

NOTICE OF THE ELWYN HEALTH AND WELFARE BENEFIT PLAN'S 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.

THE ELWYN HEALTH AND WELFARE BENEFIT PLAN'S COMMITMENT TO PRIVACY

The Elwyn Health and Welfare Benefit Plan ("Plan") is committed to protecting the privacy of your protected health information ("health information"), which is information that identifies you and relates to a physical or mental condition, or to the provision or payment of health services for you. The Plan also pledges to provide you with certain rights related to your health information.

By this Notice of Plan's Privacy Practices ("Notice"), the Plan informs you that it has the following legal obligations under the federal health privacy provisions contained in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the related regulations ("federal health privacy law"):

- to maintain the privacy of your health information;
- to provide you with this Notice of its legal duties and privacy practices with respect to your health information; and
- to abide by the terms of this Notice.

This Notice also informs you how the Plan uses and discloses your health information and explains the rights that you have with regard to your health information maintained by the Plan.

The Plan is a hybrid entity under HIPAA. This means that HIPAA only applies to the health care benefits provided under the Plan; specifically, the medical, dental, prescription drug and health care flexible spending account benefits. This Notice applies only to the dental, prescription drug and health care flexible spending account components of the Plan. You will be receiving a separate Notice of Privacy Practices from the carrier of your medical benefit, if applicable.

INFORMATION SUBJECT TO THIS NOTICE

The Plan collects certain health information about you to help provide health benefits to you and your eligible dependents, as well as to fulfill legal requirements. The Plan collects this information, which identifies you, from applications and other forms that you complete, through conversations you may have with the Plan's administrative staff and health care providers, and from reports and data provided to the Plan by health care service providers or other employee benefit plans. The health information the Plan has about you includes, among other things, your name, address, phone number, birth date, social security number, employment information, and

medical and health claims information. This is the information that is subject to the privacy practices described in this Notice.

SUMMARY OF THE PLAN'S PRIVACY PRACTICES

The Plan's Uses and Disclosures of Your Health Information

The Plan uses your health information to determine your eligibility for benefits, to process and pay your health benefits claims, and to administer its operations. The Plan discloses your health information, without your authorization, to insurers, third party administrators, and health care providers for treatment, payment and health care operations purposes. The Plan also discloses your health information, without your authorization, to third parties that assist the Plan in its operations, to government and law enforcement agencies, to your family members in limited instances, and to certain other persons. The Plan uses and discloses your health information pursuant to your written authorization. The details of the Plan's uses and disclosures of your health information are described below.

Your Rights Related to Your Health Information

The federal health privacy law provides you with access to your health information and with certain rights related to your health information. Specifically, you have the right to:

- Inspect and/or copy your health information;
- Request to receive your health information through confidential communications;
- Request that your health information be amended;
- Request an accounting of the disclosures of your health information;
- Request certain restrictions related to the use and disclosure of your health information;
- File a complaint with the Plan or the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated; and
- Receive a paper copy of this Notice.

These rights and how you may exercise them are detailed below.

Changes in the Plan's Privacy Policies

The Plan reserves its right to change its privacy practices and revise this Notice as described below.

Contact Information

If you have any questions or concerns about the Plan's privacy practices, or about this Notice, or you wish to obtain additional information about the Plan's privacy practices, please contact:

Marilyn Everling, Privacy Officer
111 Elwyn Road
Elwyn, Pennsylvania 19063
610-891-7338

DETAILED NOTICE OF THE PLAN'S PRIVACY PRACTICES

THE PLAN'S USES AND DISCLOSURES

Except as described in this section, as provided for by federal, state or local law, or as you have otherwise authorized, the Plan only uses and discloses your health information for the administration of the Plan and for processing claims.

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

1. **For Treatment.** The Plan does not currently use and disclose your health information for treatment purposes, but reserves the right to do so in the future.
2. **For Payment.** The Plan may use and disclose your health information, without your authorization, so that your claims for health care treatment, services and supplies can be paid according to the Plan's terms. For example, the Plan provides health and eligibility information to Pharmacare when necessary for the drug provider to determine whether you are eligible for prescription drug benefits.
3. **For Health Care Operations.** The Plan may use or disclose your health information, without your authorization, to enable it to operate efficiently and in the best interests of its participants. For example, the Plan discloses protected health information to other payers and plans, and request disclosure of same, for Coordination of Benefits ("COB") and for subrogation purposes.

