

Notice of Privacy Practices for Personal Health Information

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.

This Notice of Privacy Practices describes the Educational & Institutional Insurance Administrator's practices for safeguarding individually identifiable personal health information. The terms of this Notice apply to members and their dependents for their medical, dental, and/or vision coverages. This Notice is effective April 14, 2004.

We are required by law to maintain the privacy of our members' and their dependents' personal health information and to provide notice of our legal duties and privacy practices with respect to personal health information. We are required to abide by the terms of this Notice as long as it remains in effect. We reserve the right to change the terms of this Notice as necessary and to make the new Notice effective for all personal health information maintained by us. Copies of revised Notices will be mailed to you. You have the right to request a paper copy of the Notice, although you may have originally requested a copy of the Notice electronically by e-mail.

Uses and Disclosures of Your Personal Health Information

Authorization. Except as explained below, we will not use or disclose your personal health information for any purpose unless you have signed a form authorizing a use or disclosure. Unless we have taken any action in reliance on the authorization, you have the right to revoke an authorization if the request for revocation is in writing and sent to: Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606 (hereinafter "EIIA").

Disclosures for Treatment. We may disclose your personal health information as necessary for your treatment. For instance, a doctor or health care facility involved in your care may request your personal health information in our possession to assist in your care.

Uses and Disclosures for Payment. We will use and disclose your personal health information as necessary for payment purposes. For instance, we may use your personal health information to process or pay claims, for subrogation, to perform a hospital admission review to determine whether services are for medically necessary care or to perform prospective reviews. We may also forward information to another health plan in order for it to process or pay claims on your behalf.

Uses and Disclosures for Health Care Operations. We will use and disclose your personal health information as necessary for health care operations. For instance, we may use or disclose your personal health information for quality assessment and quality improvement, credentialing health care providers, premium rating, conducting or arranging for medical review or compliance. We may also disclose your personal health information to another health plan, health care facility or health care provider for activities such as quality assurance or case

management. We may also contact your health care providers concerning prescription drug or treatment alternatives.

Other Health-Related Uses and Disclosures. We may also contact you to provide reminders for appointments; information about treatment alternatives; other health-related programs, products or services that may be available to you.

Plan Sponsors. We may disclose your personal health information to the plan sponsor, provided that the plan sponsor certifies that the information will be maintained in a confidential manner and will not be utilized or disclosed for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the plan sponsor.

Information Received Pre-enrollment. We may request and receive from you and your health care providers personal health information prior to your enrollment in the health plan. We will use this information to determine whether you are eligible to enroll in the health plan and to determine the rates. If you do not enroll, we will not use or disclose the information we obtained about you for any other purpose. Information provided on enrollment forms or applications will be utilized for all coverages being applied for, some of which may be protected by the state, not the federal, privacy laws.

Business Associate. Certain aspects and components of our services are performed by outside people or organizations pursuant to agreements or contracts. It may be necessary for us to disclose your personal health information to these outside people or organizations that perform services on our behalf. We require them to appropriately safeguard the privacy of your personal health information.

Family, Friends and Personal Representatives. With your approval, we may disclose to family members, close personal friends, or another person you identify, your personal health information relevant to their involvement with your care or paying for your care. If you are unavailable, incapacitated or involved in an emergency situation, and we determine that a limited disclosure is in your best interests, we may disclose your personal health information without your approval. We may also disclose your personal health information to public or private entities to assist in disaster relief efforts.

Other Uses and Disclosures. We are permitted or required by law to use or disclose your personal health information, without your authorization, in the following circumstances:

- For any purpose required by law;
- For public health activities (for example, reporting of disease, injury, birth, death or suspicion of child abuse or neglect);
- To a governmental authority if we believe an individual is a victim of abuse, neglect or domestic violence;
- For health oversight activities (for example, audits, inspections, licensure actions or civil, administrative or criminal proceedings or actions);

- For judicial or administrative proceedings (for example, pursuant to a court order, subpoena or discovery request);
- For law enforcement purposes (for example, reporting wounds or injuries or for identifying or locating suspects, witnesses or missing people);
- To coroners and funeral directors;
- For procurement, banking or transplantation of organ, eye or tissue donations;
- For certain research purposes;
- To avert a serious threat to health or safety under certain circumstances;
- For military activities if you are a member of the armed forces; for intelligence or national security issues; or about an inmate or an individual to a correctional institution or law enforcement official having custody; and
- For compliance with workers' compensation programs.

We will adhere to all applicable state and federal laws or regulations that provide additional privacy protections. We will only use or disclose AIDS/HIV-related information, genetic testing information and information pertaining to your mental condition or any substance abuse problems as permitted by state and federal law or regulation.

Your Rights

Restrictions on Use and Disclosure of Your Personal Health Information. You have the right to request restrictions on how we use or disclose your personal health information for treatment, payment or health care operations. You also have the right to request restrictions on disclosures to family members or others who are involved in your care or the paying of your care. To request a restriction, you must send a written request to: Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606. We are not required to agree to your request for a restriction. If your request for a restriction is granted, you will receive a written acknowledgement from us.

Receiving Confidential Communications of Your Personal Health Information. You have the right to request communications regarding your personal health information from us by alternative means (for example by fax) or at alternative locations. We will accommodate reasonable requests. To request a confidential communication, you must send a written request to: Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606.

Access to Your Personal Health Information. You have the right to inspect and/or obtain a copy of your personal health information we maintain in your designated record set, with a couple of exceptions. To request access to your information, you must send a written request to: Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606. A fee will be charged for copying and postage.

Amendment of Your Personal Health Information. You have the right to request an amendment to your personal health information to correct inaccuracies. To request an amendment, you must send a written request to: Privacy Officer at EIIA, Inc., 200 S.

Wacker Dr., Suite 1000, Chicago, IL 60606. We are not required to grant the request in certain circumstances.

Accounting of Disclosures of Your Personal Health Information. You have the right to receive an accounting of certain disclosures made by us after April 14, 2004, of your personal health information. To request an accounting, you must send a written request to: Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606. The first accounting in any 12-month period will be free; however, a fee will be charged for any subsequent request for an accounting during that same time period.

Complaints. If you believe your privacy rights have been violated, you can send a written complaint to the Privacy Officer at EIIA, Inc., 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606 or to the Secretary of the U.S. Department of Health and Human Services. There will be no retaliation for filing a complaint.

If you have any questions or need any assistance regarding this Notice or your privacy rights, you may contact the Privacy Officer at EIIA, Inc. 200 S. Wacker Dr., Suite 1000, Chicago, IL 60606.

FAIRMONT SPECIALTY PRIVACY PRACTICES

We maintain physical, electronic and procedural safeguards that comply with federal standards to protect your personal information. We do not use or disclose your information for any fundraising, marketing or research activities.

We use and disclose your information to determine your eligibility for plan benefits, to facilitate payment for treatment and services provided to you, to coordinate benefits and to carry out other necessary insurance-related activities. We use or disclose the minimum information necessary to process a claim or answer a claim inquiry. We may also disclose your information to law or government agencies when required by law.

Under the privacy laws, you have unlimited access to your information. You may limit how we use and disclose your information and get a listing of instances where it was disclosed. You may request that we correct inaccurate information or add missing information.

If you have any questions about your rights, our Privacy Practices or you want to file a complaint, please contact our Privacy Officer at: 1 (800) 926-3441.