or arranging for medical review, legal services, audit services, and fraud and abuse detection programs; and (5) business planning, management and general administration of the Health Plan. However, the Health Plans will never use or disclose your genetic information for underwriting purposes.

4. **To business associates of the health plan:** The Health Plans may contract with third parties known as Business Associates to perform various functions on behalf of a Health Plan or to provide certain types of services to a Health Plan. A Health Plan may disclose PHI to a Business Associate of the Health Plan if a valid Business Associate Agreement is in place under which the Business Associate has agreed to implement appropriate safeguards to protect your PHI, and to limit the use and disclosure of your PHI to those uses and disclosures allowed by HIPAA. For example, a Business Associate is a third-party, or subcontractor of a third-party, that provides claims processing, legal, actuarial, accounting, consulting or administrative services. Examples of Business Associates of the Health Plans include billing administrators such as Northwest Administrators and the AWC Trust's consultant, Aon Hewitt.
5. **To certain AWC employees and to AWC Trust Board members:** Each Health Plan may disclose PHI to Board Members of the AWC Trust and to certain employees of the AWC, who may use and disclose PHI for plan administration functions or as otherwise required or permitted by HIPAA. The AWC Trust has established certain safeguards and firewalls to: (1) limit the classes of such individuals who will have access to PHI; (2) limit the use of PHI to Health Plan purposes; and (3) prohibit the use and disclosure of PHI for non-permissible purposes. Examples of such permissible uses and disclosures are: (1) for appeals of claim denials or eligibility determinations; or (2) to provide assistance to you in filing or resolving your claims. The Health Plans may also use and disclose enrollment/disenrollment information to the AWC Trust for enrollment/disenrollment purposes and may disclose "summary health information" (as defined under the HIPAA regulations) to the AWC

Trust for the purpose of obtaining premium bids or modifying or terminating the plan.

6. **Required by law:** The Health Plans may use and disclose PHI as required by law or when requested as part of regulatory or legal proceeding. For example, the Health Plan may disclose PHI when required by a court order in a litigation proceeding, or pursuant to a subpoena, or as necessary to comply with Workers' Compensation laws. The Health Plans are required to disclose your PHI to the Secretary of the United States Department of Health and Human Services when the Secretary is investigating or determining our compliance with the HIPAA privacy rule.
7. **For public health activities or to avert a serious threat to health or safety:** The Health Plans may use and disclose PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person. Any such disclosure would only be to someone able to help prevent the threat. The Health Plans may also disclose PHI to public health authorities for public health activities such as: (1) preventing or controlling diseases, injury or disability; (2) reporting abuse or neglect; (3) reporting domestic violence; (4) reporting to the Food and Drug Administration on products and reactions to medications; and (5) reporting disease or infection exposure.
8. **For law enforcement, military or national security purposes:** The Health Plans may disclose PHI to law enforcement personnel for purposes such as: (1) identifying or locating a suspect, fugitive, material witness or missing person; (2) complying with a court order or subpoena; or (3) other similar law enforcement purposes. If you are a member of the armed forces, the Health Plans may release your PHI as required by military command authorities. The Health Plans may release your PHI to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.
9. **For organ and tissue donation:** If you are an organ donor, the Health Plans may release your PHI after your death to organizations that handle organ procurement, or organ, eye, or tissue transplantation, or to an organ donation bank, as necessary, to facilitate organ or tissue donation and transplantation.
10. **Health oversight activities:** The Health Plans may disclose your PHI to a health oversight agency for activities authorized by law. These

oversight activities include, for example, audits, investigations, inspections, and licensure. These activities are necessary for the government to monitor the health care system, government programs, and compliance with civil rights laws.

11. **Coroners, medical examiners and funeral directors:** The Health Plans may release 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 Health Plans may also release PHI to funeral directors, as necessary to carry out their duties.
12. **Inmates:** If you are an inmate of a correctional institution or are in the custody of a law enforcement official, the Health Plans may disclose your protected health information to the correctional institution or law enforcement official if necessary (1) for the institution to provide you with health care; (2) to protect your health and safety or the health and safety of others; or (3) for the safety and security of the correctional institution.

