

AvMed Notice of Privacy Practices

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.

This notice of Privacy Practices is directed to all members of AvMed's Health Plans. It describes how we may collect, use, and disclose your protected health information, and your rights concerning your protected health information. "Protected Health Information" ("PHI") is information about you, including demographic information collected from you, that can reasonably be used to identify you and that relates to your past, present or future physical or mental health condition, the provision of health care to you or the payment for that care. It may include nonpublic personal financial information.

We are required by law to maintain the privacy of your protected health information, to provide you this notice about our legal duties and privacy practices with respect to protected health information, and to notify affected individuals following a breach of unsecured protected health information. We must follow the privacy practices described in this notice while it is in effect. This notice is effective on March 26, 2013, and will remain in effect until we replace or modify it.

Protection of Oral, Written and Electronic Information

AvMed is committed to safeguarding your protected health information in all forms or formats. This includes protected health information that we may have in oral, written and electronic format.

Uses and Disclosures for Payment, Health Care Operations, and Treatment

We use and disclose protected health information in a number of different ways in connection with the payment for your health care, our health care operations, and your treatment. We are prohibited from using or disclosing your genetic information for underwriting purposes. Unless otherwise permitted by applicable laws or rules or by your written authorization, we will not directly or indirectly receive remuneration in exchange for your protected health information. When using or disclosing your protected health information or requesting your protection health information from another covered entity, we will make reasonable efforts to limit such use, disclosure, or request, to the extent practicable, to the minimum necessary to accomplish the intended purpose of such use, disclosure, or request, respectively. The following are only a few examples of the types of uses and disclosures of your protected health information that we are permitted to make without your authorization.

Payment: We will use and disclose your protected health information to administer your health benefits policy or contract, which may involve the determination of eligibility; claims payment; utilization review and management; medical necessity review; coordination of care, benefits and other services; and responding to complaints, appeals and external review requests. For some plans, we may also use and disclose protected health information for purposes of obtaining premiums, underwriting, ratemaking, and determining cost sharing amounts.

Health Care Operations: We will use and disclose your protected health information to support other business activities. Examples include, but are not limited to, the following:

- Quality assessment and improvement activities, such as peer review, credentialing of providers, and accreditation by independent organizations such as the National Committee for Quality Assurance (NCQA).
- Performance measurement and outcomes assessment, health claims analysis and health services research.
- Operation of preventive health, early detection and disease and case management and coordination of care programs in plans that offer these programs, including information about treatment alternatives, therapies, health care providers, settings of care or other health-related benefits and services.

- Underwriting and ratemaking (i.e., determining premiums) and administration of reinsurance, stop loss and excess of loss policies.
- Risk management, auditing and detection and investigation of fraud and other unlawful conduct.
- Transfer of policies or contracts from and to other insurers (e.g., successor carriers), HMOs or third party administrators; and facilitation of any potential sale, transfer, merger, or consolidation of all or part of "Covered Entity" with another covered entity and due diligence related to that activity.
- Conducting or arranging for legal services, auditing, or other functions.
- Other general administrative activities, including data and information systems management and customer service.

We may share your protected health information with affiliates and third party "business associates" and may allow our business associate to create, receive, maintain, or transmit your PHI on our behalf, in order for the business associate to provide services to us, or for the proper management and administration of the business associate. Examples of our business associates include claims processors, records administrators, attorneys, accountants, etc. We may disclose your PHI to our business associates and may allow our business associates to create, receive, maintain or transmit your PHI in order for the business associates to provide services to us, or for the proper management and administration of the business associates. In addition, our business associate may re-disclose your PHI to business associates that are subcontractors in order for the subcontractors to provide services to the business associate. The subcontractors will be subject to the same restrictions and conditions that apply to the business associates. Whenever such an arrangement involves the use or disclosure of your protected health information, we will have a written contract that contains terms designed to protect the privacy of your protected health information.

Treatment: We may disclose your protected health information to health care providers (doctors, dentists, pharmacies, hospitals and other caregivers) who request it in connection with your treatment. In plans that offer these programs, we may also disclose your protected health information to health care providers in connection with preventive health, early detection, and disease and case management programs.

In connection with the foregoing activities, we may collect the following types of information about you:

- Information we receive directly or indirectly from you or your employer or benefits plan sponsor or one of their business associates through applications, surveys, or other forms (e.g., name, address, social security number, date of birth, marital status, dependent information, employment information and medical history).
- Information about your relationships and transactions with us and others (e.g., health care claims and encounters, medical history, eligibility information, payment information and appeal and complaint information).

