

November 2011

Notice of Physicians Plus Insurance Corporation Privacy and Confidentiality Practices

You do not have to act on this Notice. It is for informational purposes only. This Notice lets you know how medical information about you and your family may be used and how you can find this information. Please review this notice with care. If you have any questions about this notice, please contact the Physicians Plus Privacy Officer at (800) 545-5015 or (608) 282-8900.

PHYSICIANS PLUS' PLEDGE REGARDING MEDICAL INFORMATION:

Physicians Plus knows and respects the privacy of your medical information. Physicians Plus is required by law to maintain the privacy of "Protected Health Information (PHI)." PHI is information that may identify you and that relates to your past, present or future medical condition including care and payment for care. Physicians Plus keeps your PHI private and safe by following and going beyond state and federal law to make sure of the protection of your PHI.

Physicians Plus is required to:

- Keep PHI safe and provide you with certain rights to obey state and federal law;
- Give you this notice of our legal duties and privacy practices with respect to your PHI; and
- Abide by the terms of this notice that is currently in effect.

This notice will inform you about the ways Physicians Plus may use and release PHI about you and your dependents. It also tells you of your rights and certain rules we have about the use and disclosure of your PHI.

HOW PHYSICIANS PLUS MAY USE AND RELEASE PROTECTED HEALTH INFORMATION (PHI)

Under law, Physicians Plus may use and give out PHI without your permission in certain cases in order to provide you with health-related services. The following examples show how PHI is used and given out by Physicians Plus for this purpose (this is not a complete list and not every type of use or reason to give out PHI is listed):

Payment - Physicians Plus may use and give out PHI for payment of your health and pharmacy claims. We may use and give out PHI for purposes of billing, claims payment, to determine eligibility and coverage for health benefits. For example, in order to pay for your health care services or treatment, Physicians Plus will receive and review claims for services sent to us by your doctors. We may also use and give out PHI to see if medical treatments are necessary. For example, we may review your PHI to determine whether a specific medical procedure is needed and consistent with your health condition.

Health Care Operations - Physicians Plus may use and give out PHI for health care operations, which include long term illness management activities, quality assessment activities, legal services and review of physicians who provide care for our members. We may also use and give out your PHI for certain internal marketing activities. For example, your name, address or e-mail address may be used to send you a newsletter (you may contact our Privacy Officer to ask that these materials not be sent to you). Physicians Plus may also use PHI to contact you to promote healthy living and disease prevention. For example, we might send out various reminders involving: follow-up appointments; examinations; pre-natal and post-natal screenings; counseling on nutrition and exercise; immunization; recommendations regarding heart health; cancer prevention; diabetes health management; and other specific health and long term illness management programs. We may also use and give out PHI received at the time of enrollment for underwriting and finding out premiums, as well as answering questions about our insurance products.

Business Associates - Physicians Plus may contract with others known as Business Associates to provide certain services on our behalf. To provide these services, Business Associates may receive, create, maintain, use and/or give out PHI, but only after they agree in writing to apply safety measures regarding PHI. For example, we may give out PHI to a Business Associate to do claims administration services, legal services or pharmacy management services, but they must agree in writing to apply safety measures to our PHI.

OTHER PERMITTED OR REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION (PHI)

The following describe other ways in which Physicians Plus may use and give out PHI without authorization:

As Required By Law - We may use or give out PHI as required by law so long as the use or release complies with related law(s).

Legal Proceedings - We may use or give out PHI in the course of any legal proceedings. Physicians Plus may give out PHI in response to a court or administrative order. We may also give out PHI in response to a subpoena, discovery request or other lawful process, so long as such disclosure complies with applicable law.

Law Enforcement - We may give out PHI for law enforcement purposes as required by law. Physicians Plus may also give out PHI in regard to the following situations: identifying or locating suspects, fugitives, material witnesses or missing persons; in regard to suspected victims of crimes; in regard to a death that may have resulted from criminal conduct; or in regard to possible crimes at our location(s).

Worker's Compensation - We may use or give out PHI to obey worker's compensation laws or similar programs.

Disclosures to Benefit Plan Sponsors/Employers - Physicians Plus may give out PHI to employers who sponsor group health plans for a variety of purposes. For example, we may give out summary PHI to employers in regard to getting premium bids or changing or ending a group health plan. We may also give out enrollment and termination information to employers, including information relating to deductibles, premiums, Medicare and COBRA status. We may give out PHI to employers for group health plan administrative functions, such as administering a wellness or other employer-sponsored plan or program. For example, when an employer-sponsored wellness plan provides a benefit to employees who have a checkup each year, we may verify the completion and date of this checkup. In all such instances of giving out PHI to employers, we will give out only as much as is needed to complete the request.

