

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

Effective: September 23, 2013

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires the Lakota Local Schools Health Plan including each of its component health plans, (collectively the "Plan") to provide you with this notice ("Notice") that explains our privacy practices and outlines your rights under the Plan. This Notice does not change, diminish or limit your coverage in any way.

The terms of this Notice apply to the Plan. The information provided in this Notice applies to all persons, including all of your covered dependents.

Our Privacy Pledge

We understand that medical information about you and your health is personal. We are committed to protecting medical information about you. Additionally, we are required by law to maintain the privacy of our members' protected health information (PHI) and provide you with certain rights with respect to your PHI.

Generally, PHI is individually identifiable health information, including demographic information, collected from you or created or received by a health care provider, health care clearinghouse, health plan, or your employer on behalf of a health plan, that relates to: (i) your past, present or future physical or mental health or condition; (ii) the provision of health care to you; or (iii) the past, present or future payment for the provision of health care to you. This Notice applies to all of the PHI we receive about you and your applicable dependents, whether made by hospital personnel, your personal doctor, other practitioners involved in your care, our third-party claims administrator, stop-loss carrier or network providers. When contracted claims administrators and other third parties' services involve the use of your PHI, they will be required to perform their duties in a manner consistent with this Notice. Your personal doctor may have different policies or notices regarding his/her use and disclosure of your medical information created in his/her office or clinic.

We share PHI only as necessary to carry out treatment, payment and healthcare operations for the products and services you request and as permitted by law. We will not use or disclose your PHI for employment related actions and decisions or in connection with any non-health benefits or another employee benefit plan we sponsor. We will ensure your PHI received by our Human Resources Department is not disclosed to other employees of the company in violation of this Notice. We will destroy your PHI or continue to maintain privacy of it when the law requires its retention.

We reserve the right to change the terms of this Notice (even retroactively) and to make new provisions regarding your PHI that we maintain, as allowed or required by law. If our privacy practices change, we will send you a revised Notice if you are still a member of the Plan. Additionally, you may request a copy of this notice at any time by mailing a request to the Privacy Officer at the address at the end of this Notice.

Uses and Disclosures of Your Personal Health Information

We (independently or via a third party) will not use or disclose your PHI except in the following circumstances:

Your Authorization: We may use or disclose your PHI if you have signed a form authorizing the use or disclosure and then only in accordance with such authorization. You have the right to revoke the authorization in writing at any time. Your revocation will not affect any use or disclosure made pursuant to your authorization while it was in effect.

Personal Representatives: We will disclose your PHI to individuals authorized by you, or to an individual designated as your personal representative, attorney-in-fact, etc., so long as you provide us with a written notice/authorization and any supporting documents (e.g., power of attorney or a court order of appointment of the person as your guardian).

Spouses and Dependents: With only limited exceptions, we will send all mail to the employee. This includes mail relating to the employee's spouse and other family members who are covered under the Plan. If a person covered under the Plan has requested restrictions or confidential communications (see below), and if we have agreed to the request, we will send mail as provided in the request.

Disclosures for Treatment: We may make disclosures of your PHI as necessary for your treatment. For example, a doctor involved in your care may request your PHI that we hold to supplement his/her own records.

Uses and Disclosures for Payment: We may use and disclose your PHI as necessary for payment purposes. For example, we may use information regarding your medical procedures and treatment to process and pay claims. The Plan will mail Explanation of Benefits forms and other information to you at the address on record.

Uses and Disclosures for Health Care Operations: We may use and disclose your PHI, as necessary and as permitted by law for our health care operations which may include utilization review and management, underwriting, enrollment, auditing and other functions related to your Plan. For example, we may use information about your claims to refer you to a disease management program, project future benefit costs or audit the accuracy of the claims processing functions. However, we will not use your genetic information for underwriting purposes.

Disclosures to Family and Friends Involved in Your Care: We may disclose to designated family, friends, or others your PHI directly relevant to such person's involvement with your care or payment for your care. For example, if a family member or a caregiver calls the Plan with prior knowledge of a claim, the Plan may confirm whether or not the claim has been received and paid. You may instruct us, in writing, to stop or limit this kind of disclosure.

Outside Business Associates: Certain aspects of our services are performed through contracts with outside persons or organizations, such as auditing and legal services. At times it may be necessary for us to provide portions of your PHI to one or more of these outside persons or organizations who assist us with health care operations. In all cases, we require these business associates to safeguard the privacy of your information.

Other Health-Related Products or Services: We may use your PHI to determine whether you might be interested in, or benefit from, treatment alternatives or other health-related programs, products, or services which may be available to you under your plan. For example, we may use or disclose PHI to send you treatment reminders for services such as mammograms or prostate cancer screenings. We will not use your information to communicate with you about products or services which are not health-related without your written permission.

Other Uses and Disclosures: We are permitted by law to make certain uses and disclosures of your PHI without your authorization.