We may also contact you about treatment alternatives or other health-related benefits and services that may be of interest to you. We may exchange your PHI electronically for treatment and other permissible purposes.

We may, in the case of some group health plans, disclose protected health information to the plan sponsor (e.g., your employer) to permit the plan sponsor to perform plan administration functions. Please see your plan documents, where applicable, for a full explanation of the limited uses and disclosures that the plan sponsor may make of your protected health information in providing plan administration functions for your group health plan.

If we obtain protected health information for underwriting purposes and the policy or contract of health insurance or health benefits is not written with us, we will not use or disclose that protected health information for any other purpose, except as required by law.

We do not destroy protected health information when individuals terminate their coverage with us. The information is necessary and used for many of the purposes described above, even after an individual leaves a plan, and in many cases is subject to legal retention requirements. However, the policies and procedures that

protect that information against inappropriate use and disclosure apply regardless of the status of any individual member.

Some of the uses and disclosures described in this notice may be limited in certain cases by applicable state laws that are more stringent than the federal standards.

Other Uses and Disclosures

We may also use or disclose your protected health information in the following situations without your consent or authorization.

Others Involved in Your Healthcare: Unless you object, we may disclose to a member of your family, a relative, a close friend or any other person you identify, the protected health information directly relevant to that person's involvement in your health care or payment for health care. If you are present for such a disclosure (whether in person or on a telephone call), we will either seek your verbal agreement to the disclosure or provide you an opportunity to object to it. We may also make such disclosures to the persons described above in situations where you are not present or you are unable to agree or object to the disclosure, if we determine that the disclosure is in your best interest. For example, if a family member or a caregiver calls our customer service line with basic information about you (address, date of birth, etc.) and with prior knowledge of a claim, we will confirm whether or not the claim has been received and paid, unless you have previously informed us in writing that you do not want us to make any such disclosures to that party. We may also disclose your protected health information to an authorized public or private entity to assist in disaster relief efforts and to coordinate uses and disclosures to family or other individuals involved in your health care.

Unless we are given an alternative address, we will mail explanation of benefits forms and other mailings containing protected health information to the address we have on record for the subscriber of the health benefits plan. We will not make separate mailings for enrolled dependents of the subscriber, unless it is requested in writing.

Required By Law: We may use or disclose your protected health information to the extent that the use or disclosure is required by law. The use or disclosure will be made in compliance with the law and will be limited to the relevant requirements of the law. You will be notified, as required by law, of any such uses or disclosures.

Public Health: We may disclose your protected health information for public health activities and purposes to a public health authority that is permitted by law to collect or receive the information. The disclosure will be made for the purpose of controlling disease, injury or disability. We may also disclose your protected health information, if directed by the public health authority, to a foreign government agency that is collaborating with the public health authority.

Communicable Diseases: We may disclose your protected health information, if authorized by law, to a person who may have been exposed to a communicable disease or may otherwise be at risk of contracting or spreading the disease or condition.

Health Oversight: We may disclose protected health information to a health oversight agency for activities authorized by law, such as audits, investigations, and inspections. Oversight agencies seeking this information include government agencies that oversee the health care system, government benefit programs, other government regulatory programs, and civil rights laws.

Abuse or Neglect: We may disclose your protected health information to a public health authority that is authorized by law to receive reports of child abuse or neglect. In addition, we may disclose your protected health information if we believe that you have been a victim of abuse, neglect or domestic violence to the governmental

entity or agency authorized to receive such information. In this case, the disclosure will be made consistent with the requirements of applicable federal and state laws.

Food and Drug Administration: We may disclose your protected health information to a person or company required by the Food and Drug Administration to report adverse events, product defects or problems, biologic product deviations, track products; to enable product recalls; to make repairs or replacements, or to conduct post marketing surveillance, as required.

Legal Proceedings: We may disclose protected health information in the course of any judicial or administrative proceeding, in response to an order of a court or administrative tribunal (to the extent such disclosure is expressly authorized), in certain conditions in response to a subpoena, discovery request, or other lawful process.

Law Enforcement: We may also disclose protected health information, so long as applicable legal requirements are met, for law enforcement purposes. These law enforcement purposes include (1) legal processes and otherwise required by law, (2) limited information requests for identification and location purposes, (3) pertaining to victims of a crime, (4) suspicion that death has occurred as a result of criminal conduct, (5) in the event that a crime occurs on the premises of the practice, and (6) medical emergency (not on the Practice's premises) and it is likely that a crime has occurred.

