

MEMBER NOTICE OF PRIVACY PRACTICES

Effective April 14, 2003; Revised September 23, 2013

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

*At *TakeCare the protection of our member's privacy and the confidentiality of health information has always been a top priority. We recognize that you depend upon us to safeguard your personal information and uphold your privacy rights. This document—which is based on **state and federal law, as well as our own company code of ethics—offers a declaration of our commitment to preserving member confidentiality and privacy.*

* "TakeCare" refers to TakeCare Insurance Company, Inc., TakeCare Insurance Broker's, Inc. and TakeCare Insurance Risk Management Services, Inc. This notice is applicable to all TakeCare-related companies.

** "State" is defined as Guam, the Commonwealth of the Northern Mariana Islands or the Republic of Palau.

OUR PRIVACY PRACTICES

This notice describes TakeCare's privacy practices for our current and former members. It explains how we use information about you and when we may share this information with others. It also informs you about your rights with respect to your health information and how you may exercise these rights. It is your right to receive a copy of this notice. We are required by law to maintain the privacy of your health information and to make a copy of this notice available to you so that you are aware of how we maintain the privacy of your health information. We will inform you promptly if a breach occurs that may have compromised the privacy or security of your information. You will be asked to sign an acknowledgement of receipt for this notice. If you choose to not sign an acknowledgement of receipt for this notice, it will be noted in your record and we will still continue to provide you with coverage and use and disclose your health information, when necessary for treatment, payment, and health care operations, as well as in accordance with this notice.

TakeCare employees are required to comply with our policies and procedures to protect the confidentiality of health information. Any employee who violates our privacy policy is subject to disciplinary action. Employee access to health information is limited on a business "need-to-know" basis, such as: to make benefit determinations, pay claims, manage care, underwrite coverage, perform quality assessment measurements, administer a plan or provide customer service.

TakeCare maintains physical, electronic and process safeguards that restrict unauthorized access to your health information. Such safeguards include secured office facilities, locked file cabinets, and controlled computer network systems and password accounts. Please share this notice with everyone covered by your policy or contract. You have a right to receive a copy of this notice upon request at any time. If you would like additional copies of the notice, please let us know by calling the TakeCare Customer Service Department at 671-647-3526 or TakeCare's 24/7 Customer Support Toll Free number at 1-877-484-2411. Should any of our privacy practices change, we reserve the right to change the terms of this notice and to make the new notice effective for all health information that we maintain. If we make a material change to our privacy practices, we will provide you with a revised notice by mail or electronically as permitted by applicable law. In all cases, we will post the revised notice on our website.

HEALTH CARE INFORMATION MAINTAINED BY TAKECARE

When we refer to “information” or “health information” in this notice, we mean information about you, including demographic information, that may identify you and that relates to your past, present or future physical or mental health and related health care services.

Health information may be transmitted or shared in any form or medium (oral, written, or electronic). The health information we receive may vary by product. Therefore, the examples that follow may not apply to all members but are designed to show the general categories of health information that may be received and maintained by TakeCare.

- Information provided by you on applications, forms, surveys and our websites, such as your name, address and date of birth.
- Information from physicians, hospitals or other health care providers, clinics, medical groups or health care service plans.
- Information provided by your employer, benefits plan sponsor or association, regarding any group product that you may have.
- Information about your transactions and experiences with our affiliates, others, and us, such as: products or services purchased, account balances, payment history, claims history, policy coverage and premium.
- Information from consumer or medical reporting agencies or other third parties, including medical and demographic information.

HOW WE MAY USE OR DISCLOSE YOUR HEALTH INFORMATION

The following categories describe how we may use and disclose your health information. For each category, we will provide examples that help illustrate each type of use or disclosure. Not every use or disclosure in a category will be listed. However, the ways in which we are permitted to use and disclose health information will fall into one of these categories.

To You

To you or someone who has the legal right to act for you (your personal representative) in order to administer your rights as described in this notice.

For Treatment

We may share health information with your doctors, other health care providers, hospitals, other health plans, health care facilities, and health care vendors to help them provide health care and related services to you. For example, if you are hospitalized, we may allow the hospital staff access to any medical records sent to us by your doctor. We may also use or share your health information with others to help coordinate and manage your health care. For example, we may talk to your doctor to recommend a disease management or wellness program that can help improve your health. In the event of an emergency, we will use and disclose your health information to provide treatment to you as required.

For Payment

We may use or disclose your health information to obtain premiums, determine or fulfill responsibilities for coverage, to seek reimbursement for health care delivered to you, or when paying your health care bills submitted to us by doctors, other health care providers, hospitals, other health plans, health care facilities and health care vendors. Examples of payment activities include billing, claims management and other related administrative functions.

