

NOTICE OF PRIVACY PRACTICES
LYNCHEs RIVER ELECTRIC COOPERATIVE’S HEALTH CARE
PLANS

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.

I. The Group Health Plan, Section 125 Plan, all other health care plans.

This notice describes the privacy practices of all of (LREC) **Lynches River Electric Cooperative, Inc.’s Group Health Care Plans**, (the “Plan”).

The Plan provides health benefits to the eligible employees and retirees of **Lynches River Electric Cooperative, Inc.** (the “Plan Sponsor”) and their eligible dependents as well as to the eligible employees and their eligible dependents of participating members of LREC.

II. The Plan’s Privacy Obligations

The Plan is required by federal law and applicable state law to protect the privacy of individually identifiable health information about you that it creates or receives (“your Protected Health Information”) and to provide you with this Notice of its legal duties and privacy practices. When the Plan uses or discloses your Protected Health Information, it is required to abide by the terms of this Notice (or other Notice in effect at the time of the use or disclosure).

III. Uses and Disclosures With Your Written Authorization

The Plan may use or disclose your Protected Health Information to others for any purpose other than the purposes described in Section IV below, only when you give the Plan your authorization on its Authorization Form. You may revoke your Authorization, except to the extent the Plan has taken action in reliance on it, by delivering a written Revocation Notice to the Plan’s Privacy Officer identified below. You may obtain a copy of both the Authorization Form and the Revocation Notice from your benefits administrator.

IV. Uses and Disclosures Without Your Written Authorization

The Plan may use and disclose your Protected Health Information to others without your written authorization for the following purposes:

- A. Treatment. The Plan may disclose your Protected Health Information to your health care providers for its provision, coordination, or management of your health care and related services – for example, for managing your health care with the Plan or for referring you to another provider for care.
- B. Payment. The Plan may use and disclose your Protected Health Information to obtain payment for your coverage and to determine and fulfill the Plan’s responsibility to provide health benefits – for example, to make coverage determinations, administer claims and coordinate benefits with other coverage you may have. The Plan also may disclose your Protected Health Information to another health plan or a health care provider for its payment activities – for examples, for the other health plan to determine your eligibility or coverage, or for the health care provider to obtain payment for health care services provided to you.
- C. Health Care Operations. The Plan may use and disclose your Protected Health Information for its health care operations – for example, to do business planning, arrange for medical review and conduct quality assessment and improvement activities. The Plan also may disclose your

Protected Health Information to another health plan or a health care provider that has or had a relationship with you for it to conduct quality assessment and improvement activities; accreditation, certification, licensing, or credentialing activities; or for the purpose of health care fraud and abuse detection or compliance – for example, for the other health plan to perform case management or evaluate health care provider performance, or for the health care provider to evaluate the outcomes of treatments or conduct training programs to improve health care skills.

- D. To Comply with the Law. The Plan may use and disclose your Protected Health Information to the extent required to comply with applicable law.
- E. Disclosures to Your Employer. The Plan may disclose your Protected Health Information to certain employees or other individuals under the control of the Plan Sponsor as necessary for them to carry out the Plan Sponsor's responsibilities to administer Plan payment and health care operations activities. The Plan Sponsor is not permitted to use your Protected Health Information disclosed by or on behalf of the Plan for any other purpose. The Plan documents identify by position the specific employees or other individuals under the control of the Plan Sponsor who are authorized to have access to or receive your Protected Health Information for the purpose of administering the Plan.
- F. Marketing Communications. The Plan may use and disclose your Protected Health Information to communicate face-to-face with you to encourage you to purchase or use a product or service that is not part of the health benefits provided by the Plan, or to provide a promotional gift of nominal value to you.
- G. Public Health Activities. The Plan may disclose your Protected Health Information for the following public health activities and purposes: (1) to report health information to public health authorities that are authorized by law to receive such information for the purpose of preventing or controlling disease, injury or disability; (2) to report child abuse or neglect to a government authority that is authorized by law to receive such reports; (3) to report information about a product or activity under the jurisdiction of the U.S. Food and Drug Administration to a person who has responsibility for activities related to the quality, safety or effectiveness of such FDA-regulated product or activity; and (4) to alert a person who may have been exposed to a communicable disease if the Plan is authorized by law to give such notice.
- H. Health Oversight Activities. The Plan may disclose your Protected Health Information to a government agency that is legally responsible for oversight of the health care system or for ensuring compliance with the rules of government benefit programs such as Medicare or Medicaid, or other regulatory programs for which health information is necessary for determining compliance.
- I. Judicial and Administrative Proceedings. The Plan may disclose your Protected Health Information in the course of a judicial or administrative proceeding in response to a legal order or other lawful process.
- J. Law Enforcement Officials. The Plan may disclose your Protected Health Information to the police or other law enforcement officials as required by law or in compliance with a court order or other process authorized by law.
- K. Health or Safety. The Plan may disclose your Protected Health Information to prevent or lessen a serious and imminent threat to the health or safety of an individual or the public.
- L. Specialized Government Functions. The Plan may disclose your Protected Health Information to units of the government with special functions, such as the U.S. Military or the U.S. Department of State.
- M. Workers' Compensation. The Plan may disclose your Protected Health Information as necessary to comply with workers' compensation laws.