Coroners, Funeral Directors, and Organ Donation: We may disclose protected health information to a coroner or medical examiner for identification purposes, determining cause of death or for the coroner or medical examiner to perform other duties authorized by law. We may also disclose protected health information to a funeral director, as authorized by law, in order to permit the funeral director to carry out their duties. We may disclose such information in reasonable anticipation of death. Protected health information may be used and disclosed for cadaveric organ, eye, or tissue donation purposes.

Research: We may disclose your protected health information to researchers when their research has been approved by an institutional review board that has reviewed the research proposal and established protocols to ensure the privacy of your protected health information.

Fundraising communications: We may contact you to raise funds for our benefit. You have the right to opt out of receiving such communications.

Limited data set and de-identified information: We may use or disclose your PHI to create a limited data set or de-identified PHI, and use and disclose such information as permitted by law.

Criminal Activity: Consistent with applicable federal and state laws, we may disclose your protected health information, if we believe that the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public. We may also disclose protected health information if it is necessary for law enforcement authorities to identify or apprehend an individual.

Military Activity and National Security: When the appropriate conditions apply, we may use or disclose protected health information of individuals who are Armed Forces personnel (1) for activities deemed necessary by appropriate military command authorities; (2) for the purpose of a determination by the Department of Veterans Affairs of your eligibility for benefits, or (3) to foreign military authority if you are a member of that foreign military services. We may also disclose your protected health information to authorized federal officials for conducting national security and intelligence activities, including for the provision of protective services to the President or others legally authorized.

Workers' Compensation: Your protected health information may be disclosed by us as authorized to comply with workers' compensation laws and other similar legally established programs.

Inmates: We may use or disclose your protected health information if you are an inmate of a correctional facility and your physician created or received your protected health information in the course of providing care to you.

Required Uses and Disclosures: Under the law, we must make disclosures to you and when required by the Secretary of the Department of Health and Human Services to investigate or determine our compliance with the requirements of Section 164.500 et. Seq.

Uses and Disclosures Based Upon Your Written Authorization

The following uses and disclosures will be made only with your special written authorization: (i) most uses and disclosures of psychotherapy notes (to the extent maintained by AvMed); (ii) uses and disclosures of protected health information for marketing purposes, including subsidized treatment communications; (iii) disclosures that constitute a sale of protected health information; and (iv) other uses and disclosures not described in this Notice. In the event that you are unable to give the required consent (for example, if you are or become legally incompetent), we accept consent from any person legally authorized to give consent on your behalf.

A special authorization may be revoked except to the extent that we have taken action upon it. To revoke a special authorization that you previously gave, you may send us a letter stating that you would like to revoke your special authorization. Please provide your name, address, member identification number, the date the special authorization was given, and a telephone number where you may be reached.

Your Rights Regarding Medical and Health Information About You

Right to Request Restrictions: You have the right to request a restriction or limitation on the medical information we use or disclose about you for treatment, payment, or health care operations. You also have the right to request a limit on the medical information we disclose about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that we not use or disclose information about a surgery you had. We are required to agree to a request to restrict the disclosure of your PHI to a health plan if you submit the request to us and: (A) the disclosure is for purposes of carrying out payment or health care operations and is not otherwise required by law; and (B) the PHI pertains solely to a health care item or service for which you, or a person on your behalf other than the health plan, has paid the covered entity out-of-pocket in full. We may not be required to agree to all other restriction requests and, in certain cases, we may deny your request. If we do agree, we will comply with your request unless the information is needed to provide you emergency treatment. To request restrictions, you must make your request in writing to AvMed. In your request, you must tell us (a) what information you want to limit; (b) whether you want to limit our use, disclosure or both; and (c) to whom you want the limits to apply.

Right to Request Confidential Communications: You have the right to request that we communicate with you about medical matters in a certain way or at a certain location, if you advise us that communicating with you in the usual manner could endanger you. For example, you can ask that we only contact you at work or by mail. To request confidential communications, you must make your request in writing to AvMed, stating that communicating with you in the usual manner could endanger you. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

Right to Inspect and Copy: You have the right to inspect and receive copies of medical information that may be used to make decisions about your care. Usually, this includes enrollment, payment, claims adjudication, and case or medical management record systems maintained by AvMed. If you want to access the claims or other related information we maintain concerning you and your dependents, or the identity, if recorded, of those persons to whom personal information has been disclosed, you must submit your request in writing to AvMed. Records will be available for transactions that occur after April 14, 2003.

