

Helping Others Soar



Notice of Privacy Practices - Employees

Effective September 6, 2010

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. You will be asked to acknowledge that you have received our Notice of Privacy Practices.



Victor's Pledge to You

This notice is intended to inform you of the privacy practices followed by Victor, and Victor's legal obligations regarding your protected health information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This notice is provided to tell you about our duties and practices with respect to your protected health information (PHI).

Victor wants to assure you that we comply with federal privacy laws and respect your right to privacy. Victor requires all members of our workforce, and third parties that are provided access to PHI, to comply with the privacy practices outlined below.

Victor's Duties

Victor is required by law to maintain the privacy of PHI, and to provide individuals with notice of its legal duties and privacy practices with respect to PHI.

This notice is effective September 6, 2010, and Victor is required to comply with its terms. However, Victor reserves the right to change the provisions of this Notice and make the new provisions effective for all PHI that it maintains. If Victor makes a material change to this Notice, you will receive a revised Notice of Privacy (NOP) sent to your address of record.

Minimum Necessary Standard

When using or disclosing PHI, or when requesting PHI from another covered entity, Victor will make reasonable efforts not to use, disclose, or request more than the minimum amount of PHI 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 U.S. Department of Health and Human Services;
- Uses or disclosures that are required by law; and
- Uses or disclosures that are required for Victor's compliance with federal regulations

This notice does not apply to information that has been de-identified. De-identified information is 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, Victor may use or disclose "summary health information" for obtaining premium bids or modifying, amending, or terminating the group health plan, which summarizes the claim history, claims expenses, or type of claims experienced by individuals for whom it has provided health benefits under a group health plan; and from which identifying information has been deleted in accordance with HIPAA.

Required Uses and Disclosures of PHI

Upon your request, Victor is required to give you access to certain PHI in order to inspect and copy it.

Use and disclosure of your PHI may be required by the Secretary of the Department of Health and Human Services to investigate or determine Victor's compliance with the privacy regulations.

Permitted Uses and Disclosures of PHI

Victor and its Business Associates may use PHI without your consent, authorization, or opportunity to agree or object, to carry out treatment, payment, and health care operations. Victor may also disclose PHI to its Plan Administrator, Blue Shield of California (the "Plan"), for purposes relating to treatment, payment, and health care operations, or pursuant to an authorization request signed by you.

The following is a description of how Victor is most likely to use and/or disclose your PHI:

Treatment

Treatment is the provision, coordination, or management of health care and related services. It also includes, but is not limited to, consultations and referrals between one or more of your providers. For example, the Plan may disclose to a treating specialist the name of your primary care provider so that the specialist may ask for records from your primary provider.

Payment

Payment includes, but is not limited to, actions to make coverage determinations and payment, including billing, claims management, subrogation, plan reimbursement, reviews for medical necessity and appropriateness of care, utilization review, and pre-authorizations. For example, the Plan may dis-

close your PHI when a provider requests information regarding your eligibility for coverage under our health plan, or we may use your information to determine if a treatment you received was medically necessary.

Health care operations

Health care operations include, but are not limited to, quality assessment and improvement, reviewing competence or qualifications of health care professionals, stop-loss underwriting, premium rating and other insurance activities relating to creating or renewing insurance contracts. It also includes disease management, case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs, business planning and development, business management and general administrative activities. For example, the Plan may use information about your claims to refer you to a disease management program, project future benefit costs or audit the accuracy of claims processing functions.

Business Associates

We contract with individuals and entities – known as "Business Associates" – to perform various functions on our behalf or to provide certain types of services. To perform these functions or services, our Business Associates will receive, create, maintain, or use disclosed PHI, but only after we require the Business Associates to agree in writing to contract terms designed to appropriately safeguard your information. For example, we may disclose your PHI to Blue Shield of California, a Business Associate, to administer claims.



