

**UNION COUNTY EMPLOYEE HEALTH PLAN
NOTICE OF PRIVACY PRACTICES**

EFFECTIVE: 4/14/2004
VERSION: 1

**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.**

Effective April 14, 2004, Union County's group health care plans are subject to regulation under the Health Insurance Portability and Accountability Act ("HIPAA").

You have received this notice due to your participation in Union County's Employee Health Plan and/or due to your participation in, or eligibility to participate in, Union County's Flexible Spending Plan or Union County's Employee Assistance Program (referred to in this Notice collectively as "employee health care plans").

For purposes of this notice, "we," "us," or "our," refers to those Union County Personnel Department employees, including the Director of Personnel, who as managers or administrators of one or more of Union County's employee health care plans, may have access to health related information of plan participants.

We understand that information about your health is personal. We are committed to protecting information about past, present, or future health conditions, treatments, or payments for health care services that includes any individually identifying information about you. Your health information is contained in medical, billing, and other records that we collect, review, and maintain in connection with your employee health care plans.

This notice will tell you about the ways in which we may use and disclose your protected health information ("PHI"). It also describes your rights and certain obligations we have regarding the use and disclosure of PHI.

We are required by law to:

- Make sure that your PHI is kept private;
- Give you this notice of our legal duties and privacy practices with respect to your PHI; and
- Follow the terms of the notice that is currently in effect.

APPLICATION OF THE TERMS AND CONDITIONS OF THIS NOTICE

The terms and conditions of this notice apply solely to information gathered, maintained or accessed by us in connection with the management and administration of the employee health care plans described above or by those companies that help us service these plans. They do **NOT** protect health information gathered or maintained by Union County in its role as your employer or that would otherwise typically appear in your employment records, including but not limited to: medical information about a work-related injury covered by Workers' Compensation; results of drug screening or fitness-for-duty tests; information provided in a request for leave under FMLA (Family Medical Leave Act) or other leave of absence; results of tests required by OSHA (Occupational Safety and Health Administration); or eligibility for disability.

WHO WILL FOLLOW THIS NOTICE

Our employees, and those companies that help us service your employee health care plans, must comply with our requirements for maintaining the confidentiality of protected health information. They may look at your PHI only when there is an appropriate reason to do so, such as to administer your employee health care plans.

HOW WE MAY USE AND DISCLOSE PHI ABOUT YOU

We will not disclose your PHI to any other company for its use in marketing products to you. However, we will use and disclose PHI about you for business purposes relating to your employee health care plans. The following categories describe different ways that we use and disclose PHI. Not every use or disclosure is listed.

Claims Assistance. We may use or disclose your PHI to assist you in researching medical, dental, or flexible spending account and/or COBRA claims problems.

Plan Enrollment. We may use or disclose your PHI for care plan enrollment purposes.

Employee Health Care Plan Administration/ Health Care Operations. We may use or disclose your PHI for purposes of plan administration and operations. These activities include such things as determining individual employees' plan eligibility, evaluating plan performance, and making informed decisions regarding possible changes to employee health care plans.

Payment. We may use and disclose PHI to assist you in researching claims disputes, for example, to determine whether claims were paid correctly.

Benefits Information. We may use PHI to provide you with information about benefits available to you under your current employee health care plans.

Serious Threats to Health or Safety. We may use and disclose medical information about you when necessary to prevent or lessen a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would be to someone reasonably able to help prevent the threat.

Disaster Relief. We may disclose medical information about you to an entity assisting in a disaster relief effort so that relief agencies and your family can be notified about your condition, status, and location. You can object to these disclosures by telling us that you do not wish any or all individuals involved in your care or relief agencies to receive this information.

When Required by Law or for Public Health Activities. We will disclose PHI when required by federal, state, or local law. Examples of such mandatory disclosures include notifying state or local health authorities regarding particular communicable diseases, or providing PHI to a governmental agency or regulator with health care oversight responsibilities. We may also release PHI to a coroner or medical examiner to assist in identifying a deceased individual or to determine the cause of death.

Lawsuits and Disputes. If you or your estate are involved in a lawsuit or a dispute, we may disclose medical information about you in response to a court or administrative order. We also may disclose medical information about you in response to a subpoena or other lawful process by someone else involved in the dispute by furnishing your medical records or information under seal to the court.