We will provide you a copy of your protected health information in the form and format requested, if it is readily producible in such form or format, or if not, in a readable hard copy form or such other format as agreed to by

AvMed and you. Where your protected health information is contained in one or more designated records electronically, you have the right to obtain a copy of such information in the electronic form and format requested, if it is readily producible in such form and format; or if not, in a readable electronic form and format as agreed to by AvMed and you. You may request that we transmit the copy of your protected health information directly to another person, provided your request is in writing, signed by you, and you clearly identify the designated person and where to send the copy of the protected health information. We may charge a fee for the costs of copying, mailing, or other administrative expenses associated with your request.

If you want to access medical record information about yourself, or if you have a question regarding your care, you should go to the provider (e.g. doctor, pharmacy, hospital or other caregiver) that generated the original records. We do not have custody of these medical records. If you believe the information in your medical records is wrong or incomplete, contact the provider who was responsible for the service or treatment in question. If we are the source of a confirmed error in our records concerning you, we will correct or amend the records we maintain. We are not able to correct the records created or maintained by your provider or other third parties.

Right to Amend: If you feel that medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by or for AvMed.

To request an amendment, your request must be made in writing and submitted to AvMed. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- ◆ was not created by us, unless the person or entity that created the information is no longer available to make the amendment;
- ◆ is not part of the medical information kept by or for AvMed;
- ◆ is not part of the information which you would be permitted to inspect and copy; or
- ◆ is accurate and complete.

Right to an Accounting of Disclosures: You have the right to request an "accounting of disclosures." This is a list of the disclosures we made of medical information about you. This does **not include** uses of information for treatment, payment, or operations (except for disclosures from certain Electronic Health Records); disclosures to you or disclosures made at your request or the request of anyone you appoint as your representative; disclosures to correctional institutions; disclosures for law enforcement, national security, or intelligence purposes if the requesting officer asks for non-disclosure for a specified period of time. Depending on the compliance date required by law for a particular record, an accounting of the disclosures from an Electronic Health Record will include disclosures for treatment, payment, or health care operations. Records of such disclosures from an Electronic Health Record must be maintained for three years. To request this list or accounting of disclosures, you must submit your request in writing to AvMed Health Plan. Your request must state a time-period, which may not be longer than six years prior to the data of your request. Your request should indicate in what form you want the list (for example, on paper, electronically). 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 cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

Notification of a Breach: You have the right to receive written notification of a breach where your unsecured protected health information has been accessed, used, acquired, or disclosed to an unauthorized person as a result of such breach, and which compromises the security and privacy of your protected health information. Unless

specified in writing by you to receive the notification by electronic mail, we will provide such written notification by first-class mail or, if necessary, by such other substituted forms of communication allowable under the law.

Right to Receive a Paper Copy: You have the right to receive a paper copy of this notice, upon request, even if you have previously agreed to receive the notice electronically.

Our Privacy Obligations

Federal law requires that we maintain the privacy of Protected Health Information and provide you with this Notice of our legal duties and privacy practices with respect to Protected Health Information. We are required to abide by the terms of this Notice (or other notice in effect at a given time). If we make changes to this Notice we must follow the requirements established by the Privacy Standards. Federal law also requires that we provide an internal **complaint process for privacy issues**.

Distribution and Duration of This Notice: We send this Notice to our subscribers or employers who sponsor our plans, as permitted, upon enrollment in any of our health benefits plans, when our privacy practices are materially changed, and annually upon renewal of the member's health plan.

We reserve the right to change the terms of this notice and to make the provisions of the new notice effective for all nonpublic personal health information we maintain at that time. Updates of this Notice are distributed to our subscribers or employers who sponsor our plans, can be requested by contacting our Member Services Department at the phone number on the back of your identification card, and are also available by request on our website, at www.avmed.org.

Violation of Privacy Rights: If you believe your privacy rights have been violated, you may file a complaint with AvMed Health Plan. You also have the right to complain to the Secretary of the U.S. Department of Health and Human Services. We will not retaliate against you for filing a complaint.

How to Contact AvMed if You Feel That Your Information has Been Used Inappropriately

You may file a complaint with AvMed by following the grievance procedures described in your Member Handbook or Explanation of Coverage (EOC). If you wish to remain anonymous or believe an AvMed employee has violated your privacy rights, you may call AvMed's Compliance Hotline at 800-981-6667 or write to:

AvMed, Inc.
HIPAA Privacy Officer
P.O. Box 569000
Miami, FL 33256-9000

If you are a Medicare member and have questions about this privacy notice, please call 1-800-782-8633 TTY users call 1-800-955-8771 (TTY-711). Our representatives look forward to assisting you.

For Commercial members please call our Member Services Department at the number listed on your AvMed ID Card. TTY users call 1-800-955-8771 (TTY-711). You may also visit our website at www.avmed.org to access your account.