

THE SOLANCO SCHOOL DISTRICT

SELF-INSURED MEDICAL BENEFIT PLANS:

- (1) Employee Health Care Plan, (2) Flexible Benefits Plan, and (3) Employee Dental and Vision Reimbursement Plan**

NOTICE OF PRIVACY PRACTICES FOR PROTECTED HEALTH INFORMATION

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.

I. YOUR PROTECTED HEALTH INFORMATION

Health care providers and health plans are required by the federal privacy rule to maintain the privacy of personal health information that is protected by the rule, and to provide you with notice of our legal duties and privacy practices with respect to your protected health information. This notice is applicable to the above referenced self-insured health plans sponsored by Solanco School District ("District") for its eligible employees and retirees (jointly and severally, the "Plan"). The Plan is required to abide by the terms of the Notice that is currently in effect. This Notice applies to each Plan.

Generally speaking, your protected health information is any information that relates to your past, present or future physical or mental health or condition, the provision of health care to you, or payment for health care provided to you, and individually identifies you or reasonably can be used to identify you.

Your medical records, billing or requests for payment or coverage under the Plan from providers, and our payment records containing your medical information are examples of information that usually will be regarded as your protected health information.

II. USES AND DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION

A. Treatment, Payment and Health Care Operations

This section describes how the Plan may use and disclose your protected health information for treatment, payment, and health care operations purposes. The descriptions include examples. Not every possible use or disclosure for treatment, payment, and health care operations purposes will be listed.

1. Treatment. The Plan may use and disclose your protected health information for the treatment purposes of providers. Treatment includes the provision, coordination, or management of health care services to you by one or more health care providers. The Plan pays for, but does not provide, treatment. Some examples of treatment uses and disclosures include:

- The Plan may share and discuss your medical information with an outside physician or other professional treatment provider to whom the Plan has referred you for care.
- The Plan may share and discuss your medical information with an outside physician or other professional treatment provider with whom the Plan is consulting regarding you.
- The Plan may share and discuss your medical information with an outside laboratory, radiology center, psychological facility, or other health care facility or agency where the Plan has referred you for testing.
- The Plan may share and discuss your medical information with an outside home health agency, durable medical equipment agency or other health care provider to which/whom the Plan has referred you for health care services and products.

2. Payment. The Plan may use and disclose your protected health information to pay for and obtain contribution for payment from, or to assist you in obtaining payment from, third parties other than the Plan that may be responsible for payment for care provided to you. Some examples of payment uses and disclosures include:

- Sharing information with our administrators, consultants and medical personnel to determine eligibility for coverage.
- Sharing information with providers in connection with services reimbursable under the Plan, or for which the Plan has been billed but which may not be reimbursable under the Plan.
- Billing state or federal agencies or other insurers liable for reimbursable costs of special programs providing health care.
- Sharing information with other health insurers to determine whether you are eligible for coverage under other policies of applicable insurance, and to arrange for coordination of benefits.
- Sharing information with Plan reinsurer(s) who are or may be liable for payments in excess of certain Plan limits.
- Submitting claims to Plan reinsurer(s) or other health insurers with applicable coverage to obtain coverage or reimbursement to the Plan for amounts expended.
- Providing medical records and other documentation to consultants and medical personnel to determine the medical necessity of a health service.

3. Health Care Operations. The Plan may use and disclose your protected health information for Plan health care operation purposes as well as certain health care operations of other health care providers and health plans. Some examples of health care operation purposes include:

- Quality assessment and improvement activities.
- Reviewing the competence, qualifications, or performance of health care professionals.
- Health care fraud and abuse detection and compliance programs.
- Conducting other medical review, legal services, and auditing functions.
- Business planning and development activities, such as conducting cost management and planning related analyses.
- Other business management and general administrative activities, such as compliance with the federal privacy rule and resolution of personal grievances.

