
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 PRIVACY OF YOUR HEALTH INFORMATION IS IMPORTANT TO US.

This notice takes effect April 14, 2003.

OUR COMMITMENT TO YOUR PRIVACY

We understand that health information about you and your health is personal. We are committed to safeguarding your protected health information (PHI).

PHI is any information that can identify you as an individual and your past, present or future physical or mental health condition.

This notice will tell you about the ways in which medical information about you may be used and disclosed. Your rights and certain obligations regarding the use and disclosure of your medical information are also described.

The law requires:

- that PHI that identifies you is kept private;
- this notice of legal duties and privacy practices with respect to PHI about you is provided to you; and
- the terms of the notice that is currently in effect are followed.

OUR LEGAL DUTY

We (**Lifetime Benefit Solutions, Inc.**) (“LBS”) are required by applicable federal and state laws to maintain the privacy of your PHI. It is also required that you be provided with this notice about privacy practices, legal duties, and your rights concerning PHI. The privacy practices that are described in this notice must be followed while it is in effect, including notification should there be a breach of your unsecured PHI.

We reserve the right to change our privacy practices and the terms of this notice at any time, provided that applicable law permits such changes. We reserve the right to make the changes in our privacy practices and the new terms of our notice effective for all PHI that we maintain, including medical information we created or received before we made the changes. Before we make a significant change in our privacy practices, we will change this notice and the new notice will be made available to you.

You may request a copy of our notice at any time. For more information about our privacy practices, or for additional copies of this notice, please contact us using the contact information at the end of this notice.

Uses and Disclosures of Nonpublic Personal Information

Nonpublic Personal Information is information you provided on your enrollment form, claim forms, etc. (for example: names, member identification number, social security number, addresses, type of health care benefits, payment amounts, etc.).

Your nonpublic personal information will not be given out to anyone unless permitted by law or a signed authorization form has been received from the member. This authorization may be revoked in writing by completing an authorization cancellation form at any time. This revocation will not affect any actions LBS took in reliance on your authorization before your authorization cancellation form was processed.

Uses and Disclosures of Medical Information

The following categories describe different purposes for which PHI may be used and disclosed. An explanation for each category of uses or disclosures, as well as some examples, is provided. Not every use or disclosure in a category will be listed. However, all of the ways that are permitted to use and disclose information will fall within one of the categories. If your PHI needs to be used or disclosed in any other way, your signed authorization will be obtained before the use or disclosure. You may revoke this authorization in writing by completing an authorization cancellation form at any time. This revocation will not affect any actions LBS took in reliance on your authorization before your authorization cancellation form was processed.

Treatment: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be disclosed to doctors or hospitals involved in your care. This allows providers to manage, coordinate and administer treatment.

Payment: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be used or disclosed to determine coverage and payment responsibility (including billing and collection, claim management and determination, subrogation, review for medical necessity, and utilization review) or to notify members and providers of claim determinations. PHI may be disclosed to other insurance companies to coordinate the reimbursement of health benefits. For example, PHI may be disclosed to an automobile no-fault insurance company to determine responsibility for claim payment. Also, if you have health insurance through another insurance company, PHI may be disclosed to that other health insurance company in order to determine which company holds the responsibility for your claims.

Healthcare Operations: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be used or disclosed for purposes of performing healthcare operations. Healthcare operations include using PHI to conduct quality assessment and improvement activities, to engage in care coordination or case management, to determine eligibility for benefits, to review competence or qualifications of healthcare professionals, underwriting, and other activities related to creating and renewing insurance contracts. Healthcare operations also include disease management programs, medical reviews, auditing, business planning and development, and general administrative activities. For example, PHI may be used or disclosed when working with a case management vendor for medical review purposes.

To You: Your PHI must be disclosed to you, as described in the Individual Rights section of this notice, below. PHI may also be used and disclosed to tell you about recommended possible treatment options or alternatives or to tell you about health-related benefits or services that may be of interest to you.

