

USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

A. Use and disclosure of Protected Health Information (PHI): The Fund will use protected health information to the extent and in accordance with the uses and disclosures permitted by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Specifically, the Fund will use and disclose protected health information for purposes related to health care treatment, payment for health care, and health care operations.

"Payment" includes activities undertaken by the Fund to obtain premiums or determine or fulfill its responsibility for coverage and provision of plan benefits that relate to an individual to whom health care is provided. These activities include, but are not limited to, the following:

1. Determination of eligibility, coverage, and cost sharing amounts (e.g. cost of a benefit, plan maximums, and copayments as determined for an individual's claim);
2. Adjudication of health benefit claims;
3. Determining appeals and other payment disputes;
4. Coordination of benefits;
5. Subrogation of health benefit claims;
6. Establishing contribution rates for contributing employers;
7. Establishing employee contributions as necessary;
8. Risk adjusting amounts due based on enrollee health status and demographic characteristics;
9. Billing, collection activities and related health care data processing;
10. Claims management and related health care data processing, including auditing payments, investigating and resolving payment disputes;
11. Responding to member and beneficiary (and their authorized representatives) inquiries about payments;
12. Obtaining payment under a contract for reinsurance (including stop-loss and excess of loss insurance);
13. Medical necessity reviews, or reviews of appropriateness of care or justification of charges;

14. Utilization review, including pre-certification, pre-authorization, concurrent review and retrospective review;

15. Reimbursement of overpayments to the Fund; and

16. Disclosure to consumer reporting agencies related to collection of premiums or reimbursement (the following PHI may be disclosed for payment purposes: name and address, date of birth, SSN, payment history, account number, and name and address of the provider and/or health plan).

"Health Care Operations" include, but are not limited to, the following activities:

1. Quality Assessment;

2. Population-based activities relating to improving health or reducing health care costs, protocol development, case management and care coordination, disease management, contacting of health care providers and patients with information about treatment alternatives; and related functions;

3. Rating provider and plan performance, including accreditation, certification, licensing, or credentialing activities;

4. Underwriting, premium rating, and other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, and ceding, securing, or placing a contract for reinsurance of risk relating to claims for health care (including stop-loss insurance and excess of loss insurance);

5. Conducting or arranging for medical review, legal services, and auditing functions, including fraud and abuse detection and compliance programs;

6. Business planning and development, such as conducting cost-management and planning-related analyses related to managing and operating the entity, including formulary development and administration, development, or improvement of methods of payment or coverage policies; and

7. Business management and general administrative activities of the entity, including, but not limited to:

» Management activities relating to implementation of and compliance with the requirements of HIPAA Administrative Simplification;

» Customer service, including the provision of data analyses for policyholders, plan sponsors, or other customers;

» Resolution of internal grievances;

» Filing Form 5500 and 990 and other activities necessary to ensure compliance with applicable federal laws, including the Internal Revenue Code; and

» Due diligence in connection with the sale or transfer of assets to a potential successor in interest, if the potential successor in interest is a covered entity or, following completion of the sale or transfer, will become a covered entity.

B. The Fund will use and disclose PHI as required by law and as permitted by authorization of the participant or beneficiary. With an authorization, the Fund will disclose PHI to the following for purposes related to administration of these plans: Fund staff and or insurers when processing a claim for the loss of time (disability) benefit, AD&D and/or life insurance benefits, the pension plan, annuity plan, contributing employers, the Union and workers' compensation insurers.

C. For purposes of this section the Board of Trustees of the Rhode Island Laborers' Health Fund is the Plan Sponsor. The Fund will disclose PHI to the Plan Sponsor only upon receipt of a certification from the Plan Sponsor that the plan documents have been amended to incorporate the following provisions.

With respect to PHI, the Plan Sponsor agrees to:

1. Not use or further disclose the information other than as permitted or required by the plan document or as required by law;
2. Ensure that any agents, including a subcontractor, to whom the Plan Sponsor provides PHI received from the Fund agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such information;
3. Not use or disclose the information for employment-related actions and decisions unless authorized by the individual;
4. Not use or disclose the information in connection with any other benefit or employee benefit plan of the Plan Sponsor unless authorized by the individual;
5. Report to the plan any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware;

6. Make available PHI to the individual in accordance with the access requirements of HIPAA;

7. Make available PHI for amendment and incorporate any amendments to PHI in accordance with HIPAA;

8. Make available the information required to provide an accounting of disclosures in accordance with HIPAA;

9. Make internal practices, books, and records relating to the use and disclosure of PHI received from the group health plan available to the Secretary of HHS for the purposes of determining compliance by the group health plan with HIPAA; and

10. If feasible, return or destroy all PHI received from the Fund that the sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made. If return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction infeasible.

D. Adequate separation between the Fund and the Plan Sponsor must be maintained. Therefore, in accordance with HIPAA, only the following employees or classes of employees may be given access to PHI:

1. The Co-Administrators to oversee the administration of the Health Fund;

2. Staff responsible for determining eligibility, adjudicating claims or responsible for the administration of the Fund; and

3. Staff designated by the Co-Administrators based on their job title and function.

E. The persons described in section D may only have access to and use and disclose PHI for Fund administration functions that the Plan Sponsor performs for the Fund, unless additional use or disclosure is authorized by the individual.

F. If the persons described in section D do not comply with this plan document, the Plan Sponsor shall provide

a mechanism for resolving issues of noncompliance, including disciplinary sanctions.

For purposes of complying with the HIPAA privacy rules, this Fund is a "Hybrid Entity" because it has both health plan and non-health plan

functions, including the loss of time (disability) benefit, AD&D and life insurance. The Fund designates that its

health care components that are covered by the privacy rules include only health benefits and not other plan functions or benefits.