Disclosures to personal representatives and family members

1. **Personal representatives:** The Health Plans will disclose your PHI to individuals who are your personal representatives under state law. For example, the Health Plans will disclose PHI of minor children to the parents of such children. The Health Plans will also disclose your PHI to other persons authorized by you in writing to receive your PHI, such as your representative under a medical power of attorney.
2. **Family members:** Unless otherwise allowed by the HIPAA rules, the Health Plans will not orally disclose your PHI to your spouse or domestic partner, or to your parent (if you are an adult child), unless you have agreed to such disclosure. However, with only limited exceptions, the Health Plans will send all mail to the employee. This includes mail relating to the employee's family members (spouse, domestic partner and children (including adult children)) who are covered under the Health Plans, and includes mail with information on the use of Health Plan benefits by the employee's family members and information on the denial of any Health Plan benefits to the employee's family members. If a person covered under the Health Plans has requested restrictions on uses and disclosures of PHI (see number 2 below under "Your Rights Regarding Your PHI"), and if the Health Plans have agreed to the request, the Health Plans will send mail as

provided by the request. Upon your death, the Health Plans may disclose your PHI to a family member (or other relative or close friend) involved in your health care or payment for your health care prior to your death, to the extent the PHI is relevant to such person's involvement, unless such disclosure is inconsistent with your prior expressed preference that is known to the Health Plans.

3. **Authorizations:** Other uses or disclosures of your PHI not described above in this Notice will only be made with your written authorization. For example, in general and subject to specific conditions, the Health Plans will not use or disclose psychiatric notes, will not use or disclose your PHI for marketing, and will not sell your PHI, unless you give us a written authorization to do so. You may revoke written authorizations at any time, so long as the revocation is in writing. Once the Health Plans receive your written revocation, it will only be effective for future uses and disclosures. It will not be effective for any information that may have been used or disclosed in reliance upon the written authorization and prior to receiving your written revocation.

Your rights regarding your PHI

You have the following rights with respect to your PHI. To submit a request regarding one of the rights listed below, you must submit a written request to Beverly Lakey, Privacy Officer, Employee Benefit Trust Manager, AWC Employee Benefit Trust, 1076 Franklin Street SE, Olympia, WA 98501. If your request is denied, you may request that the denial be reviewed by submitting a written request for review of the denial to Beverly Lakey at the above address.

1. **You have the right to inspect and copy PHI that may be used to make decisions about your Health Plan benefits.** If the information you request is maintained electronically, and you request an electronic copy, the Health Plans will provide a copy in the electronic form and format you request, if the information can be readily produced in that form and format. If the information cannot be readily produced in that electronic form and format, we will work with you to come to an agreement on another electronic form and format. If we cannot agree on an electronic form and format, the Health Plans will provide you with a paper copy. The Health Plans may charge a reasonable fee for the costs of copying, mailing, or other supplies associated with any such request.