Uses and Disclosures That Require That You Be Given An Opportunity to Agree or Disagree

Victor may disclose your PHI to family members, other relatives, and your close personal friends if the information is directly relevant to the family member or friend's involvement in your care, and you have been given the opportunity to object but have not objected. In the event of an emergency, we may in our professional judgment disclose to a member of your family, a close friend, or any other person you identify, your personal health information to facilitate that person's involvement in caring for you. Finally, we may disclose limited personal health information to a public or private entity that is authorized to assist in disaster relief efforts in order for that entity to locate a family member or other persons that may be involved in some aspect of caring for you.

Uses and Disclosures For Which Consent, Authorization, or Opportunity to Object is Not Required

Subject to conditions specified by law, Victor may use or disclose your PHI without your consent, authorization, or request under the following circumstances:

- For any purpose required by law;
- When permitted for purposes of public health activities, such as required reporting of disease, injury, and birth and death, or for required public health investigations;
- When authorized by law to report information about

abuse, neglect, or domestic violence. In such a case, Victor will promptly inform you that such a disclosure has been, or will be, made, unless that notice would cause a serious risk of harm;

- When necessary to assist a public health oversight agency for oversight activities authorized by law. This includes uses or disclosures in civil, administrative or criminal investigations; inspections; licensure or disciplinary actions; and other activities necessary for appropriate oversight of government benefit programs;
- When required for judicial or administrative proceedings. For example, your PHI may be disclosed in response to a subpoena or discovery request, provided certain conditions are met. One of those conditions is that satisfactory assurances must be given to Victor that the requesting party has made a good faith attempt to provide written notice to you, and the notice provided sufficient information about the proceeding to permit you to raise an objection and no objections were raised or were resolved in favor of disclosure by the court or tribunal;
- When required for law enforcement purposes. For example, to report certain types of wounds, to identify or locate a suspect, fugitive, material witness or missing person, or to provide evidence of a crime that occurred on our premises;
- When required to be given to a coroner, medical examiner, and/or funeral director;
- For research, subject to privacy protocol and approval;

- When consistent with applicable law and standards of ethical conduct if the Plan, in good faith believes the use or disclosure is necessary to prevent or lessen a serious or imminent threat to the health or safety of a person or the public, and the disclosure is to a person reasonably able to prevent or lessen the threat, including the target of the threat;
- When authorized by and to the extent necessary to comply with workers' compensation or other similar programs established by law; and
- Victor may release your PHI if you are a member of the military for activities set out by certain military command authorities as required by armed forces services.

Uses and Disclosures That Require Your Written Authorization

Victor will make other uses and disclosures of PHI not covered by this Notice, or the laws that are applicable to it, only with your written authorization. Authorization to use or disclose information not covered by this notice will be subject to your right to revoke. Below are specific examples of uses or disclosures for which Victor must obtain your written authorization.

Marketing

Marketing includes any communication about a product or service that encourages the recipient to purchase or use a product or service, and that is made by the sender in exchange for direct payment. Victor may not use your PHI for marketing purposes without your authorization. However, Victor or Blue Shield

of California may, communicate to you a health-related product or service that is related to plan administration. For example, Victor or Blue Shield of California may communicate to you a service or product that is:

- Provided by, or included in its plan of benefits or the entities participating in its provider network or health plan;
- Necessary for your health care; or
- Made for case management or coordination purposes.

Sale of PHI

Victor may not directly or indirectly receive payment in exchange for your PHI without your authorization. However, this prohibition does not apply when the purpose of the exchange is for:

- Public health activities;
- Research, when the price charged reflects the cost of preparation and transmittal of data for research purposes;
- Your treatment;
- Health care operations; or
- Payment to a business associate for activities it performs on behalf of Victor.

Psychotherapy Notes

Psychotherapy notes are separately filed notes about your conversation with a mental health professional during a counseling session. Victor will obtain your authorization before it will use or disclose psychotherapy notes about you from your psychotherapist. Victor may use and disclose such notes when needed to defend against litigation filed by you.



