

**COMMUNITYCAREMANAGED
HEALTHCARE PLANS OF
OKLAHOMA, INC.**

NOTICE OF PRIVACY PRACTICES

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.

State and federal laws, including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), require CommunityCare to maintain the privacy of your protected health information (PHI) and to give you this Notice of its legal obligations and privacy practices. By law, we will follow the terms of this Notice. This Notice is effective April 14, 2003 and covers CommunityCare Managed Healthcare Plans of Oklahoma, Inc. and its wholly-owned subsidiaries, which have agreed to provide you with one joint notice: CommunityCare HMO, Inc.; CommunityCare Life and Health Insurance Company; Preferred CommunityChoice PPO, Inc.; Hospital Claims, Inc. d/b/a CommunityCare Administrative Services; ExcelCare, Inc.; and WorkNet, Inc. These entities constitute an organized health care arrangement for the exchange of PHI for treatment, payment and health care operations of CommunityCare. This organized health care arrangement is referred to in the Notice as "CommunityCare," and will allow all participants to improve operations and service to members and insureds.

How CommunityCare May Use and Disclose Your Health Care Information

Your PHI is protected from unauthorized use or disclosure by state and federal law. Except in certain circumstances, CommunityCare must obtain your authorization before using your PHI or disclosing it to others.

A. Treatment, Payment & Health Care Operations

Due to the variety of purposes for which CommunityCare may use and disclose your PHI, this Notice does not necessarily list all types of uses and disclosures. In general, however, CommunityCare may use and disclose your PHI without your consent or authorization for (1) treatment, (2) payment and (3) health care operations, which are described in more detail below.

1. Treatment: "Treatment" generally means the provision, coordination or management of health care and related services among health care providers or by a health care provider with a third party, consultation between health care providers regarding a patient, or the referral of

a patient from one health care provider to another. CommunityCare may disclose your PHI to health care providers, including, but not limited to, doctors, nurses, hospitals, pharmacies and pharmacy benefit managers, disease state management providers, social workers and other health plans with which you have a relationship. Individuals within CommunityCare may also use your PHI in order to coordinate and manage your care and arrange for referrals to specialists or other health care providers.

2. Payment: "Payment" involves the various activities of health care providers to obtain payment or be reimbursed for their services, and of a health plan to obtain premiums, to fulfill its coverage responsibilities and provide benefits under the plan, and to obtain or provide reimbursement for the provision of health care. Common payment activities include, but are not limited to, determining eligibility or coverage under a plan; adjudicating claims; risk adjustment; billing and collection; reviewing health care services for medical necessity, coverage, justifications of charges, etc.; utilization review; and disclosures to consumer reporting agencies. CommunityCare may disclose your PHI to providers and other third parties, including your health plan sponsor (e.g., employer), third-party administrators (TPAs), and government programs such as Medicare, Medicaid and Workers' Compensation carriers for payment purposes. Individuals within CommunityCare may also use PHI to make or obtain payment for health care services provided to you, and to authorize requests from your providers for certain procedures.

3. Health Care Operations: "Health Care Operations" are certain administrative, financial, legal and quality improvement activities that are necessary for CommunityCare to run its business and support its core functions of treatment and payment. Operational activities include: conducting quality assessment and improvement and population-based activities relating to improving health care or reducing health care costs; case management and health care coordination; reviewing the competence or qualifications of health care professionals, evaluating provider and health plan performance, training health care and non-health care professionals, accreditation, certification, licensing or credentialing; underwriting and other activities related 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 health care claims; conducting or arranging for medical review, legal and auditing services, including fraud and abuse detection and compliance programs; business planning and development, such as cost-management and plan-

ning analyses related to managing and operating CommunityCare; and business management and general administrative activities, including those related to implementing and complying with applicable laws, rules and regulations; customer service, internal resolution of grievances; sale or transfer of assets, creating de-identified health information or a limited data set, and fundraising for CommunityCare's benefit. For example, CommunityCare may use and disclose your PHI to tabulate a member satisfaction survey.

B. Special Rules for Psychotherapy Notes

Except for psychotherapy notes, CommunityCare may use and disclose your PHI for treatment, payment and operations without your authorization. If your PHI includes psychotherapy notes, disclosure of those notes requires your prior authorization, except when those notes are used by the originator to carry out treatment, or by CommunityCare for certain operations. In addition, HIPAA and Oklahoma law limit your access to psychotherapy notes unless your treating physician or practitioner consents to their release.

C. Purposes Other Than Treatment, Payment or Health Care Operations

CommunityCare's use or disclosure of your PHI for reasons other than for treatment, payment or operations requires your prior authorization. For example, CommunityCare will not disclose your PHI for marketing purposes without first obtaining your authorization to do so. CommunityCare may, however, disclose information about you if that information has been de-identified – that is, reduced to a form that does not identify you directly or that we do not reasonably believe could be used to identify you. De-identified information is not considered to be PHI.

In addition, by requesting services from CommunityCare, you are deemed to have consented to allow CommunityCare to disclose your PHI in other situations, including, but not limited to:

1. Government Agencies: CommunityCare may disclose your PHI to state or federal agencies that regulate or investigate CommunityCare, the health care industry or the benefits you receive. Examples of such agencies include the Oklahoma State Department of Health; the Oklahoma State Department of Insurance; the Oklahoma Health Care Authority; the Centers for Medicare and Medicaid Services; the Department of Health and Human Services; the U.S. Office of Civil Rights; and the U.S. Department of Justice.

