

HIPAA Notice of Privacy Practices

This notice is effective September 1, 2016

This Notice is intended to comply with state and federal privacy laws, including the Gramm-Leach-Bliley Act, the Health Insurance Portability and Accountability Act, Privacy and Security Rules, and the Health Information Technology for Economic and Clinical Health Act.

We keep the health and financial information of our current and former members private as required by law, accreditation standards, and our rules. This notice explains your rights. It also explains our legal duties and privacy practices. We are required by federal law to give you this notice. We are required to abide by the terms of this notice or another notice in effect at the time of the use or disclosure). This Notice describes the privacy practices of Memorial Hermann Health Solutions, Inc., Memorial Hermann Health Plan, Inc. and Memorial Hermann Health Insurance Company (referred to as "we", "us" or "our").

THIS NOTICE DESCRIBES OUR PRIVACY PRACTICES AND HOW WE COLLECT, USE AND DISCLOSE INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION WITH RESPECT TO OUR HEALTH INSURANCE PRODUCTS SUBJECT TO HIPAA ("YOUR PROTECTED HEALTH INFORMATION" OR "PHI") AND NON-PUBLIC PERSONAL FINANCIAL AND HEALTH INFORMATION WITH RESPECT TO OUR INSURANCE PRODUCTS SUBJECT TO THE GRAMM-LEACH-BLILEY ACT ("YOUR PROTECTED GLBA INFORMATION" AND TOGETHER WITH YOUR PHI, "YOUR PROTECTED INFORMATION") AND HOW YOU CAN ACCESS YOUR PHI. THIS NOTICE IS FOR YOUR INFORMATION. YOU DO NOT NEED TO RESPOND TO IT.

HOW WE COLLECT YOUR PROTECTED INFORMATION AND THE TYPES OF YOUR PROTECTED INFORMATION WE COLLECT

The information that you give us when applying for our products generally provides all of Your Protected Information we will need. If we need to verify Your Protected Information or need additional information, we may obtain Your Protected Information from third parties such as Medicare, adult family members, employers, other insurers, consumer reporting agencies, physicians, hospitals and other medical personnel. Your Protected Information collected may relate to your finances, employment, health, avocations or other personal characteristics as well as transactions with us or others.

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OUR USES AND DISCLOSURES OF YOUR PROTECTED INFORMATION

We treat Your Protected Information in a confidential manner. Our employees are trained and required to protect the confidentiality of Your Protected Information. Employees may access Your Protected Information only when there is an appropriate reason to do so, such as to administer your plan or offer our products or services. We also maintain physical, electronic and procedural safeguards to protect Your Protected Information as required by applicable laws. Our employees are required to comply with our established policies.

Marketing Communications: We may use and disclose Your Protected Information for marketing communications made by us to you only as permitted by law.

We may also use Your Protected GLBA Information to offer you other products or services we provide. Your Protected Information may also be disclosed for audit or research purposes, or to law enforcement and regulatory agencies, for example, to help us prevent fraud.

Your Protected GLBA Information may be disclosed to others that are outside of our family of companies, such as companies that process data for us, companies that provide general administrative services for us, other insurers, and consumer reporting agencies. We will make other disclosures of Your Protected Information as permitted by law.

YOUR PROTECTED HEALTH INFORMATION (PHI)

We may collect, use, and share your PHI for the following reasons and others as allowed or required by law, including the HIPAA Privacy Rule:

For Payment: We use and share PHI to manage your account or benefits; or to pay claims for health care you get through your plan. For example, we keep information about your premium and deductible payments. We may give information to a doctor's office to confirm your benefits.

For Health Care Operations: We use and share PHI for our health care operations. For example, we may use PHI to review the quality of care and services you get. We may also use PHI to provide you with case management or care coordination services for conditions like asthma, diabetes, or traumatic injury.

For Treatment Activities: We do not provide treatment. This is the role of a health care provider such as your doctor or a hospital. But, we may share PHI with your health care provider so that the provider may treat you.

Business Associates: We may disclose Your PHI to our Business Associates that perform functions on our behalf or provide us with services if the disclosure is necessary for such functions or services. For example, we may use another company to perform administrative services on our behalf with respect to Your Plan. All of our Business Associates are obligated, by law and under contracts with us, to protect the privacy of Your PHI and are not allowed to use or disclose any information other than as specified in our contract.

To You: We must give you access to your own PHI. We may also contact you to let you know about treatment options or other health-related benefits and services. When you or your dependents reach a certain age, we may tell you about other products or programs for which you may be eligible. This may include individual coverage. We may also send you reminders about routine medical checkups and tests.