Law Enforcement. We may disclose PHI if asked to do so by a law enforcement official in response to a court order, grand jury demand, search warrant, or other lawful process. We may also disclose PHI to federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

Other Uses of PHI. Other uses and disclosures of medical information not covered by this notice will be made only with your written permission or as required by law. If you provide us permission to use or disclose medical information about you, you may revoke or discontinue that permission, in writing, at any time. Your revocation will be effective as of the end of the day on which you provide it in writing to the Privacy Officer. If you revoke your permission, we will no longer use or disclose medical information about you for the purposes that you had authorized in writing. You understand that we are unable to take back any disclosures we have already made with your permission, and that we are required to retain our records of the care that we provided to you.

YOUR RIGHTS REGARDING YOUR PHI

You have the following rights regarding medical information we maintain about you. Written requests to exercise these rights should be made to our Privacy Officer at the address appearing on Page 4 of this notice.

Right to Inspect and Copy. You have the right to inspect and receive a copy of PHI that we maintain about you. If we deny your request to inspect and receive a copy of your medical information on this basis, you may request that the denial be reviewed. The person conducting the review will not be the person who denied your request. We will do what this reviewer decides. To inspect and receive a copy of your PHI, you must submit your request in writing to our Privacy Officer. If you agree, we may provide you with a summary of the information instead of providing you with access to it, or with an explanation of the information instead of a copy. If you request a copy, summary, or explanation of your PHI, we may charge a fee for the costs of copying, mailing, or other supplies associated with your request, and we may collect the fee before providing the requested information.

Right to Amend. If you feel that PHI we have about you is incorrect or incomplete, you may ask us to amend the information. To request an amendment, your request must be made in writing and submitted to our Privacy Officer. In addition, you must provide a reason that supports your request. We may deny your request for an amendment if the PHI: 1) was not created by us, unless the person or entity that created the PHI is no longer available to consider or make the amendment; 2) is not part of the PHI kept by or for us; 3) is not part of the PHI that you would be permitted to inspect and copy; or 4) we have determined the information to be accurate and complete.

Right to an Accounting of Disclosures. You have the right to request a list of certain disclosures we have made of medical information about you. To request this list or accounting of disclosures, you must submit your request in writing to our Privacy Officer and state whether you want the list on paper or electronically. Your request must state a time period that may not be longer than six years and may not include dates before April 14, 2003. The first list you request within a 12-month period will be free. For additional lists, we may charge you for the costs of providing the list. We will notify you of the costs involved, and you may choose to withdraw or modify your request at that time before any costs are incurred. We may collect the fee before providing the list to you.

Right to Request Restrictions. Except where we are required to disclose the information by law, you have the right to request a restriction or limitation on the PHI we use or disclose about you for treatment, payment, or health care operations, including plan administration. While we will consider your request, we

are not required to agree to it. If we do agree, we will only disclose your PHI to persons outside our office with your authorization, except as permitted by law or as necessary to administer our business. To request restrictions, you must make your request in writing to our Privacy Officer. In your request, you must tell us: (1) what information you want to limit; (2) whether you want to limit our use, disclosure, or both; and (3) to whom you want the limits to apply, for example, disclosures to your spouse.

Right to Request How We Communicate with You. You have the right to request that we communicate with you about PHI in a certain way or at a certain location. For example, you can ask that we only contact you at work or by mail, or at a mailing address other than your home address. To request certain types of communications, you must make your request in writing to our Privacy Officer and specify how or where you wish to be contacted. We will not ask you the reason for your request. We will accommodate all reasonable requests.

Right to a Paper Copy of This Notice. You have the right to a paper copy of this notice or any revised notice. You may ask us to give you a copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to a paper copy of this notice. You may download a copy of this notice from our County Connect website, or you may obtain a paper copy of this notice by contacting the Privacy Officer at (704) 283-3869.

CHANGES TO THIS NOTICE

We reserve the right to change this notice. We reserve the right to make the revised or changed notice effective for PHI we already have about you as well as any information we receive in the future. We will post a copy of the current notice in the Personnel Office and on the County Connect website. If the notice changes, a paper copy will be available to you upon request. We are required to notify you of any material change to this notice within 60 days of such change.

COMPLAINTS/CONTACT INFORMATION

If you have a complaint about your privacy rights, you may file a written complaint with our Privacy Officer and/or with the Secretary of the United States Department of Health and Human Services at the addresses shown below, or you can call our Privacy Officer at (704) 283-3869.

Privacy Officer, Union County Health Care Plans
c/o Union County Personnel Department
500 N. Main Street, Suite 835
Monroe, North Carolina 28112

Office of Civil Rights
U.S. Dept. of Health and Human Services
200 Independence Ave., SW
Room 509F, HHH Building
Washington, DC 20201

You will not be penalized for filing a complaint.

QUESTIONS

If you have any questions about this notice, please contact the Privacy Officer at (704) 283-3869.