

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.

Organizations Covered by this Notice

This Notice applies to the privacy practices of the following organizations:

- Blue Cross® and Blue Shield® of Vermont
- The Vermont Health PlanSM

These organizations may share your protected health information as needed for treatment, payment and health care operations.

Our Commitment to Protecting Your Privacy

We take your right to privacy very seriously. We have invested significant resources to protect your privacy and comply with federal and state laws. We safeguard your information physically, electronically and procedurally. We require all of our employees, business associates, providers and vendors to adhere to privacy policies and procedures.

Federal and state laws require us to maintain the privacy of your protected health information (PHI) and to provide this notice to you of our legal duties and privacy practices. PHI is information about you, including demographic data, that can reasonably be used to identify you and that relates to your past, present or future physical or mental health, the provision of health care to you or the payment for that care. We may use PHI we receive or maintain, including PHI

that you may have entered on our website's Member Resource Center at bluecrossvt.org.

This Notice of Privacy Practices describes our privacy practices, which include how we may use, disclose, collect, handle and protect your PHI. The federal Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule requires us to give you this notice of our privacy practices, our legal duties and your rights concerning PHI.

In some situations, Vermont law may provide you with greater privacy protections. In that situation, we will use or disclose your PHI according to Vermont law.

If you have any questions or want additional information about this Notice or the policies and procedures described in this Notice, please contact us at the address, email or phone number provided in the Questions and Complaints section at the end of this Notice.

This Notice of Privacy Practices became effective on September 1, 2014 and replaces the previous Notice of Privacy Practices, which became effective on September 1, 2013. We are required to abide by the terms of the notice currently in effect.

We reserve the right to change the provisions of the notice and make the new provisions effective for all PHI that we maintain. If we make a material change to this notice, we will mail a

revised notice to the address that we have on record for the subscriber of your contract.

Our Uses and Disclosures of Your Protected Health Information

Without your written authorization, we will not use or disclose your PHI for any purpose other than those described in this notice. We do not sell your PHI or disclose your PHI to anyone who may want to sell their products to you. We will not use or disclose your PHI for marketing communications without your authorization, except where permitted by law. We will not sell your PHI without your authorization, except where permitted by law. We must have your written authorization to use and disclose your PHI, except for the following uses and disclosures:

Disclosures to You or Your Authorized Representative

We may disclose PHI to you. See the section on Right to Access (Inspect and Copy) for more details. We may also disclose your PHI to your authorized personal representative. How much PHI we can share with a personal representative will depend on his or her legal authority. If you would like to authorize someone to have access to some or all of your PHI, call customer service at the number listed on the back of your ID card.

Treatment

We may disclose your PHI without your permission, to a physician or other health care provider to treat you.

Payment

We may use or disclose your PHI to obtain subscription fees or make payments. We

may also disclose your PHI to fulfill our responsibilities for coverage and providing benefits under your subscriber contract. For example, we may use your PHI to pay claims from physicians, hospitals and other health care providers for services delivered to you that are covered by your subscriber contract, to determine your eligibility for benefits, to determine the medical necessity of care delivered to you, to obtain premiums for your health coverage, to issue Explanations of Benefits to the subscriber of the contract under which you are enrolled, and for similar payment related purposes. We may disclose or share your PHI with other health care programs or insurance carriers to coordinate benefits if you or your dependents have Medicare, Medicaid or any other form of health care coverage.

Health Care Operations

We may use or disclose your PHI for our health care operations. Health care operations include:

- quality assessment and improvement activities;
- reviewing Provider performance;
- reviewing and evaluating health plan performance;
- preventing, detecting and investigating fraud, waste and abuse;
- coordinating case and disease management activities;
- wellness activities;
- certification, licensing or credentialing; and
- performing business management and other general administrative activities related to our business management, planning and development, including de-identifying PHI, and creating limited data sets for health care operations and public health activities.

We may disclose your PHI to another health plan or provider, consistent with applicable law, as long as the health plan or provider has or had a relationship with you and the PHI is for that plan's or provider's health care quality assessment and improvement activities, competence and qualification

evaluation and review activities, or fraud and abuse detection and prevention.

We will not use or disclose your health information that is genetic information for underwriting purposes.

Appointment/Service Reminders

We may contact you to remind you to obtain preventive health services or to inform you of treatment alternatives and/or health-related benefits and services that may be of interest to you.

Business Associates and other Covered Entities

We contract with individuals, other covered entities and business associates to perform various functions on our behalf or to provide certain types of services for us. To perform these functions or to provide the services, business associates may receive, create, maintain, use or disclose your PHI. We require business associates and others to agree in writing to contract terms designed to safeguard your information. For example, we may disclose your PHI to business associates to conduct utilization review activities, to provide member service support or to administer pharmacy claims.