To Family and Friends: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. If you agree or, if you are unable to agree when the situation (such as medical emergency or disaster relief) indicates that disclosure would be in your best interest, PHI may be disclosed to a family member, friend or other person. In an emergency situation, only the minimum amount necessary will be disclosed.

To Our Business Associates: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. A business associate is defined as someone that assists your group health plan sponsor in managing business (for example: a professional that reviews the quality of your group health plan's products and services). LBS is a business associate. PHI may be disclosed to another company that helps manage your health plan's business. For example, PHI may be disclosed to a company that performs case management to ensure members receive quality care. Business associates are required to sign a confidentiality agreement that limits their use or disclosure of the PHI they receive.

To Plan Sponsors: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. A plan sponsor is defined as the employer or employee organization that establishes and maintains the employee's benefit plan. If you are enrolled in a group health plan, PHI may be disclosed to the plan sponsor to permit the plan sponsor to perform plan administrative functions (for example: the cost analysis of the benefit program). Before PHI is disclosed to your plan sponsor, the plan sponsor will provide certification that appropriate amendments have been made to group health plan document(s) and the plan sponsor agrees to limit their use or disclosure of this information to plan administration functions only.

Research: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be used or disclosed for research purposes in limited circumstances. For example, a research project may involve comparing the health and recovery of all members who received one medication to those who received another, for the same condition. All research projects are required to obtain special approval.

Coroners, Medical Examiners and Funeral Directors: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be released to a coroner or medical examiner, to identify a deceased person or determine the cause of death. PHI may also be released about deceased members to funeral directors in order for the funeral directors to carry out their duties.

Organ Donation: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. If you are an organ donor, PHI may be released to organizations that handle organ procurement or organ, eye or tissue transplantation or to an organ donation bank, to facilitate organ or tissue donation and transplantation. This may include a living donor as well as a deceased donor.

Public Health and Safety: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be disclosed to the extent necessary to avert a serious and imminent threat to your health or safety, or the health or safety of others. PHI may be disclosed to a government agency authorized to oversee the healthcare system or government programs or its contractors, and to public health authorities for public health purposes.

Victims of Abuse, Neglect or Domestic Violence: PHI may be disclosed to appropriate authorities if it is reasonably believed that you are a possible victim of abuse, neglect, domestic violence or other crimes.

Required by Law: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be used or disclosed

when required to do so by law. For example, PHI must be disclosed to the U.S. Department of Health and Human Services upon request to determine compliance with federal privacy laws.

Process and Proceedings: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be disclosed in response to a court or administrative order, subpoena, discovery request, or other lawful process. Under limited circumstances, such as a court order, warrant, or grand jury subpoena, PHI may be disclosed to law enforcement officials.

Law Enforcement: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI may be disclosed to a law enforcement official investigating a suspect, fugitive, material witness, crime victim or missing person. PHI may be disclosed of an inmate or other person in lawful custody of a law enforcement official or correctional institution under certain circumstances.

Military and National Security: PHI will not be disclosed to an unauthorized person not involved in your care or treatment, unless required or permitted by law. PHI of Armed Forces personnel may be disclosed to the military under certain circumstances. Medical information required for lawful intelligence, counterintelligence, and other national security activities may be disclosed to authorized federal officials.

Marketing and Fundraising: PHI will not be disclosed for marketing or fundraising purposes without your authorization. To the extent PHI is used for marketing or fundraising purposes, you will be contacted and have the right to opt out of receiving these communications and use of your information for such purposes.

Genetic Nondiscrimination Act (GINA): PHI will not be disclosed containing genetic information for underwriting purposes. GINA expressly prohibits the use or disclosure of genetic information for these purposes.

Breach of Unsecured Information: You will be notified should there be a breach of unsecured information. If there is any acquisition, access, use, or disclosure of your unsecured PHI that compromises the security or privacy of your PHI, you will be notified.