For Health Care Operations

We may use or disclose health information as necessary to operate and manage our business activities related to providing you health care services. Examples of health care operations include the following:

- Performing quality assessment and improvement activities;
- Evaluating provider and health plan performance;
- Providing underwriting coverage;
- Conducting or arranging for medical review to determine medical necessity, level of care or justification of services;
- Performing auditing functions;
- Resolving internal grievances, such as addressing problems or complaints about your access to care or satisfaction with services;
- Making benefit determinations, administering a benefit plan and providing member services; and
- Other uses specifically authorized by law.

We may also disclose your health information to other individuals or entities—known as business associates—that help us conduct our health care operations. However, we will not disclose your health information with these business associates unless they agree in writing to protect the privacy of that information.

To Make Certain Communications to You

We may use or share your health information to inform you about alternative medical treatments and programs or about health-related products and services that may be of value to you. We may also inform you about enhancements, replacements or substitutions to your health plan coverage.

Reminders

We may use or disclose health information to send you reminders about your benefits or care, such as appointment reminders with providers who provide medical care to you.

Information Not Personally Identifiable

We may use or share your health information when it has been "de-identified." Health information is considered to be de-identified when it does not personally identify you.

We may also use a "limited data set" that does not contain any health information that can directly identify you. This limited data set may only be used for the purposes of research, public health matters or health care operations. For example, a limited data set may include your city, county and zip code, but not your name or street address.

To Your Employee Benefit Plan

Under certain circumstances, we may use or disclose limited health information about you with the employee benefit plan through which you receive health benefits. For example, we may share summary health information with the employee benefit plan so that they may obtain bids from other health plans or modify, amend, or terminate coverage with TakeCare. We may also share health information with the employee benefit plan related to your enrollment, disenrollment and/or participation in a TakeCare Health Plan. We will not share individually identifiable health information with your benefit plan unless they agree to maintain the privacy of your information.

SPECIAL CIRCUMSTANCES AND AS REQUIRED BY STATE AND FEDERAL LAWS

Special situations, along with certain state and federal laws, may require us to release your health information. We may use or disclose your health information for the following purposes under limited circumstances:

- To comply with state and federal laws that require us to release your health information to others.
- To report health information to state and federal agencies that regulate our business, such as the U.S. Department of Health and Human Services and your state's regulatory agencies.
- To assist with public health activities; for example, we may report health information to the Food and Drug Administration for the purpose of investigating or tracking a prescription drug or medical device malfunctions.
- To report health information to public health agencies if we believe there is a serious threat to your health and safety or that of the public or another person, which includes disaster relief efforts.
- To report certain activities to health oversight agencies; for example, we may report activities involving audits, inspections, licensure and peer review activities.
- To assist court or administrative agencies; for example, we may provide health information pursuant to a court order, search warrant or subpoena.
- To support law enforcement activities; for example, we may provide health information to law enforcement agents for the purpose of identifying or locating a fugitive, material witness or missing person.
- To correctional institutions or law enforcement officials if you are an inmate or under the custody of a law enforcement official.
- To report health information to a government authority regarding adult or child abuse, neglect or domestic violence.
- To share health information with a coroner or medical examiner as authorized by law (we may also share health information with funeral directors, as necessary to carry out their duties).
- To use or share health information for procurement, banking or transplantation of organs, eyes or tissues.
- To report health information regarding job-related injuries as required by your state workers' compensation laws.
- To share health information related to specialized government functions, such as military and veteran activities, national security and intelligence activities and protective services for the President and others.
- To researchers when their research has been approved by an institutional review board that has approved the research proposal and established protocols to ensure the privacy of your health information.
- To a family member, close friend or other individual under any of the following circumstances:

(1) if you provide a verbal agreement to allow such a disclosure; (2) if you are given an opportunity to object to such a disclosure and you do not raise an objection; or (3) if you are incapacitated and it can be inferred from the circumstances based on FHP's professional judgment, that you would not object. For example, if you are incapacitated, we may share health information about you with your child.

WRITTEN PERMISSION TO USE OR DISCLOSE YOUR INFORMATION

We will never share your information for marketing purposes or sell your information unless you give us written permission to do so.

For any other activity or purpose not listed above we must obtain your written permission— known as an authorization—prior to using or disclosing your health information. If you provide a written authorization and you decide to change your mind, you may revoke your authorization in writing at any time. Once an authorization has been revoked, we will no longer use or disclose the health information as outlined in the authorization form; however, you should be aware that we may not be able to retract a use or disclosure that was previously made based on a valid authorization. Further, once you give us authorization to release your health information, we cannot guarantee that the person to whom the information is provided will not disclose the information.

ADDITIONAL RESTRICTIONS ON THE USE AND DISCLOSURE OF YOUR INFORMATION

Depending on where you reside, there may be additional laws related to the use and disclosure of sensitive health information about you. "Sensitive health information" may include information related to HIV status, sexually transmitted diseases, reproductive health information, genetic test results, alcohol and substance abuse, mental health and psychotherapy notes.

