

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.

TX Health Benefits Pool ("TXHB") is required by law to keep your health information private and to notify you if TXHB, or one of its business associates, breaches the privacy or security of your unsecured, identifiable health information. This notice tells you about TXHB's legal duties connected to your health information. It also tells you how TXHB protects the privacy of your health information. As your group health plan, TXHB must use and share your health information to pay benefits to you and your healthcare providers. TXHB has physical, electronic and procedural safeguards that protect your health information from inappropriate or unnecessary use or sharing.

Is all my health information protected?

Your individually identifiable health information that TXHB transmits or maintains in writing, electronically, orally or by any other means is protected. This includes information that TXHB creates or receives and that identifies you and relates to your participation in the health plan, your physical or mental health, your receipt of healthcare services and payment for your healthcare services.

What steps does TXHB take to protect my information?

Because TXHB believes that protecting your health information is of the highest priority, TXHB takes the following steps to ensure that your health information remains confidential:

- **Business Associate Agreements** - TXHB follows the requirements of federal law and makes sure that any TXHB business associate who receives your personal health information signs a written agreement to protect your health information.
- **Encryption of Health Data** - TXHB encrypts your health information that is sent electronically (for example, over the Internet) so that no one who is not supposed to, can view your health information. To make sure that only the people who need your health information to administer your health plan benefits are able to see it, TXHB reviews the list of people who are allowed to view your personal health information on a regular basis.
- **Independent Review** - TXHB periodically employs an independent security company to review and test TXHB's security controls to make sure they meet the requirements of federal law. The independent security company provides certified security professionals to conduct the review.

- **Use of Health Information** - TXHB's Privacy & Security Officer reviews the use of personal health information by TXHB to ensure that it complies with both federal law and with TXHB's own privacy policies.

How does TXHB use and share my health information?

TXHB's most common use of health information is for its own treatment, payment, and healthcare operations. TXHB also may share your health information with healthcare providers, other health plans and healthcare clearinghouses for their treatment, payment, and healthcare operations. (Healthcare clearinghouses are organizations that help with electronic claims.) TXHB also may share your health information with a TXHB business associate if the business associate needs the information to perform treatment, payment or healthcare operations on TXHB's behalf. For example, if your health plan includes a retail and mail order pharmacy network, TXHB must share information with the pharmacy network about your eligibility for benefits. Healthcare providers, other health plans, healthcare clearinghouses, and TXHB business associates are all required to maintain the privacy of any health information they receive from TXHB. TXHB uses and shares the smallest amount of your health information that it needs to administer your health plan.

What are treatment, payment and healthcare operations?

- **Treatment** is the provision, coordination, or management of healthcare and related services. For example, your health information is shared for treatment when your family doctor refers you to a specialist.
- **Payment** includes TXHB activities such as billing, claims management, subrogation, plan reimbursement, reviews for medical necessity and appropriateness of care, utilization review, and notification of healthcare services. For example, TXHB may tell a doctor if you are covered under a TXHB health plan and what part of the doctor's bill TXHB will pay.
- **Healthcare operations** include quality assessment and improvement, reviewing competence or qualifications of healthcare professionals, underwriting, and other activities necessary to create or renew health plans. It also includes disease management, case management, conducting or arranging for medical review, legal services, auditing functions including fraud and abuse compliance programs, business planning and development, business management, and general administrative activities. For example, TXHB may use information from your claims to contact you about treatment alternatives or other health-related benefits and services that

may be of interest to you. Please note that while TXHB may use and share your health information for underwriting, TXHB is prohibited from using or sharing any of your genetic information for underwriting.

How else does TXHB share my health information?

TXHB may share your health information, when allowed or required by law, as follows:

- Directly with you or your personal representative. A personal representative is a person who has legal authority to make healthcare decisions for you. In the case of a child under 18 years of age, the child's personal representative may be a parent, guardian, or conservator. In the case of an adult who cannot make his own medical decisions, a personal representative may be a person who has a medical power of attorney.
- With the Secretary of the U.S. Department of Health and Human Services to investigate or determine TXHB's compliance with federal regulations on protecting the privacy and security of health information.
- With your family member, other relative, close personal friend, or other person identified by you who is involved directly in your care. TXHB will limit the information shared to what is relevant to the person's involvement in your care and, except in the case of an emergency or your incapacity, you will be given an opportunity to agree or to object to the release of your health information.
- For public health activities.
- To report suspected abuse, neglect, or domestic violence to public authorities.
- To a public oversight agency.
- When required for judicial or administrative proceedings.
- When required for law enforcement purposes.
- With organ procurement organizations or other organizations to facilitate organ, eye, or tissue donation or transplantation.
- With a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death, or other duties required by law.
- With a funeral director when permitted by law and when necessary for the funeral director to carry out his duties with respect to the deceased person.
- To avert a serious threat to health or safety.
- For specialized government functions, as required by law.
- When otherwise required by law.
- Information that has been de-identified. This means that TXHB has removed all your identifying information and it is reasonable to believe that the organization receiving the information will not be able to identify you from the information it receives.

Can I keep TXHB from using or sharing my health information for any of these purposes?

You have the right to make a written request that TXHB not use or share your health information, unless the use or release

of information is required by law. However, since TXHB uses and shares your health information only as necessary to administer your health plan, TXHB does not have to agree to your request.

Are there any other times when TXHB may use or share my health information?