B. Uses and Disclosures for Other Purposes

The Plan may use and disclose your protected health information without authorization for other purposes. This section generally describes those purposes by category.

- 1. Individuals Involved In Care or Payment for Care.** The Plan may disclose your protected health information to someone involved in your care or payment for your care, such as a spouse, family members, or friend.
- 2. Notification Purposes.** The Plan may use and disclose your protected health information to notify, or to assist in the notification of, a family member, a person representative, or another person responsible for your care, regarding your location, general condition, or death.
- 3. Required by Law.** The Plan may use and disclose protected health information when required by federal, state, or local law. The Plan may disclose information about you to federal officials for intelligence, counter-intelligence, and other national security measures authorized by law.
- 4. Public Health Activities.** The Plan may use and disclose protected health information for public health activities, including:
 - FDA-related reports and disclosures, for example, adverse event reports.
 - Public health warnings to third parties at risk of a communicable disease or condition.
 - OSHA requirements for workplace surveillance and injury reports.
 - Public health reporting, for example, communicable disease reports.
 - Child abuse, neglect reports.

- 5. Victims of Abuse, Neglect or Domestic Violence.** The Plan may use and disclose protected health information for purposes of reporting abuse, neglect or domestic violence in addition to child abuse.
- 6. Health Oversight Activities.** The Plan may use and disclose protected health information for purposes of health oversight activities authorized by law. These activities could include audits, inspections, investigations, licensure actions, and legal proceedings. For example, the Plan may comply with a Drug Enforcement Agency inspection of patient records.
- 7. Judicial and Administrative Proceedings.** The Plan may use and disclose protected health information in judicial and administrative proceedings in response to a court order or subpoena, discovery request, or other lawful process.
- 8. Law Enforcement Purposes.** The Plan may use and disclose protected health information for certain law enforcement purposes where required by law and legal process, but subject to certain limitations.
- 9. Coroners and Medical Examiners.** The Plan may use and disclose protected health information for purposes of providing information to a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death, or facilitating their performance of other duties required by law.
- 10. Funeral Directors.** The Plan may use and disclose protected health information for purposes of providing information to a funeral director as necessary to carry out their duties.
- 11. Organ and Tissue Donation.** For purposes of facilitating organ, eye and tissue donation and transplantation, the Plan may use protected health information and disclose protected health information to entities engaged in the procurement, banking or transplantation of cadaveric organs, eyes, or tissue.
- 12. Threat to Public Safety.** The Plan may use and disclose protected health information for purposes involving a threat to public safety, including protection of a third party from harm and identification and apprehension of a criminal.
- 13. Specialized Government Functions.** The Plan may use and disclose protected health information for purposes involving specialized government functions including:
 - Military and veterans activities.
 - National security, intelligence and counter intelligence.
 - Protective services for the President and others.
 - Medical suitability determinations for the Department of State.
 - Correctional institutions and other law enforcement custodial situations.
- 14. Workers' Compensation and Similar Programs.** The Plan may use and disclose protected health information as authorized by and to the extent necessary to comply with laws relating to worker's compensation or similar programs, established by law, that provide benefits for work-related injuries or illness without regard to fault.

- 15. Business Associates.** Certain functions of the Plan are performed by a business associate, such as a company performing claims processing, an accounting firm, or a law firm. The Plan may disclose protected health information to Plan business associates and allow them to create and receive protected health information on the Plan's behalf.
- 16. Creation of De-identified Information.** The Plan may use protected health information about you in the process of de-identifying the information.
- 17. Marketing Health Related Benefits and Services.** The Plan may contact you to provide information about treatment alternatives or other benefits and services the Plan thinks might interest you.
- 18. Incidental Disclosures.** The Plan may disclose protected health information as a by-product of an otherwise permitted use or disclosure.
- 19. Plan Sponsor.** The Plan may disclose protected health information to the Solanco School District as sponsor of the Plan.