YOUR RIGHTS REGARDING YOUR HEALTH INFORMATION

The following are your rights with respect to your health information. If you would like to exercise the following rights, please call the TakeCare Customer Service Department at 671-647-3526 or TakeCare's 24/7 Customer Support Toll Free number at 1-877-484-2411.

You have the right to ask us to restrict how we use or disclose your health information for treatment, payment or health care operations.

You also have the right to ask us to restrict information that we have been asked to give to family members or to others who are involved in your health care or payment for your health care. Please note that while we will try to honor your requests, we are not required by law to agree to the type of restrictions described above.

You have the right to request confidential communications of health information.

For example, if you believe that sending your health information to your current mailing address would put your safety at risk (e.g., in situations involving domestic disputes or violence), you may ask us to send the information by alternative means (e.g., such as by fax or to an alternate address). We will accommodate reasonable requests for confidential communication of your health information.

You have the right to inspect and obtain a copy of the information we maintain about you in a designated record set.

A designated record set refers to patient medical records and billing records. Patient medical records include records in any form or medium maintained by or in the custody or control of a health care provider relating to health history, diagnosis, or condition of a patient, or relating to treatment provided or proposed to be provided to the patient. Billing records include claims, account statements, and account summaries maintained by or for TakeCare. This right does not obligate us to grant you access to certain types of health information. Please note that under most circumstances we will not provide you with copies of the following information:

- Psychotherapy notes.
- Information compiled in reasonable anticipation of, or for use in, a civil, criminal or administrative action or proceeding.
- Information subject to certain federal laws governing biological products and clinical laboratories.
- Medical information compiled and used for quality assurance or peer review purposes.

If you request a copy of your designated record set, a fee for the costs of copying, mailing or other associated supplies, including administrative labor, may be charged. Additionally, under certain circumstances we may deny your request to inspect or obtain a copy of your health information. If we deny your request, we will notify you in writing and may provide you the option to have the denial reviewed. If you would like to request access to review or copy your patient medical records please let us know by calling the TakeCare Customer Service Department at **671-647-3526** or the **toll free number, 1-877-484-2411** during regular business hours or contact the health care provider who created and/or maintains the record(s).

You have the right to ask us to make changes to the health information and billing records that we maintain about you in your designated record set.

These changes are referred to as amendments. We may require that your request be in writing and that you provide a reason for your request. If we make the amendment, we will notify you that it was made. If we deny your request to amend, we will notify you in writing of the reason for denial within 60 days. This written notification will explain your right to file a written statement of disagreement. In return, we have a right to rebut your statement. Furthermore, you have the right to request that your initial written request, our written denial and your statement of disagreement be included with your health information for any future disclosures.

You have the right to receive an accounting of certain disclosures of your health information made by us during the six years prior to your request.

We may require that your request for an accounting be in writing. Your first accounting is free. Subsequently, you are allowed one free accounting upon request every 12 months. If you request an additional accounting within 12 months of receiving your free accounting, we may charge you a fee. We will inform you in advance of the fee and provide you with an opportunity to withdraw or modify your request.

Please note that, under most circumstances, we are not required to provide you with an accounting of disclosures of the following information:

- Any information collected prior to April 14, 2003.
- Information shared for treatment, payment or health care operations.
- Information already disclosed to you.
- Information shared as part of an authorization request.
- Information that is incidental to a use or disclosure that is otherwise permitted.
- Information provided for use in a facility directory.
- Information that was provided to persons involved in your care or for other notification purposes.
- Information shared for national security or intelligence purposes.
- Information that was shared or used as part of a limited data set for research, public health or health care operation purposes.
- Information disclosed to correctional institutions, law enforcement officials or health oversight agencies.
- Other disclosures for which federal law does not require us to provide an accounting.

FILING A PRIVACY COMPLAINT

If you believe that your privacy rights have been violated, you may file a complaint with the TakeCare Customer Service Department at **671-647-3526** or **TakeCare's 24/7 Customer Support Toll Free number at 1-877-484-2411**. You may also direct your complaints with the U.S. Department of Health and Human Services Office for Civil Rights by sending a letter to 200 Independence Avenue, S.W., Washington, D.C. 20201, calling 1-877-696-6775, or visiting www.hhs.gov/ocr/privacy/hipaa/complaints/

FURTHER INFORMATION

If you have any questions about your privacy rights or how we use and disclose your health information, you may call TakeCare's 24/7 Customer Service Support Toll Free number at 1-877-484-2411 or the TakeCare Customer Service Department at 671-647-3526.

TakeCare Family of Companies includes, but is not limited to:

TakeCare Insurance Company, Inc.
TakeCare Insurance Broker's, Inc.
FHP Medical Center
FHP Health Center (Saipan)
FHP Pharmacy
FHP Dental Center
FHP Home Health
FHP Radiology/Imaging Center
FHP Vision Center