Health Oversight Activities - We may give out your PHI to a health oversight agency for activities authorized by law, including audits, investigations, inspections and licensure. These activities are needed for the government to check the health care system, government programs, and compliance with civil rights laws.

Research - We may give out your PHI to researchers when:

- (1) the individual identifiers have been removed; or
- (2) when an institutional review board or privacy board has (a) reviewed the research proposal; and (b) established measures to ensure the privacy of the requested information, and approves the research.

DISCLOSURES WITH YOUR AGREEMENT OR OPPORTUNITY TO OBJECT

Individuals Involved in Your Care - Physicians Plus may give out your PHI to a family member, relative, close friend or someone else you have personally identified, if that person is involved in your health care or payment for your health care. For example, we may get in touch with your spouse in regard to payment of a bill, as long as you have not requested that this PHI remain confidential. In this type of situation, we will give out only as much PHI as is needed to complete the task. If you are not able to agree or disagree to our contacting your family or friends, we will decide if ² giving out PHI is in your best interest, using our

best professional judgment.

OTHER USES OF MEDICAL INFORMATION

Other uses and giving out of PHI not covered by applicable laws or this notice will be made only with your written consent. If you authorize the use or giving out of your PHI, you may cancel it, in writing, at any time. If you cancel it, we will not use or give out your PHI for the reasons covered by your written consent from the time of your request and forward. However, cancelling it will not apply to uses or the giving out of PHI made prior to when you cancelled it in accordance with the authorization.

YOUR RIGHTS REGARDING YOUR PROTECTED HEALTH INFORMATION (PHI)

The following are your rights regarding your PHI. As you review these rights, please keep in mind that Physicians Plus does not keep your medical records. To make requests or ask questions about any of these rights, please write Physicians Plus at:

Physicians Plus Insurance Corporation
Attn: Privacy Officer
2650 Novation Parkway or ppicinfo@pplusic.com
Madison, WI 53713

Right to Inspect and Copy Protected Health Information (PHI) - You have the right to inspect and get a copy of PHI that may be used to make decisions about your health care benefits. To inspect or copy your PHI, you must submit a written request to the address listed above. Under law, certain types of PHI are not available to inspect or copy, including psychotherapy notes, PHI put together in preparation of, or use in, any civil, criminal or administrative claim or legal proceeding, or other PHI subject to laws that deny access. If we deny access to certain PHI, you may ask for a review of the decision by writing to the address listed above.

Right to Amend - If you believe that any of your PHI is incorrect or incomplete, you may ask to have that PHI changed. You have the right to ask for an amendment to PHI for as long as the PHI is kept. To ask for an amendment, you must submit your written request, including the reasons that support your requested amendment(s), to the address listed above. Physicians Plus will answer your request in writing within 30 days of receiving it and will give you more information about your rights in the event we allow or deny your request to amend.

Right to an Accounting of Disclosures - You have the right to receive a written report of certain disclosures we make of your PHI. The report would not include disclosures made for payment or health care operations as explained in this notice. The report would also exclude disclosures made to you or family members or friends involved in your care or those made according to your signed approval. The report would include a list of those to whom PHI was released, a short description of the PHI released, and the purpose for the release. To learn more about asking for a report of disclosures, please write to the address listed above.

Right to Request Restrictions and Confidential Communications - You have the right to ask for certain limits on the use of PHI for treatment, payment or health care operations. You also can ask for limits on the release of PHI to someone who may be involved in your care or payment for your care, like a family member or friend. To learn more about your rights on asking for these types of limits, please contact us at the address listed above. Please note that we do not have to agree to the restrictions you ask. You also have the right to ask that we contact you about PHI by certain means or at a certain location. We will handle such requests to the best of our ability. To ask for confidential communication changes, you must submit your request in writing to the address listed above. We may refuse your request if you have not provided information as to how payment, if that applies, will be handled or do not tell us how or where you wish to be contacted.

Right to Paper Copy of This Notice - You have the right to a paper copy of this notice. You may ask for a copy at any time. If you want to get this notice through e-mail, you may still ask for a paper copy of the notice. To receive a paper copy of this notice, contact us at (800) 545-5015 or (608) 282-8900 or write us at the address listed above. You can also print it from our website at www.pplusic.com.

CHANGES TO THIS NOTICE

We reserve the right to make changes to this notice. If we make a lot of changes to the notice, we will send it to you within 60 days of the changes. The notice will contain the new effective date in the upper right-hand corner of page 1.

COMPLAINTS

If you believe your privacy rights have been violated; you may file a privacy complaint with Physicians Plus or with the Secretary of the Department of Health and Human Services. To file a privacy complaint with Physicians Plus, contact the Privacy Officer at the address listed above. Please note that all other complaints not related to privacy must follow the rules outlined in your Policy or Medical Certificate of Coverage. We will not treat you different in any way for filing a complaint.