

**EMPLOYEE GROUP INSURANCE
TREATMENT OF PROTECTED HEALTH INFORMATION**

Policy 5: EGI As A Plan Sponsor	Page: 1 of 3
Effective Date: April 14, 2003	

POLICY

Although EGI's status as a Plan Sponsor for purposes of the HIPAA Privacy Rules does not subject EGI to the jurisdiction of the Secretary, HIPAA requires a Carrier that is a Covered Entity to provide coverage under a Group Health Plan only to employers who agree to comply with the HIPAA Plan Sponsor rules when functioning as the Plan Sponsor. It is EGI's policy that when functioning in its capacity as a Plan Sponsor for a Fully-insured Group Health Plan ("Plan") providing Group Health Plan coverage to Members, EGI shall comply with the Plan Sponsor rules.

5.1 Notice Provided by the Plan

When acting as a Plan Sponsor, EGI shall distribute a copy of the Plan's notice within 30 days to any individual who requests a copy, regardless of the individual's relationship with the Plan.

5.2 Identifying Plan Participants and Enrollees

The Plan may Disclose to EGI information on whether the individual is participating in the Plan or is enrolled in or has disenrolled from the Plan.

5.3 Obtaining Premium Bids

If EGI needs PHI in order to obtain premium bids from health plans for providing health insurance coverage, and if the Plan's notice of privacy practices permits the Plan to Disclose PHI to EGI, EGI can obtain and Disclose Summary Health Information from the Plan for such purpose. The Plan may Disclose PHI that is not Summary Health Information to EGI only if all individuals who are the subjects of such PHI have provided Authorization for such Disclosure. If the Plan's notice of privacy practices does not state that the Plan may Disclose PHI to EGI, the Plan may Disclose Summary Health Information that is PHI to EGI for such purpose only pursuant to an Authorization.

5.4 Modifying, Amending, or Terminating the Plan.

If EGI needs PHI in order to consider or execute a modification, amendment, or termination of the Plan, and if the Plan's notice of privacy practices states that the Plan may Disclose PHI to EGI, the Plan may Disclose Summary Health Information to EGI for such purpose. The Plan may Disclose PHI that is not Summary Health Information to EGI for such purpose only if all individuals who are the subjects of such PHI have provided Authorization for such Disclosure. If the Plan's notice of privacy practices does not state that the Plan may Disclose PHI to EGI,

the Plan may Disclose Summary Health Information that is PHI to EGI for such purpose only pursuant to an Authorization.

5.5 Conducting Inquiries and Advocacy on Behalf of a Member to the Plan

EGI recognizes that when EGI staff makes inquiries or advocates to the Plan on behalf of a Member seeking claim coverage or other services from the Plan, EGI is acting as the representative of the Member rather than the Plan Sponsor. Therefore, the Plan shall not Disclose PHI to an employee of EGI, the Office of Human Resources at System Administration or an Office of Human Resources (“OHR”) of a component institution as a business associate of EGI in connection with such representation unless the employee provides an Authorization to the Plan. A Form Authorization is included in the Appendix that will allow both an employee of the OHR at the component institution where the Member is employed and EGI staff to obtain PHI on behalf of a Member in order to represent the Member in transactions with the Plan that involve the Disclosure of PHI.

5.6 Conducting Non-Plan Employment-related Actions or Decisions.

The Plan shall not Disclose PHI to EGI in connection with EGI’s employment-related actions and decisions unless each Member who is a subject of the PHI provides Authorization for such Disclosure.

5.7 Underwriting Required by the Plan

If the terms of the Plan require individual underwriting for certain categories of Members that apply for enrollment in the Plan, EGI shall obtain Authorizations for such underwriting activities as set forth in Section 4.5 of this Manual.

5.8. Administering Other Employee Benefits or Employee Benefit Plans

EGI shall not require Disclosure of PHI from the Plan in connection with any employee benefit or employee benefit plan other than the Plan unless each individual who is a subject of the PHI provides an Authorization for such Disclosure or the Disclosure is for Payment or Health Care Operations.

5.9. Disclosures for Any Other Purpose.

EGI may require Disclosure of PHI by the Plan for any purpose not set forth in this Policy but only for Disclosures that are permissible under the Plan’s HIPAA compliance policies. Before requesting the Disclosure, EGI must:

- a. (i) ensure that the Plan’s notice of privacy practices states that the Plan may Disclose PHI to EGI and (ii) agree to (A) restrict EGI’s Use and Disclosure of PHI in accordance with the HIPAA Privacy Standards, (B) provide any required Certification to the Plan, and (C) establish adequate protection for the PHI by (1) identifying those individuals within EGI entitled to receive Plan PHI, (2) restricting access to Plan PHI

- to the identified individuals, and (3) agreeing to resolve privacy violations by the identified individuals; or
- b. obtain an Authorization from each individual who is a subject of the PHI to be Disclosed to EGI.

5.10 Documentation of Plan Provisions and Company Certifications

EGI shall document (i) any agreement that is intended to permit Disclosure of PHI to EGI and (ii) any Certification given by EGI to receive PHI in connection with the Plan. Such documentation shall be retained in accordance with Section 9.2 of this Manual.

5.11 Authorizations

Any Authorization required under this Policy must meet the requirements for authorizations set forth in Section 4.11 of this Manual.

REFERENCES/CITATIONS

45 C.F.R. § 1164.504(f)