TXHB may not use or share your health information for any purpose not included in this notice, unless TXHB first receives your written authorization. To be valid, your authorization must include: the name of the person or organization releasing your health information; the name of the person or organization receiving your health information; a description of your health information that may be shared; the reason for sharing your health information; and an end date or end event when the authorization will expire. You may revoke or take back any authorization that you make. Your request to revoke your authorization must be in writing and will not apply to any information shared before TXHB receives your request.

TXHB must always have your written authorization to:

- Use or share psychotherapy notes, unless TXHB is using or sharing the psychotherapy notes to defend itself in a legal action or other proceeding brought by you.
- Use or share your identifiable health information for marketing, except for: (1) a face-to-face communication from TXHB, or one of its business associates, to you; or (2) a promotional gift of nominal value given by TXHB, or one of its business associates, to you.
- Sell your identifiable health information to a third party.

Will TXHB share my health information with my employer?

TXHB shares summary health information with the employer who sponsors your group health plan. Employers need this information to get bids from other health plans or to make decisions to modify, amend, or terminate the TXHB group health plan. Summary health information summarizes the claims history, claims expenses, or type of claims experienced by the entire group of people covered under a health plan. Summary health information does not include any information that identifies you, such as your name, social security number, or date of birth.

Also, TXHB shares with the employer who sponsors your group health plan information on whether you are enrolled in TXHB's group health plan or if you recently added, changed, or dropped coverage.

Can I find out if my health information has been shared with anyone?

You may make a written request to TXHB's Privacy and Security Officer for a list of any disclosures of your health information made by TXHB during the last six years. The list will not include any disclosures made for treatment, payment, or healthcare operations; any disclosures made directly to you; any disclosures made based upon your written authorization; or any disclosures reported on a previous list. Generally, TXHB will

send the list within 60 days of the date TXHB receives your written request. However, TXHB is allowed an additional 30 days if TXHB notifies you, in writing, of the reason for the delay and notifies you of the date by which you can expect the list. If you request more than one list within a 12-month period, TXHB may charge you a reasonable, cost-based fee for each additional list.

Can I view my health information maintained by TXHB?

You may make a written request to inspect, at TXHB's offices, your enrollment, payment, billing, claims and case or medical management records that TXHB maintains. You also may request paper copies of your records. If you request paper copies, TXHB may charge you a reasonable, cost-based fee for the copies. Requests to view your health information should be made in writing to:

TX Health Benefits Pool
ATTN: Privacy and Security Officer
1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151

If I review my health information and find errors, how do I get my records corrected?

You may request that TXHB correct any of your health information that it creates and maintains. All requests for correction must be made to TXHB's Privacy and Security Officer, must be in writing, and must include a reason for the correction. Please be aware that TXHB can correct only the information that it creates. If your request is to correct information that TXHB did not create, TXHB will need a statement from the individual or organization that created the information explaining an error was made. For example, if you request a claim be corrected because the diagnosis is incorrect, TXHB will correct the claim if TXHB made an error in the data entry of the diagnosis. However, if your healthcare provider submitted the wrong diagnosis to TXHB, TXHB cannot correct the claim without a statement from your healthcare provider that the diagnosis is incorrect. TXHB has 60 days after it receives your request to respond. If TXHB is not able to respond, it is allowed one 30-day extension. If TXHB denies your request, either in part or in whole, TXHB will send you a written explanation of its denial. You may then submit a written statement disagreeing with TXHB's denial and have that statement included in any future disclosures of the disputed information.

I'm covered as a dependent and do not want any of my health information mailed to the covered employee's address. Will you do that?

If mailing communications to the covered employee's address would place you in danger, TXHB will accommodate your request to receive communications of health information by alternative means or at alternative locations. Your request must be reasonable, must be in writing, must specify an alternative address or other method of contact, and must include a statement that sending communications to the covered employee's address would place you in danger. Please be aware that TXHB is required to send the employee any

payment for a claim that is not assigned to a healthcare provider, except under certain medical child support orders.

If I believe my privacy rights have been violated, how do I make a complaint?

If you believe your privacy rights have been violated, you may make a complaint to TX Health Benefits Pool

Write to:

TX Health Benefits Pool
ATTN: Privacy and Security Officer
1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151

Or call:

(800) 282-5385

Also, you may file a complaint with the U.S. Department of Health and Human Services. TXHB will not retaliate against you for filing a complaint.

When are the privacy practices described in this notice effective?

This privacy notice has an effective date of September 1, 2013.

Can TXHB change its privacy practices?

TXHB is required by law to follow the terms of its privacy notice currently in effect. TXHB reserves the right to change its privacy practices and to apply the changes to any health information TXHB received or maintained before the effective date of the change. TXHB will maintain its current privacy notice on its website at txhg.gov. If a revision is made during your plan year, TXHB will post the revised notice to its website on the date the new notice goes into effect. You will receive a paper copy of the revised privacy notice before the start of your next plan year.

What happens to my health information when I leave the plan?

TXHB is required to maintain your records for at least six years after you leave TXHB's group health plan. However, TXHB will continue to maintain the privacy of your health information even after you leave the plan.

How can I get a paper copy of this notice?

To request that TX Health Benefits Pool mail you a paper copy of this notice, call (800) 282-5385.

Who can I contact for more information on my privacy rights?

Write to:

TX Health Benefits Pool
ATTN: Privacy and Security Officer
1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151

Or call:

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