We may release your PHI for any of the following purposes:

- **Required by Law:** We will disclose your PHI when required to do so by federal, state or local law.
- **Plan Sponsor:** For purposes of maintaining the Plan, we may disclose your PHI to certain employees of the company. However, those employees will only use or disclose that information as necessary to perform plan administration functions or as otherwise required by HIPAA, unless you have authorized further disclosures.
- **Health Oversight Activities:** We may disclose your PHI to a government agency authorized to oversee the health care system or government programs, or its contractors (e.g., state insurance department, U.S. Department of Labor) for activities authorized by law, such as audits, examinations, investigations, inspections and licensure activities.
- **Legal Proceedings:** We may disclose your PHI in response to a court or administrative order, subpoena, discovery request or other lawful process, under certain circumstances.
- **Law Enforcement:** We may disclose your PHI to law enforcement officials under limited circumstances. For example, in response to a warrant or subpoena; for the purpose of identifying or locating a suspect, witness, or missing person; or to provide information concerning victims of crimes.
- **For Public Health Activities:** We may disclose your PHI to a government agency that oversees the health care system or government programs for activities such as, but not limited to, preventing or controlling disease or activities related to the quality, safety or effectiveness of an FDA-regulated product or activity.
- **Workers' Compensation:** We may disclose your PHI when authorized by and to the extent necessary to comply with workers' compensation laws and similar programs.
- **Victims of Abuse, Neglect, or Domestic Violence:** We may disclose your PHI to appropriate authorities if we reasonably believe you are a possible victim of abuse, neglect, domestic violence or other crimes.

- Coroners, Medical Examiners, Funeral Directors, and Organ Donation: In certain instances, we may disclose your PHI to coroners, medical examiners or funeral directors and in connection with organ donation or transplantation.
- Research: We may disclose your PHI to researchers, if certain established steps are taken to protect your privacy.
- Threat to Health or Safety: We may disclose your PHI to the extent necessary to prevent or lessen a serious and imminent threat to your health or safety, or the health or safety of others.
- For Specialized Government Functions: We may disclose your PHI in certain circumstances or situations to a correctional institution if you are an inmate in a correctional facility, to an authorized federal official when it is required for lawful intelligence or other national security activities or to an authorized authority of the Armed Forces.

Minimum Necessary Standard

When using or disclosing PHI or when requesting PHI from another covered entity, we will make reasonable efforts not to use, disclose or request more than the minimum amount of information necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations.

However, the minimum necessary standard will not apply in the following situations:

- disclosures to or requests by a health care provider for treatment
- uses or disclosures made to the individual
- disclosures made to the Secretary of the US Department of Health & Human Services
- uses or disclosures that are required by law
- uses or disclosures that are required for the Plan's compliance with the HIPAA Privacy Standards
- uses or disclosures made pursuant to an authorization

This Notice does not apply to information that has been de-identified. De-identified information is health information that does not identify an individual, and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual.

In addition, we may use or disclose "summary health information" for obtaining premium bids or modifying, amending or terminating the Plan. Summary health information summarizes the claims history, claims expenses or type of claims experienced by individuals for whom we have provided health benefits under the Plan, and from which identifying information has been deleted in accordance with the HIPAA Privacy Standards.

Your Rights

Access to Your PHI: You have the right to copy and inspect the PHI we retain on your behalf. All requests for access must be in writing and be signed by you or your representative. If the information you request is maintained electronically, and you request an electronic copy, we 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, we will work with you to come to an agreement on form and format and if one can't be reached, we will provide a paper copy. We reserve the right to charge you a reasonable copying fee if you request a paper copy of the information. We also reserve the right to charge for postage if you request a mailed copy.

Amendments to Your PHI: You have the right to request, in writing, PHI we maintain about you be amended. We are not obligated to make all requested amendments, but we will give each request careful consideration. All amendment requests, in order to be considered by us, must be in writing, signed by you or your representative, and must state the reasons for the amendment request. If an amendment you request is made by us, we may also notify others who work with us. You may request an amendment by sending a written request to the address listed at the end of this notice.

Confidential communications: You have the right to request confidential communications. If you believe that normal communications would put you in danger (as in situations of domestic violence), you may request that the Plan send communications with PHI (e.g., an Explanation of Benefits) to you by alternative means or to an alternative location. Your request must be in writing. Such requests, if reasonable, will be accommodated when you state in the request that you believe normal communications would endanger you.

Restrictions on Uses and Disclosures of Your PHI: You may request, in writing, we restrict uses and disclosures of your PHI to carry out treatment, payment or health care operations, or to restrict disclosures to family members, relatives, friends or other persons identified by you who are involved in your care or payment for your care. However, we are not required to agree to your requested restriction but we will attempt to accommodate reasonable requests when appropriate, and we retain the right to terminate an agreed-to restriction if we believe such termination is appropriate. In the event of a termination by us, we will notify you of such termination. You also have the right to terminate any agreed-to restriction by sending a written request to the address listed at the end of this notice.

Accounting for Disclosures of Your PHI: You have the right to receive an accounting of certain disclosures of your PHI. Requests must be made in writing, signed by you or your representative, and sent to the address listed at the end of this notice. The first accounting of a 12-month period is free; we reserve the right to charge a fee for each subsequent accounting you request within the same 12-month period.

Breach Notification: You have the right to be notified in the event that we or a Business Associate discover a breach of your unsecured PHI.

Copy of this Notice: You have the right to a paper copy of this Notice upon request. Your request must be in writing and sent to the Privacy Officer. A copy of the current notice will be sent to you.

Complaints

If you believe your rights have been violated, you can file a complaint, in writing, to the address listed at the end of this Notice. The Privacy Officer will investigate and address any issues of noncompliance with this Notice. You may also file a complaint with the Secretary of the U.S. Department of Health and Human Services Office for Civil Rights, by writing to 200 Independence Avenue, S.W., Washington, D.C. 20201, calling 1-877-696-6775, or visiting www.hhs.gov/ocr/privacy/hipaa/complaints. We will not retaliate against you for filing a complaint.

For Further Information

If you have any questions regarding this Notice or the subjects addressed in it, you may contact the following individuals:

Lakota Benefits
513-644-1180, option 2
payroll@lakotaonline.com

This Notice attempts to summarize the HIPAA Privacy Standards. The Privacy Standards will supersede any discrepancy between the information in this Notice and the Privacy Standards.