V. Your Individual Rights

- A. Right to Request Additional Restrictions. You may request restrictions on the Plan's use and disclosure of your Protected Health Information for payment and health care operations in addition

to those explained in this Notice. While the Plan will consider all requests for additional restrictions carefully, it is not required to agree to a requested restriction. If you wish to request additional restrictions, please obtain a Right of Individual to Request Restrictions on Uses and Disclosures Form from your benefits administrator and submit the completed form to the Privacy Officer. You will be given a written response.

- B. Right to Receive Confidential Communications. The Plan will accommodate any reasonable request for you to receive your Protected Health Information by alternative means of communication or at alternative locations if the request clearly states that disclosure of that information could endanger you. Please obtain a Request for Confidential Communication of Health Information Form from your benefits administrator.
- C. Right to Inspect and Copy Your Protected Health Information. You may request access to the Plan's records that contain your Protected Health Information in order to inspect and request copies of the records. Under limited circumstances, the Plan may deny you access to a portion of your records. If you desire access to your records, please obtain a Group Health Plan Access Request Form from your benefits administrator and submit the completed form. If you request copies, the Plan may charge you copying and mailing costs.
- D. Right to Amend your Records. You have the right to request that the Plan amend your Protected Health Information maintained in the enrollment, payment, claims adjudication and case or medical management record systems maintained by or for the Plan and any other records used by or for the Plan to make decisions about individuals. To make such a request, please obtain a Request for Amendment of Health Information Form from your benefits administrator and submit the completed form to the Privacy Officer. The Plan will comply with your request unless special circumstances apply. If your physician or other health care provider created the information that you desire to amend, you must contact the provider to amend the information.
- E. Right to Receive An Accounting of Disclosures. You may obtain an accounting of certain disclosures of your Protected Health Information made by the Plan on or after April 14, 2004, excluding disclosures made earlier than six years before the date of your request. You may obtain a Group Health Plan Accounting Request Form from your benefits administrator. If you request an accounting more than once during a twelve (12) Month period, the Plan may charge you a reasonable fee for the second and any subsequent accounting statements. The accounting will not include disclosures of your Protected Health Information made in accordance with federal law; to carry out treatment, payment or health care operations activities; to you; pursuant to your written authorization; for national security or intelligence purposes; or to correctional institutions or law enforcement officials.
- F. Right to Receive Paper Copy of this Notice. Upon request made in writing to the Privacy Officer, you may obtain a paper copy of this Notice.
- G. Personal Representatives. You may exercise your rights through a personal representative who will be required by the Plan to produce evidence of his or her authority to act on your behalf. Proof of authority may be made by a notarized power of attorney, a court order of appointment of the person as your legal guardian or conservator, or if you are the parent of a minor child. The Plan reserves the right to deny access to your personal representative.
- H. For Further Information; Complaints. If you desire further information about your privacy rights, are concerned that the Plan has violated your privacy rights or disagree with a decision that the Plan made about access to your Protected Health Information, you may contact the Plan's Privacy Officer by mail or electronically. You may also file a written complaint, either by mail or electronically, with the Secretary of the U.S. Department of Health and Human Services. Upon request, the Privacy Officer will provide you with the correct address for the Secretary. The Plan will not retaliate against you if you file a complaint with it or the Secretary.

VI. Effective Date and Duration of This Notice

- A. Effective Date. This Notice is effective on April 14, 2004.

- B. Right to Change Terms of this Notice. The Plan may change the terms of this Notice at any time. If the Plan changes this Notice, it may make the new Notice terms effective for all of your Protected Health Information that it maintains, including any information created or received prior to issuing the new Notice. If the Plan changes this Notice, it will send the new Notice to you if you are covered by the Plan as of the date of the change. You may also obtain any new Notice by contacting the Privacy Officer or your benefits administrator.
- C. Limitation on Applicability of Notice. This Notice does not apply to information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual. In addition, the Plan may use or disclose “Summary health information” for its purposes of obtaining premium bids or modifying, amending or terminating the Plan. Summary health information is information that summarizes claims history, claims expenses or types of claims experienced by individuals for whom the Plan Sponsor provides benefits under the Plan and from which the individuals identifying information, except for five-digit zip codes, has been deleted. The Plan and Plan Sponsor may also use or disclose eligibility and enrollment information without your authorization.

VII. Privacy Officer

You may contact the Privacy Officer as well as submit the forms described in Section V, paragraphs A, B, D, E, and G of this Notice to :

Privacy Officer
Lynches River Electric Cooperative, Inc.
P.O. Box 308
Pageland, SC 29728
Telephone: 843-675-3220
Fax: 843-675-2938
Email: privacyofficer@lynchesriver.com