Psychotherapy Information: This information will not be released without authorization. Should it be applicable that your psychotherapy notes be included in an appropriate use or disclosure of information, in most instances, your authorization will be obtained for the release of this information.

Individual Rights

The following information is effective as of 4/14/03:

Access: You have the right to inspect and/or copy your PHI, with limited exceptions such as information a licensed health care professional, exercising professional judgment, determines that providing access is reasonably likely to endanger the life, physical safety or cause someone substantial harm. On or after 4/14/03, you may contact us using the contact information at the end of this notice to obtain a form to be completed and returned. If you request copies, LBS reserves the right to charge you a reasonable fee for each copy, plus postage if the copies are mailed to you.

Disclosure Accounting: You have the right to receive a list of instances in which we disclosed your PHI. The list will not include disclosures made for the purpose of treatment, payment, healthcare operations, disclosures made with your authorization, or certain other disclosures. To request a disclosure accounting, on or after 4/14/03, you may contact us using the contact

information at the end of this notice to obtain a form to be completed and returned. You may request an accounting of disclosures made on or after April 14, 2003 and the request may not exceed a six-year time period. The date on which the disclosure was made, the name of the person or entity to whom your PHI was disclosed, a description of the PHI disclosed and the reason for the disclosure will be provided. If you request this list more than once in a 12-month period, LBS may charge you a reasonable, cost-based fee for responding to these additional requests.

Restriction Requests: You have the right to request that additional restrictions be placed on the use or disclosure of your PHI. As permitted by law, these requests will not be honored, as it prohibits us from administering your benefits.

Confidential Communication: You have the right to request confidential communication about your PHI. Your request to communicate at an alternative location will be honored if you believe you would be endangered if communication does not take place at the alternative location. Your request must be accommodated if it is reasonable and specifies the alternative location. On or after 4/14/03, please contact us using the contact information at the end of this notice to request a form to be completed and returned.

Amendment: You have the right to request that your PHI be amended. Your request must be in writing, and it must explain why the information should be amended. Your request may be denied if we did not create the information you want amended or if it is determined the information is accurate. If your request to amend the information is accepted, reasonable efforts will be made to inform others, including people you name, of the amendment and to include the changes in any future disclosures of that information. If your request is denied, you will be provided with a written explanation. You may respond with a statement of disagreement that will be attached to the information you wanted amended. On or after 4/14/03, you may contact us using the contact information at the end of this notice to obtain a form to be completed and returned to us.

Electronic Notice: If you receive this notice on our website or by electronic mail (e-mail), you are entitled to receive this notice in written form. Please contact us using the contact information at the end of this notice to obtain this notice in written form.

Safeguards

It is our policy to keep all information about you confidential in all settings. It is so important to us that we take the following steps:

- our employees sign an agreement to follow our Code of Business Conduct;
- our employees are required to complete our privacy training program;
- we have implemented the necessary sanctions for violation of our privacy practices;
- we have a privacy oversight committee that reviews our privacy practices;
- we have a security coordinator to detect and prevent security breaches; and
- all computer systems that contain personal information have security protections.

Questions and Complaints

If you want more information about the privacy practices or have questions or concerns, please contact us using the contact information at the end of this notice.

On or after 4/14/03, if you are concerned that your privacy rights may have been violated, as described above, or you disagree with a decision made about access to your PHI or in response to a request you made to amend or restrict the use or disclosure of your PHI or to have us confidentially communicate with you at an alternative location, you may complain to us using the contact information at the end of this notice. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with the address to file your complaint with the U.S. Department of Health and Human Services upon request.

We support your right to protect the privacy of your PHI. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

Privacy Rights or Questions:

Contact Office: Customer Service

Phone: Please call the telephone number on the back of your benefit identification card.

Privacy Complaints:

Contact Office: Privacy Officer

Address: 115 Continuum Drive
Liverpool, NY 13088

Phone: 1-315-448-9260

E-mail: privacyofficer@lifetimebenefitsolutions.com