Uses and Disclosures to Business Associates

The Plan discloses your health information, without your authorization, to its business associates, which are third parties that assist the Plan in its operations, for treatment, payment and health care operations. For example, the Plan may share your health information with its benefit consultant for the purpose of obtaining certain insurance contracts and filing certain tax documents. The Plan contracts with its business associates to ensure that your health information is protected from unauthorized disclosure.

Uses and Disclosures to the Plan Sponsor

The Plan may disclose health and eligibility information, without your authorization, to the Plan Sponsor, which is Elwyn, Inc, for plan administration purposes, such as processing and paying claims. The Plan Sponsor has certified to the Plan that it will protect your health information and that it has amended the plan documents to reflect its obligation to protect your health information.

Other Uses and Disclosures That May Be Made Without Individual's Authorization

The federal health privacy law provides for specific uses or disclosures of your health information that the Plan may make without your authorization, which are described below.

1. **Required by Law.** The Plan may use and disclose health information about you as required by federal, state or local law. For example, the Plan may disclose your health information for the following purposes:
 - For judicial and administrative proceedings pursuant to legal process and authority.
 - To report information related to victims of abuse, neglect, or domestic violence.
 - To assist law enforcement officials in their law enforcement duties.
2. **Health and Safety.** Your health information may be disclosed to avert a threat to the health or safety of you, any other person, or the public, pursuant to applicable law. Your health information also may be disclosed for public health activities, such as preventing or controlling disease or disability, and meeting the reporting and tracking requirements of governmental agencies such as the Food and Drug Administration.
3. **Government Functions.** Your health information may be disclosed to the government for specialized government functions, such as intelligence, national security activities and protection of public officials. Your health information also may be disclosed to health oversight agencies that monitor the health care system for audits, investigation, licensure, and other oversight activities.
4. **Active Members of the Military and Veterans.** Your health information may be used or disclosed to comply with laws related to military service or veterans' affairs.
5. **Workers Compensation.** Your health information may be used or disclosed in order to comply with laws related to Workers' Compensation.
6. **Emergency Situations.** Your health information may be used or disclosed to a family member or close personal friend involved in your care in the event of an emergency, or to a disaster relief entity in the event of a disaster.
7. **Others Involved In Your Care.** In limited instances, your health information may be used or disclosed to a family member, close personal friend, or others who the Plan has verified are involved in your care or payment for your care. For example, if you are seriously injured and unable to discuss your care with the Plan, the Plan may so disclose your health information. Also, upon request, the Plan may advise a family member or close personal friend about your general condition, location (such as in the hospital) or death. If you do not want this information to be shared, you may request that these disclosures be restricted as outlined later in this Notice.

8. **Personal Representatives.** Your health information may be disclosed to people you have authorized or people who have the right to act on your behalf. Examples of personal representatives are parents for unemancipated minors, and those who have Power of Attorney for adults.
9. **Treatment and Health-Related Benefits Information.** The Plan and its business associates may contact you to provide information about treatment alternatives or other health-related benefits and services that may interest you, including, for example, alternative treatment, services or medication.
10. **Research.** Under certain circumstances, the Plan may use or disclose your health information for research purposes, as long as the procedures required by law to protect the privacy of the research data are followed.
11. **Organ and Tissue Donation.** If you are an organ donor, your health information may be used or disclosed to an organ donor or procurement organization to facilitate an organ or tissue donation or transplantation.
12. **Deceased Individuals.** The health information of a deceased individual may be disclosed to coroners, medical examiners, and funeral directors so that those professionals can perform their duties.

Uses and Disclosures for Fundraising and Marketing Purposes.

The Plan does not use your health information for fundraising or marketing purposes.

Any Other Uses and Disclosures Require Your Express Authorization

Uses and disclosures of your health information *other than* those described above will be made only with your express written authorization. Once your health information has been disclosed pursuant to your authorization, the federal privacy protections may no longer apply to the disclosed health information, and that information may be re-disclosed by the recipient without your or the Plan's knowledge or authorization. You may revoke your authorization in writing. If you do so, the Plan will not use or disclose your health information authorized by the revoked authorization, except to the extent that the Plan already has relied on your authorization.

YOUR HEALTH INFORMATION RIGHTS

You have the following rights regarding your health information that the Plan collects and maintains. If you are required to submit a written request related to these rights, as described below, you should address such requests to:

Marilyn Everling, Privacy Officer
111 Elwyn Road
Elwyn, Pennsylvania 19063
610-891-7338

Right to Inspect and Copy Health Information

You have the right to inspect and obtain a copy of your health record. This includes, among other things, health information about your plan eligibility, plan coverages, claim records, and billing records.