Required by Law

We must disclose your PHI when we are required to do so by law. For example, we may disclose your PHI to comply with court or administrative orders, subpoenas, national security laws or workers' compensation laws. We may disclose limited information to law enforcement officials with regard to:

- crime victims;
- crimes on our premises;
- crime reporting in emergencies; and
- identifying or locating suspects or other persons.

We will disclose your PHI to the Secretary of the U.S. Department of Health and Human services and state regulatory authorities when required to do so by law. When we are mandated by law

to disclose your PHI, additional legal protections may exist and we abide by those protections.

Victims of Abuse, Neglect or Domestic Violence

We may disclose your PHI to a government authority authorized by law to receive such information if we reasonably believe you to be a victim of abuse, neglect or domestic violence. In the event of such disclosure, you would be notified, unless such notification is reasonably believed to put you at risk of serious harm.

Public Health or Safety

We may use or disclose your PHI to a public health authority that is authorized by law to collect or receive such information. For example, we may use or disclose information for the purpose of preventing or controlling disease, injury or disability. In addition, we may disclose such information to a public health authority authorized to receive reports of child abuse or neglect. We may disclose your PHI to the extent necessary to avert a serious and imminent threat to your health or safety or to that of the public. If directed by a public health authority to do so, we also may disclose PHI to a foreign government agency that is collaborating with that public health authority.

Health Oversight Activities

We may disclose your PHI to a health oversight agency for activities authorized by law, such as:

- audits;
- investigations;
- inspections;
- licensure or disciplinary actions; or
- civil, administrative or criminal investigations, proceedings or actions

Oversight agencies seeking this information include government agencies that oversee:

- the health care system;
- government benefit programs;
- other government regulatory programs;
- health insurance carriers; and
- compliance with civil rights laws.

Research, Death or Organ Donation

We may disclose your PHI for research when an institutional review board or privacy board has:

- reviewed the research proposal and established protocols to ensure the privacy of the information; and
- approved the research.

We may disclose the PHI of a deceased person to the medical examiner if authorized by law. We may disclose the PHI of a deceased person to an organ procurement organization for certain purposes.

Your Group Health Plan or Plan Sponsor (If Applicable)

Plan sponsors are employers or other organizations that sponsor group health plans. We may disclose PHI to the plan sponsor of your group health plan. We may disclose your PHI to your group's plan sponsor to allow the performance of plan administration functions. We may disclose summary health information to your employer to use to obtain premium bids for health insurance coverage or to modify, amend or cancel its group health plan. Summary health information is information that summarizes claims history, claims expenses or types of claims experience for individuals that participate in the health plan. In order to receive PHI, your employer must comply with the HIPAA Privacy Rule. Your employer is not permitted to use your PHI for any purpose other than administration of your health benefit plan, including employment decisions. See your employer's health benefit plan documents for more information.

Others Involved in Your Health Care

Using our best judgment, we may make your PHI known to a family member, other relative, close personal friend or any other person identified by you if such PHI is directly relevant to that person's involvement with your care or payment for your care. We may also disclose your PHI to notify or assist in the notification of your location, general condition

or death. If we disclose for these purposes, we will give you the opportunity to object to the disclosure, unless we determine, in the exercise of our professional judgment, you do not object or cannot object to the disclosure due to an emergency or incapacity. We also may disclose your information to an entity assisting in a disaster relief effort so that your family can be notified about your condition, status and location.

Your Rights

Right to Access (Inspect or Copy)

Upon your request, in accordance with the HIPAA Privacy Regulations, you have the right to examine and to receive a copy of your PHI in our possession. If requested, this may include an electronic copy in certain circumstances. Your request must be in writing, on our designated form. We will provide the information no later than 30 days after receiving your request, unless we maintain the information off site, in which case it may take up to 60 days for us to comply with your request. If necessary, we may request an extension to provide you with your information. If we deny your request, you may request that the denial be reviewed. Under certain limited conditions, our denial may not be reviewable. In the event you are entitled to a review, a licensed health care professional not involved in the original denial decision will review our denial. If you request a copy of the information, we reserve the right to charge a fee for the costs of copying, mailing or other supplies associated with your request. We will notify you of the cost involved before you incur any costs.

We will disclose your PHI to an individual who has been designated as your personal representative and who has qualified for such designation in accordance with relevant state law and the HIPAA Privacy Regulations. Before we will disclose PHI to such a person, you should sign and submit our Authorization to Release Information form. We may be able to honor a power of attorney or other legally enforceable document granting your personal representative access to your PHI. We may not be able to honor such a document,

however, if it is not compliant with the HIPAA Privacy Regulations or is otherwise legally unenforceable. If you grant such authorization, you may revoke it in writing at any time. Your revocation will not affect any use or disclosure permitted by your authorization while it was in effect. For more information about how best to ensure access to your PHI consistent with your wishes, please call customer service at the number listed on the back of your ID card.