Rights That You Have

Right to Request Restrictions on PHI Uses and Disclosures

You may request that Victor restrict uses and disclosures of your PHI to carry out treatment, payment, or health care operations, or to restrict uses and disclosures to family members, relatives, friends or other persons identified by you who are involved in your care or payment for your care. However, Victor is not required to agree to your request. To request restrictions, you must make your request in writing to: Victor Administrative Office, attn: Privacy Officer, 2561 California Park Drive, Chico, Ca 95928.

Right to Restriction of PHI Disclosure to Health Plan

You may make a request for your physician to restrict his/her disclosure to your Plan if you pay for a specific aspect of your care out of pocket and in full. You may request this restriction for certain types of health care information, while allowing other types of disclosures to remain in effect. When you make a request for restriction of disclosure of PHI to your health plan, your physician must take every effort to comply with your request and to segregate such information from information that is sent to your Plan. Please consult with your treating physician if this is an option you wish to exercise.

Right to Inspect and Copy PHI

You have a right to access, inspect, and/or copy your PHI that Victor maintains about you. Requests for access must be made in writing to: Victor Administrative

Office, attn: Privacy Officer, 2561 California Park Drive, Chico, Ca 95928. Victor may charge you for a copy of your medical records in accordance with a schedule of fees established by applicable state law. The requested information will be provided to you within 30 days if the information is maintained on-site, or within 60 days if the information is maintained offsite. If access is denied, you will be provided with a written denial setting forth the basis for the denial, a description of how you may exercise those review rights and a description of how you may file a complaint with the Secretary of the U.S. Department of Health and Human Services.

Right to Amend PHI

You have the right to request that PHI that Victor maintains about you be amended or corrected. Victor is not obligated to make all requested amendments but will give each request careful consideration. All amendment requests, in order to be considered by us, must be in writing to the Privacy Officer and must state the reasons for the amendment/correction request. If an amendment or correction you request is made by us, we may also notify others who work with us and have copies of the uncorrected record if we believe such notification is necessary. Please note that even if we accept your request, we may not delete any information already documented in your medical record.

Right to Receive an Accounting of PHI Disclosures

You have the right to receive an accounting of certain disclosures Victor has made of your PHI. To request this list of disclosures, you must submit your request in writing to the Privacy Officer. Your request must state a time period that may not be longer than six years. Your request should indicate in which form you want the list (for example, paper or electronically). However, such accounting need not include PHI disclosures made: (1) to carry out treatment, payment or health care operations; (2) to individuals about their own PHI; (3) prior to April 14, 2003; or (4) based on your written authorization. If Victor cannot provide the accounting within 60 days, it will provide you with a written statement of the reasons for delay. If you request more than one accounting within a 12-month period, Victor may charge you a reasonable, cost-based fee for each subsequent accounting.

Right to Request Confidential Communication

You have the right to request how we communicate with you to preserve your privacy. Your request must be in writing to the Privacy Officer and must specify how or where we are to contact you. We will accommodate all reasonable requests.

Right to File a Complaint with Victor or the HHS Secretary

If you believe that your privacy rights have been violated, you may file a complaint with Victor in care of the following officer: Victor Administrative Office, attn: Privacy Officer, 2561 California Park Drive, Chico, Ca 95928.

You may also file a complaint with the Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue S.W., Washington, D.C. 20201.

Victor will not retaliate against you for filing a complaint.

Potential Impact of State Law

The HIPAA Privacy Regulations generally do not “pre-empt” (or 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 Regulations, might impose a privacy standard under which Victor will be required to operate. For example, where such laws have been enacted, Victor will follow more stringent state privacy laws that relate to uses and disclosures of PHI concerning HIV or AIDS, mental health, substance abuse/chemical dependency, genetic testing, reproductive rights, etc.

Copies of this notice are available from your local Human Resources Manager as well as from the Benefits Coordinator at the Victor Administrative Office.

This notice is also available on our website:
www.victor.org/employees/compliance

If you have any questions about this notice,
please contact:

Victor Administrative Office
2561 California Park Drive, Chico CA 95928
Attn: Privacy Officer
Phone: (530) 893-0758