C. Uses and Disclosures with Authorization

For all other purposes, which do not fall under a category listed under sections II.A and II.B, the Plan will obtain your written authorization to use or disclose your protected health information. Your authorization can be revoked at any time except to the extent that the Plan has relied on the authorization.

III. YOUR PRIVACY RIGHTS

A. Further Restriction on Use or Disclosure

You have a right to request that the Plan further restricts use and disclosure of your protected health information to carry out treatment, payment or health care operations, to someone who is involved in your care or the payment of your care, or for notification purposes. The Plan is not required to agree to a request for a further restriction.

To request a further restriction, you must submit a written request to the Plan privacy officer. The request must tell us: (a) what information you want restricted; (b) how you want the information restricted; and (c) to whom you want the restriction to apply.

B. Confidential Communication

You have a right to request that the Plan communicate your protected health information to you by a certain means or at a certain location if the disclosure of all or part of the protected health information could endanger you. For example, you might request that the Plan only contact you by mail or at work. The Plan is not required to agree to requests for confidential communications that are unreasonable.

To make a request for confidential communications, you must submit a written request to the Plan privacy officer. The request must tell us how or where you want to be contacted, and must clearly state that the disclosure of all or part of your protected health information to which your request pertains could endanger you.

C. Accounting of Disclosures

You have a right to obtain, upon request, an "accounting" of certain disclosures of your protected health information by us (or by a business associate for us). This right is limited to disclosures within six years of the request and other limitations. Also in limited circumstances the Plan may charge you for providing the accounting. To request an accounting, you must submit a written request to the Plan privacy officer. The request should designate the applicable time period.

D. Inspection and Copying

You have a right to inspect and obtain a copy of your protected health information that the Plan maintains in a designated records set. This right is subject to limitations and the Plan may impose a charge for the labor and supplies involved in providing copies.

To exercise your right of access, you must submit a written request to the Plan privacy officer. The request must: (a) describe the health information to which access is requested, (b) state how you want to access the information, such as inspection, pick-up of a copy, mailing of copy, (c) specify any requested form or format, such as paper copy or an electronic means, and (d) include the mailing address, if applicable.

E. Right to Amendment

You have a right to request that the Plan amend protected health information that the Plan maintains about you in a designated records set if the information is incorrect or incomplete. This right is subject to limitations. To request an amendment, you must submit a written request to the Plan privacy officer. The request must specify each change that you want and provide a reason to support each requested change.

F. Paper Copy of Privacy Notice

You have a right to receive, upon request, a paper copy of Plan Notice of Privacy Practices. To obtain a paper copy, contact the Plan privacy officer.

IV. CHANGES TO THIS NOTICE

The Plan reserves the right to change this notice at any time. The Plan further reserves the right to make any change effective for all protected health information that the Plan maintains at the time of the change — including information that the Plan created or received prior to the effective date of the change.

The Plan will post a copy of Plan current notice in the Solanco School District Administrative Office, and copies will be available in the Assistant Business Manager's Office. At any time, you may review the current notice by contacting the Plan privacy officer.

V. COMPLAINTS

If you believe that the Plan has violated your privacy rights, you may submit a complaint to the Plan, or to the Secretary of Health and Human Services. To file a complaint with the Plan, submit the complaint in writing to the Plan privacy officer. The Plan will not retaliate against you for filing a complaint.

VI. LEGAL EFFECT OF THIS NOTICE

This notice is not intended to create contractual or other rights independent of those created in the federal privacy rule.

VII. EFFECTIVE DATE

This Notice is effective April 14, 2004.

VIII. PRIVACY OFFICER

The District Assistant Business Manager is the Plan Privacy Officer. If you have any questions regarding this notice, you may contact the Plan privacy officer at:

Address: Solanco School District

ATTN: Privacy Officer

121 South Hess Street

Quarryville, PA 17566

Telephone: (717) 786-8401

Facsimile: (717) 786-8245