2. Business Associates: CommunityCare may disclose your PHI to persons or entities that are not “covered entities” under HIPAA, but that perform certain functions or activities for, or provide services to, CommunityCare to assist CommunityCare perform its core functions. For example, CommunityCare may disclose PHI to the pharmacy benefit management company that evaluates our pharmacy claims. Other types of business associates may include, but are not limited to, accreditation organizations, disease management systems, accountants, attorneys, consultants, and nurse on-call services. In addition, CommunityCare shares with certain drug testing laboratories PHI concerning persons who seek employment with the company. This list of types of business associates may not be inclusive, and is subject to change by CommunityCare at any time without notice to you. CommunityCare’s business associates are contractually obligated to maintain the privacy of your PHI to the same extent that CommunityCare is required to do so.

3. Your group health plan sponsor: If you receive services from CommunityCare by virtue of your participation in a group health plan, CommunityCare may disclose your PHI to the plan’s sponsor in connection with CommunityCare’s administration of the plan, including in order to obtain premium and pay health care claims. In many cases, the plan sponsor may be your employer.

4. Law Enforcement: CommunityCare may disclose your PHI to law enforcement officials, subject to applicable state and federal laws and regulations, for purposes that are required by law or in response to a court order or subpoena.

5. Legal Proceedings: If you are involved in a lawsuit or other legal dispute or proceeding, CommunityCare may disclose your PHI in response to a court or administrative order, a subpoena, a discovery request, or other lawful request for information upon receipt of a properly executed HIPAA-compliant authorization.

6. In the event of death: CommunityCare may disclose your PHI to coroners, medical examiners or funeral directors to carry out duties authorized by law, and to the executor of your estate or to your survivors for purposes related to probate or your survivors’ own health care.

7. To avoid a serious threat to health or safety: CommunityCare may disclose your PHI if CommunityCare reasonably believes the disclosure is necessary to prevent a serious threat to your health or safety or to the health or safety of another person or the public. CommunityCare may also disclose your PHI at the request of a public health agency performing its legal duties.

8. As required by law: CommunityCare may disclose your PHI if it is required to do so by applicable federal, state or local law, such as to report suspected child abuse or abuse of vulnerable adults.

Your Health Information Rights

You have the following rights regarding the PHI that CommunityCare creates, receives or maintains about you:

1. Right to Request Restrictions on Certain Uses or Disclosures of PHI: You have the right to request restrictions on certain uses and disclosures of PHI by CommunityCare to carry out treatment, payment or health care operations, to persons involved in your care and for certain notification purposes. CommunityCare is not, however, required to agree to the requested restriction.

2. Right to Inspect and Copy: You have the right to inspect and copy your health information, except for information needed for civil, criminal, or administrative actions and proceedings, and psychotherapy notes. You may be charged a fee for copies in accordance with Oklahoma law.

3. Right to Request Amendment: If you believe that the health information CommunityCare has about you is wrong or incomplete, you may send us a written request to amend that information. We are not required to agree to your request if it is not in writing or if it does not include a reason, if we did not create the information, or if we determine that the information is correct and complete.

4. Right to Accounting of Disclosures: You have the right to request a list of persons or entities to whom we have disclosed your health information, except for disclosures made directly to you or for purposes of treatment, payment or health care operations. Your written request may not go back more than six (6) years or include dates prior to April 14, 2003.

5. Right to Request Confidential Communication: You have the right to ask that we communicate with you about health care matters confidentially. For example, you can ask that we only contact you at home or by e-mail. CommunityCare will work to meet all reasonable requests to communicate confidentially.

6. Right to Revoke Authorizations: If you authorize CommunityCare to use or disclose your PHI for a particular purpose, you may revoke that authorization at any time, in writing. Revoking your authorization may, however, affect your ability to maintain coverage if it prevents CommunityCare from performing essential func-

tions related to your coverage. In addition, revoking an authorization will not affect CommunityCare’s use or disclosure of your PHI prior to the date CommunityCare received notice of your revocation.

7. Oklahoma law requires us to inform you that information which you authorize or consent to be used or disclosed may include records which may indicate the presence of a communicable or venereal disease, which may include, but are not limited to, diseases such as hepatitis, syphilis, gonorrhea and the Human Immune-Deficiency Virus, also known as Acquired Immune Deficiency Syndrome (AIDS).

8. Right to Paper Copy of this Notice: You have the right to ask for and receive a paper copy of this Notice. You may also obtain this Notice from CommunityCare’s Web site: <http://www.ccok.com>.

To exercise these rights or obtain more information regarding our privacy practices, you may submit your written request to: CommunityCare, Attn: Member Services Department, 218 W. 6th Street, Tulsa, OK 74119, or you may call CommunityCare’s Member Services department at: (800) 777-4890, Ext. 5274. For the hearing and visually impaired, please call our TTY/TDD line at: (800) 722-0353.

CommunityCare has the right to change this Notice and to make any changed Notice effective for the PHI that it already has about you, as well as any PHI it creates, maintains or receives about you in the future. We will give you a copy of any new Notices at least sixty (60) days prior to the change.

We will also post a copy of the new Notice on our Web site.

If you believe your privacy rights have been violated, you may send a written complaint to CommunityCare, Attn: Member Services Department, 218 W. 6th Street, Tulsa, OK 74119. You may also complain to the Secretary of Health and Human Services, 200 Independence Avenue SW, Washington, D.C. 20201, or toll-free at (877) 696-6775. You must file a complaint within 180 days of the date on which that action that caused concern happened. There will be no punishment for filing a complaint.