2. **You have the right to request restrictions on certain uses and disclosures of PHI that the Health Plans use or disclose for treatment, payment, or health care operations.** You also have the right to request limits on your protected health information that the Health Plans disclose to someone who is involved in your care or the payment for your care, such as a family member or friend. For example, you could ask that the Health Plans not use or disclose information about a surgery that you had. Except as provided in the next sentence, the Health Plans are not required to agree to your request. However, if they do agree to the request, the Health Plans honor the restriction until you revoke it or you are notified that the Health Plans will no longer honor the restriction. The Health Plans will comply with any restriction request if the PHI pertains solely to a health care item or service for which the health care provider involved has been paid in full by you or another person.
3. **You have the right to request confidential communications of PHI.** You have the right to request that the Health Plans communicate in a certain way or at a certain location. For example, you can ask that the Health Plans only contact you at work or by mail. The Health Plans are not required to comply with your request, unless you inform us that you believe the Health Plan's usual method of communicating PHI may endanger you.
4. **You have the right to amend PHI you feel is incorrect or incomplete.** The Health Plans may deny your request, but must respond to you in either case. The Health Plans 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 Health Plans may deny your request if you ask the Health Plans to amend PHI that: (1) is not part of the medical information kept by or for the Health Plans; (2) was not created by the Health Plans, unless the person or entity that created the information is no longer available to make the amendment; (3) is not part of the information that you would be permitted to inspect and copy; or (4) is already accurate and complete. If the Health Plans deny your request, you have the right to file a statement of disagreement with the Health Plans and any future disclosures of the disputed information will include your statement.
5. **You have the right to receive an accounting of certain disclosures the Health Plans have made of your PHI.** The Health Plans are not required to, and the Health Plans will not, account for disclosures made: (1) for treatment, payment

or health care operations; (2) to national security, law enforcement or corrections personnel; (3) pursuant to your Authorization; (4) to you, or to friends or family in your presence; or (5) because of an emergency. When submitting a request, please note the time period for which you want an accounting and the format in which you wish to receive the accounting (e.g., paper or electronically). Note that the Health Plans will not account for disclosures made more than six years prior to your request. The Health Plans will provide one accounting of disclosures free of charge once every twelve months. For additional lists, the Health Plans may charge you for the costs of providing the list. The Health Plans will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

6. **You have the right to file a complaint if you feel your privacy rights have been violated.** For details, see the section of this Privacy Notice entitled, "Filing a Complaint."
7. **You have the right to receive a paper copy of this Notice of Privacy Practices upon request,** even if you have previously agreed to receive this notice electronically.
8. **If and when required under HIPAA, the Health Plans will notify you of a breach of HIPAA privacy rules which involves PHI considered to be "insecure" under applicable federal regulations.** If federal law requires the Health Plans to send you a notice, the notice will contain:
 - A description of the breach;
 - The type of information that was breached;
 - What steps you could take to protect yourself from potential harm;
 - What steps the Health Plans are taking to investigate the breach, mitigate harm, and protect you from further breaches; and
 - Who to contact for additional information.

The Health Plan's responsibilities regarding your PHI

Each Health Plan is a "covered entity" ("CE") and has responsibilities under HIPAA regarding use and disclosure of PHI. Each Health Plan has a legal obligation to maintain the privacy of PHI, to provide you with certain rights with respect to your PHI, to provide you with notice of its legal duties and privacy practices with respect to PHI. The Health Plans are required to abide by the terms of the current Notice of Privacy Practices. The AWC Trust reserves the right to change the terms of this Notice at any time and to make the revised Notice provisions effective for all

PHI the Health Plans maintain, even PHI obtained prior to the effective date of the revisions. If the AWC Trust revises this Notice, the AWC Trust will notify you of these changes by mailing the revised privacy notice by first class mail to your last-known address within 60 days of the effective date of the revised privacy notice.

Filing a complaint

If you believe your PHI has been impermissibly used or disclosed, or that your privacy rights have been violated in any way, you may file a complaint with the AWC Trust or with the Office for Civil Rights of the United States Department of Health and Human Services. You may also be able to file a complaint with the insurance company providing your Health Plan benefits, such as Regence BlueShield.

To file a complaint with the AWC Trust, you must submit a letter to the privacy officer at:

Association of Washington Cities Employee Benefit Trust

ATTN: Beverly Lakey, Privacy Officer
Employee Benefit Trust Manager
1076 Franklin Street SE
Olympia, WA 98501

Toll free: 1-800-562-8981

Phone: 360-753-4137

Fax: 360-753-0149

Email: beverlyl@awcnet.org

You will not be penalized or retaliated against for filing a complaint.

Effective date of this notice

This Notice is effective as of March 1, 2016.