Right to Amend

You have the right to request that we amend your PHI in our possession. If you believe that your PHI created by us is incorrect or incomplete, you may request that we amend your information. You must submit your request in writing at the address provided in the Questions and Complaints section. Your request should include the reason(s) the amendment is necessary and what specifically you want amended. Requests sent to persons, offices or addresses other than the one indicated in this section could delay processing your request.

It is important to note that we cannot usually amend PHI created by another entity, such as your physician. If we deny your request for amendment, you have the right to file a statement of disagreement with us. We will link your statement of disagreement with the disputed information and all future disclosures of the disputed information will include your statement. If we approve your request for amendment, we will make reasonable efforts to inform others, including people you have authorized, of the amendment and to include the changes in future disclosures of that information.

Right to a Disclosure Accounting

You have the right to a list of instances in which we disclose your PHI in the last six years for purposes other than treatment, payment or health care operations, or as authorized by you or for certain other activities. Most disclosures of your PHI will be for purposes of payment or health care operations or made with your authorization.

You must submit to us in writing your request for an accounting at the address listed in the in the "Questions and Complaints" section.

You have the right to receive one accounting every 12 months. For additional requests, we reserve the right to charge you a fee to cover the costs of providing the list. We will notify you of the cost involved before any costs are incurred. We will provide your accounting within 60 days, unless we notify you in writing that we need a 30-day extension.

Right to Request Confidential Communications

We communicate decisions related to payment and benefits, which may include PHI, to the subscriber's address. Individual members who believe that this practice might endanger them may request that we communicate with them using a reasonable alternative means or location. All requests must be in writing using our designated form. All requests must clearly state that failure to honor the request could endanger your physical safety. Your request must provide the alternative means of communication and/or location for communicating your PHI. To receive additional information about this right and to get the appropriate request form, please call customer service at the phone number listed on the back of your ID card.

Right to Request a Restriction

You have the right to request that we restrict our use or disclosure of your PHI. We are not required to agree to a restriction you request. If we do agree to the restriction, we will comply with our agreement, except in a medical emergency or as required or authorized by law. You must submit a request for a restriction to us in writing to the privacy officer at the address listed in the Questions and Complaints section.

Breach Notification

In the event of a breach of your unsecured PHI, we will provide you notification of such breach as required by law or where we otherwise deem appropriate.

Non-public Personal Financial Information

We closely guard all of the personal information we collect about our members. State and federal laws require that we tell you how we protect private information. This particular notice deals with how we treat "financial information." We do not maintain a lot of financial information about our members, but the fact that you are a member of one of our health plans, is, in itself, considered "financial information."

Information we collect and maintain: We collect non-public personal financial information about you from applications or other forms and transactions with us, our affiliates or other organizations.

How we protect information: Except as explained below, the only people who see your non-public personal financial information are our employees who need to use the information to provide you with coverage. We maintain physical, electronic and procedural safeguards that meet the applicable legal requirements to make sure no one else has access to your non-public personal financial information. We keep this information private even after your coverage ends.

Information we disclose: We may disclose non-public personal financial information about you to our "affiliates." Our affiliates include financial service providers, such as other carriers, and non-financial companies, such as third party administrators. The law also allows us to disclose your non-public personal financial information in certain circumstances without providing notice to you and without your authorization. We reserve the right to make those legally permitted disclosures including, but not limited to, the disclosure of your non-public personal financial information to our affiliates and other parties in order to:

- process claims;
- coordinate benefits; and

- accomplish other tasks related to providing you with our services.

No other disclosures to non-affiliated third parties: We otherwise will not disclose non-public personal financial information about our customers or former customers to non-affiliated third parties except as permitted or required by law.

Please share this important information with other members of your household who have coverage under your contract.

Questions and Complaints

You may ask for a paper copy of this notice at any time. If you have questions about this notice or protecting your privacy, please call customer service at the phone number listed on the back of your ID card.

If you are concerned that we may have violated your privacy rights or otherwise not complied with this notice and the HIPAA Privacy Regulations, please contact us at:

Mail: Privacy Officer
Blue Cross and Blue Shield of Vermont
PO Box 186
Montpelier, VT 05601

Telephone: (802) 371-3394
Fax: (802) 229-0511

Email: privacyofficer@bcbsvt.com

You may also file a complaint with the Office for Civil Rights at the U.S. Department of Health and Human Services. You may submit a written complaint to the Office for Civil Rights of the United States Department of Health and Human services, Government Center, J.F. Kennedy Federal Building, Room 1875, Boston, MA 02203. We support your right to the privacy of your PHI. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human services.