To inspect and copy your health record maintained by the Plan, submit your request in writing. The Plan charges a fee of \$.25 per page for the cost of copying your health record, and charges you the cost of mailing your health record to you. In certain limited circumstances, the Plan may deny your request to inspect and copy your health record. If the Plan does so, it will inform you in writing. In certain instances, if you are denied access to your health record, you may request a review of the denial.

Right to Request Confidential Communications, or Communications by Alternative Means or at an Alternative Location

You have the right to request that the Plan communicate your health information to you in confidence by alternative means or in an alternative location. For example, you can ask that the Plan only contact you at work or by mail, or that the Plan provide you with access to your health information at a specific location.

To request confidential communications by alternative means or at an alternative location, submit your request in writing. Your written request should state the reason(s) for your request and the alternative means by or location at which you would like to receive your health information. If appropriate, your request should state that the disclosure of all or part of your health information by non-confidential communications could endanger you. The Plan will accommodate reasonable requests and notify you appropriately.

Right to Request That Your Health Information Be Amended

You have the right to request that the Plan amend your health information if you believe the information is incorrect or incomplete.

To request an amendment, submit a detailed request in writing that provides the reason(s) that support your request. The Plan may deny your request if it is not in writing, it does not provide a reason in support of the request, or if you have asked to amend information that:

- Was not created by the Plan, unless you provide the Plan with information that the person or entity that created the information is no longer available to make the amendment;
- Is not part of the health information maintained by or for the Plan;
- Is not part of the information that you would be permitted to inspect and copy; or
- Is accurate and complete.

The Plan will notify you in writing as to whether it accepts or denies your request for an amendment to your health information. If the Plan denies your request, it will explain the reason(s) for the denial, and describe how you can continue to pursue the denied amendment.

Right to an Accounting of Disclosures

You have the right to receive a written accounting of disclosures. The accounting is a list of disclosures of your health information by the Plan to others, except that disclosures for treatment, payment or health care operations, disclosures made to or authorized by you, and certain other disclosures are not part of the accounting. The accounting covers up to six years prior to the date of your request, except that the accounting will not include disclosures the Plan made before April 14, 2003. If you want an accounting that covers a time period of less than six years, please state that in your written request for an accounting.

To request an accounting of disclosures, submit your request in writing. The first accounting that you request within a twelve month period will be free. For additional accountings in a twelve month period, the Plan will charge you for the cost of providing the accounting, but the Plan will notify you of the cost involved before processing the accounting so that you can decide whether to withdraw your request before any costs are incurred.

Right to Request Restrictions

You have the right to request restrictions on your health care information that the Plan uses or discloses about you to carry out treatment, payment or health care operations. Also, you have the right to request restrictions on your health information that the Plan discloses to someone who is involved in your care or the payment for your care, such as a family member or friend. The Plan is not required to agree to your request for such restrictions, and the Plan may terminate its agreement to the restrictions you requested.

To request restrictions, submit your request in writing, and advise the Plan as to what information you seek to limit, and how and/or to whom you would like the limit(s) to apply. The Plan will notify you in writing as to whether it agrees to your request for restrictions. The Plan will also notify you in writing if it terminates an agreement to the restrictions that you requested.

Right to Complain

You have the right to complain to the Plan and/or to the Department of Health and Human Services if you believe your privacy rights have been violated. To file a complaint with the Plan, submit your complaint in writing to:

Marilyn Everling, Privacy Officer
111 Elwyn Road
Elwyn, Pennsylvania 19063
610-891-7338

You will not be retaliated or discriminated against and no services, payment, or privileges will be withheld from you because you file a complaint with the Plan or with the Department of Health and Human Services.

Right to a Paper Copy of This Notice

You have the right to a paper copy of this Notice. To make such a request, submit a written request to:

Marilyn Everling, Privacy Officer
111 Elwyn Road
Elwyn, Pennsylvania 19063
610-891-7338

You may also obtain a copy of this Notice at the Plan's website, www.elwyn.org.

CHANGES IN THE PLAN'S PRIVACY PRACTICES

The Plan reserves the right to change its privacy practices and make the new practices effective for all health information that it maintains, including your health information that it created or received prior to the effective date of the change and your health information it may receive in the future. If the Plan materially changes any of its privacy practices, it will revise its Notice, and provide you with the revised Notice within 60 days of the revision. In addition, copies of the revised Notice will be made available to you upon your written request, and any revised Notice will also be available at the Plan's website, www.elwyn.org.

EFFECTIVE DATE

This Notice is effective as of March 1, 2009, and will remain in effect unless and until the Plan publishes a revised Notice.