

Notice of Privacy Practices

We at Blue Cross and Blue Shield of Montana (BCBSMT) recognize the importance of maintaining the confidentiality and security of your personal information. Examples of personal protected health information include your name, address, telephone number, Social Security number, member/account number, employment, medical history, health records, and claims information. We are committed to preserving the security and confidentiality of the information we receive and maintaining safeguards to protect your personal information against unauthorized access, use, or disclosure.

By law, we are required to maintain the privacy of this protected health information, to explain our legal duties and privacy practices and to notify affected individuals following a breach of unsecured protected health information. We provide the protections and apply the practices described in this notice to all personal information that we maintain, including the personal information of former members who are no longer covered by us. This notice is intended to clarify our responsibilities and describe your rights. We abide by the notice that is currently in effect.

This notice is effective September 23, 2013.



www.bcbsmt.com

Division of Health Care Service Corporation, a Mutual Legal Reserve Company,
an Independent Licensee of the Blue Cross and Blue Shield Association.

350075.0813

How We May Use and Disclosure Your Personal Information

In administering your health benefits, policy or contract (collectively “health benefits”), we use and disclose your personal information in a number of ways. The following describes some of the uses and disclosures we are allowed to make, by law, without your authorization:

Treatment. We may disclose your personal information to health care providers (e.g., doctors, hospitals, pharmacists) to facilitate treatment or services by providers, for example:

- In order for them to provide you with treatment or services.
- To provide you with preventive health, early detection, and disease and case management programs.

Payment. We must use and disclose your personal information for payment purposes, for example, to determine:

- Eligibility and coverage, including coordination of benefits.
- Claims payment.
- Utilization and management of your health benefits.
- Medical necessity of your care, coverage under the health plan, care appropriateness, or charge justification.
- Responses to coverage appeals and external review requests.
- Premium costs, underwriting, rates and cost-sharing amounts. We are prohibited by law from using or disclosing genetic information for underwriting purposes.

We also use and disclose your personal information to issue Explanations of Benefits (EOB) to the policyholder of your health plan.

Health Care Operations. We may use or disclose your personal information in connection with our health care operations. Examples of health care functions may include, but are not limited to:

- Quality assessment and improvement activities;
- Health improvement or health care cost-reduction, and case management;
- Competence or qualification reviews of health care providers;
- Medical reviews, legal services, and audits, including fraud and abuse detection and compliance programs;

- Business planning, management, and general administration;
- Creating de-identified personal information or limited data sets; and/or
- Training our employees and/or our Business Associates when other methods are not available.

Your Employer. If health plan coverage is through your employer, we may use or disclose information for purposes of enrollment/ disenrollment or producing summary health information (e.g., information on the types of claims in a given period of time) for certain limited uses. Although all direct personal identifiers are removed from summary health information, it may still be possible to determine an individual's identity from the information provided. In addition, if permitted by the terms of the group health plan documents, we may disclose personal information to your employer to perform plan administration functions. Please refer to your group health plan documents for an explanation of these limited plan administrator uses and disclosures.

Payment and Health Care Operations of Other Covered Entities. We may disclose your personal information to another covered entity for its payment purposes or health care operations if the other covered entity has or had a relationship with you. For example, we may facilitate payment of services under another health plan.

Health-Related Services, Reminders and Marketing. Examples of health-related services, reminders, and/or marketing activities where we may use your personal information to communicate with you include, but are not limited to:

- Informing you of available or replacement health plans or enhancements to your health plan;
- Describing health-related products or services available only to health plan members that add value to but are not part of your health benefits;
- Reminding you to obtain preventive health services, including wellness classes and information, health fairs, or support groups; and/or
- Providing information on treatment alternatives and/or health-related benefits and services that may be of interest to you.

We will not use or disclose your protected health information for marketing communications unless you authorize us to do so, except as permitted by law. Further, we will not sell your protected health

information without your authorization, except as permitted by law.

Business Associates. We also disclose personal information to a “Business Associate” that has a contract with us as necessary to perform or assist in treatment, payment or health care functions on our behalf. To perform these services, Business Associates may receive, create, maintain, use, or disclose personal information only as allowed by law, and only if it has agreed in writing to safeguard your personal information.

Additional Uses and Disclosures

In certain situations, the law permits us to use or disclose your personal information without your authorization. These situations include:

Required by Law. We may use or disclose your personal information as required by state or federal law, including disclosures to the U.S. Department of Health and Human Services (HHS). The law also requires that we make your personal information available to you.

Public Health and Benefit Activities. We may use or disclose your personal information for the following public and health purposes when required and authorized by law:

- For public health reporting, including disease and vital statistics, child abuse, and adult abuse, neglect or domestic violence.
- To avert a serious threat to health or safety.
- For health care oversight, such as activities of state insurance commissioners, HHS, the U.S. Department of Labor, and the U.S. Food and Drug Administration, licensing and peer review authorities, and fraud prevention agencies.
- In response to court or administrative orders, including subpoenas, discovery requests, or other lawful processes.
- To law enforcement officials pursuant to a subpoena or other lawful process concerning crime victims or criminal activities.
- To coroners, medical examiners, funeral directors, and organ procurement organizations.
- To the military and federal officials for lawful intelligence, counterintelligence, and national security activities.
- To correctional institutions regarding inmates.
- As authorized by and to the extent necessary to comply with state workers’ compensation laws.

Research. We may use or disclose your personal information for research purposes when certain established measures are taken to protect your privacy. For example, we may disclose personal information to a teaching university to conduct medical research.

Uses and Disclosures of Your Personal Information with Informal Permission or Authorization

Family, Friends, and Others Involved in Your Health Care. If you give verbal permission or if permission can be presumed (e.g., during an emergency or if you lack capacity, we may disclose personal information as allowed by law to a family member or others who contact us on your behalf. In addition, if you are deceased we may disclose personal information as allowed by law about you to a family member or other certain other persons who were involved in your care or payment for your care prior to your death if the information is relevant to that person's involvement, unless doing so is inconsistent with any prior expressed preference of your that is known to us.

Authorizations. You may give us written authorization to use personal information or to disclose your personal information to anyone for any purpose. Authorizations are valid for up to two (2) years. You may revoke an authorization in writing at any time, but revocation will not affect any use or disclosure permitted by the authorization while it was in effect. An authorization is required for us to use or disclose your personal information for purposes other than those described in this notice.

Use and Disclosure of Certain Types of Medical Information. Certain types of personal information require that we provide greater privacy protection. For example, use and/or disclosure of the following types of personal information must be specifically authorized by you or be required by law:

- *HIV/AIDS Information and other communicable diseases*
- *Genetic Information*
- *Psychotherapy (Mental Health) Notes*
- *Alcohol or Drug Abuse Treatment Information*

Your Rights

You have certain rights with respect to your personal information. To receive the forms described below

or guidance on how to submit a request, please use the contact information at the end of this notice. If you wish to exercise any of the rights described below, submit your request in writing to our Privacy Office.

Right to Inspect and Copy. You have the right, with limited exceptions, to look at or receive copies of your personal information contained in a designated record set. A “designated record set” contains records we maintain, such as enrollment, payment, claims adjudication, and case or medical management records that we use to make decisions regarding your health benefits. If you prefer and request, we will prepare a summary of the information. We may charge you a reasonable, cost-based fee for costs associated with your request.

Right to Amend. You have the right to request that we amend any personal information contained in a designated record set if you believe it is incorrect or incomplete. Your request must be in writing and explain why the amendment is necessary. We may deny your request only for certain reasons. Examples for denial include, but are not limited to:

- The information is not part of the designated record set;
- We do not have or did not create the records that you wish to amend;
- We have determined the records are accurate and correct;
- The records are covered by the Federal Clinical Laboratory Improvement Act; or
- The records have been compiled in anticipation of a civil, criminal, or administrative action or proceeding.

If a request is denied, we will provide you a written explanation. You then have the right to file a written statement of disagreement with us, and we have the right to rebut that statement. Please note that change of address is not required in writing.

Right to an Accounting. You have a right to receive an accounting of certain personal information disclosures other than for treatment, payment, health care operations, as authorized by you, and for certain other activities. The accounting will include information about each accountable disclosure made during the period requested. We are not obligated to account for a disclosure that occurred more than six (6) years before the date of your request. If you request an accounting more than once in a 12-month period, we may charge you a

reasonable, cost-based fee for the additional requests.

Right to Request a Restriction. You have the right to request that we restrict our use or disclosure of your personal information for treatment, payment, or health care operations, or to family, friends or others you identify. We are not required to agree to your request, except in the limited case of self-payment. If we agree to a restriction request, we will comply with the restriction, except in the case of an emergency. Any agreement we may make concerning a request for restriction must be in writing and signed by an individual authorized to make such an agreement on BCBSMT's behalf.

Right to Request Confidential Communication. You have the right to request that we communicate with you in confidence if a disclosure of all or part of your personal information may endanger you. We will make every effort to accommodate your request if you provide an alternate means to communicate and it is reasonable and allows us to continue to collect premiums and pay claims under your health plan. You should know that redirecting communication may not prevent others on your health plan from discovering that you sought medical care. Accumulated deductibles and copayment information on the policyholder's Explanation of Benefits (EOB) may reveal that you received services for which we paid. In addition, historic claims reports may include services that were obtained during the time communications were redirected.

To request a confidential communication, forward your written request to the attention of "Customer Service" at the address listed at the end of this notice. For additional information, you may also contact Customer Service at the telephone number listed in this notice.

Breach Notification. While we follow our safeguards to protect your information, in the event of a breach of your unsecured protected health information, we will notify you about the breach as required by law or where we otherwise deem appropriate.

Right to a Paper Copy of This Notice. If you view this notice on our website or received it by electronic mail (e-mail), you have a right to request a paper copy of this notice by contacting Customer Service at the telephone number provided at the end of this notice.

Questions and Complaints

For more information about our privacy practices, to discuss questions or concerns, or to receive additional copies of this notice, you can:

1. Call Customer Service at 1.800.447.7828
2. Contact the Privacy Office at:
Attention: Privacy Office
Blue Cross and Blue Shield of Montana
P.O. Box 4309
Helena, MT 59604

E-mail: PrivacyOffice@bcbsmt.com
FAX: 406.437.7883

If you are concerned that we may have violated your privacy rights or you disagree with a decision made about the use and/or disclosure of your personal information, you may file a complaint by contacting our Privacy Office at the address above. You may also:

1. Contact the Montana Commissioner of Insurance at 406.444.2040 or 1.800.332.6148
2. Submit a written complaint to HHS at:
Region VIII Office for Civil Rights
U.S. Department of Health and Human Services
999 18th Street, Suite 407
Denver, CO 80202
Voice Phone 303.844.2024
FAX 303.844.2025; TDD 303.844.3439

If you file a complaint about our privacy practices, please be assured that we will not take retaliatory action against you.

Future Changes

Although we follow the privacy practices described in this notice, you should know that we may change our privacy practices at any time. For example if privacy laws change, we will change our practices to comply with the law. Should this occur:

- We will send a new notice to you prior to making a significant change in our practices.
- The changes will apply to all personal information we have in our possession, including any information created or received before we changed the notice.