To Others: You may tell us in writing that it is OK for us to give your PHI to someone else for any reason. Also, if you are present, and tell us it is OK, we may give your PHI to a family member, friend or other person. We would do this if it has to do with your current treatment or payment for your treatment. If you are not present, if it is an emergency, or you are not able to tell us it is OK, we may give your PHI to a family member, friend, or other person if sharing your PHI is in your best interest.

As Allowed or Required by Law: We may also share your PHI, as allowed by federal law, for many types of activities. We may disclose Your PHI to a government agency that oversees the healthcare system or ensures compliance with the rules of government health programs such as Medicare or Medicaid. It can also be shared for judicial or administrative proceedings, with public health authorities, for law enforcement reasons, and to coroners, funeral directors or medical examiners (about decedents). PHI can also be shared for

certain reasons with organ donation groups, for research, and to avoid a serious threat to health or safety. It can be shared for special government functions, for workers' compensation, to respond to requests from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), any branch of the U.S. military or the U.S. Department of State, and, in limited circumstances, to alert proper authorities if we reasonably believe that you may be a victim of abuse, neglect, domestic violence or other crimes.

If you are enrolled with us through an employer-sponsored group health plan, we may share PHI with your group health plan. We and/or your group health plan may share PHI with the sponsor of the plan. Plan sponsors that receive PHI are required by law to have controls in place to keep it from being used for reasons that are not proper.

Authorization: We will get an OK from you in writing before we use or share your PHI for any other purpose not stated in this notice. You may take away this OK at any time, in writing. We will then stop using your PHI for that purpose. But if we have already used or shared your PHI based on your OK, we cannot undo any actions we took before you told us to stop.

YOUR RIGHTS

Under federal law, you have the right to:

- Send us a written request to see or get a copy of certain PHI or ask that we correct your PHI that you believe is missing or incorrect. If someone else (such as your doctor) gave us the PHI, we will let you know so you can ask them to correct it.
- Send us a written request to ask us not to use your PHI for treatment, payment or health care operations activities. We are not required to agree to these requests. We will send you a written response.
- Give us a verbal or written request to ask us to send your PHI using other means that are reasonable. Also let us know if you want us to send your PHI to an address other than your home if sending it to your home could place you in danger.
- Request that we amend Your PHI maintained in our enrollment, payment, claims adjudication and case or medical management records or other records used, in whole or in part, by or for us to make decisions about you. We will comply with

your request unless special circumstances apply. If your physician or other healthcare provider created the information that you desire to amend, you should contact the provider to amend the information.

- Send us a written request to ask us for a list of certain disclosures of your PHI.

Call Customer Service at the phone number printed on your identification (ID) card to use any of these rights. They can give you the address to send the request. They can also give you any forms we have that may help you with this process.

If any breach of security relating to Your PHI should occur, you have the right to receive notification. We will abide by breach notification requirements under law.

COPIES AND RIGHT TO CHANGE THIS NOTICE

You have the right to get a new copy of this notice at any time. Even if you have agreed to get this notice by electronic means, you still have the right to a paper copy. We reserve the right to change this notice. A revised notice will apply to Protected Information we already have about you as well as any we may get in the future. We are required by law to follow the privacy notice that is in effect at this time. We may tell you about any changes to our notice in a number of ways. We may tell you about

the changes in a member newsletter or post them on our website. We may also mail you a letter to tell you about changes. Also, you may obtain any new notice by contacting the Privacy Office.

PRIVACY OFFICE

For additional information: In addition to any other Privacy Notice we may provide to you, federal law establishes privacy standards for Your PHI and state insurance laws establish privacy standards for Your Protected Information, and federal and state insurance laws require us to provide this summary of our privacy policy annually. You may have additional rights under applicable laws.

COMPLAINTS

If you believe your privacy rights have been violated, you may file a complaint, in writing, to the Memorial Hermann Privacy Office located at 909 Frostwood, Suite 2:205, Houston, Texas 77024, or by calling 1.800.621.4249.

Or you may contact the U.S. Department of Health and Human Services (DHHS), 1301 Young Street, Suite 1169, Dallas, TX 75202, Voice Phone 214.767.4056, FAX 214.767.0432, TDD 214.767.8940. To e-mail the DHHS Secretary or other Department Officials, send your message to hhsmail@os.dhhs.gov.

STATE NOTICE OF PRIVACY PRACTICES

We also follow state laws that are more strict than the federal HIPAA privacy law. This notice explains your rights and our legal duties under state law.

We keep the health and financial information of our current and former members private as required by law, accreditation standards, and our rules. This notice explains your rights. It also explains our legal duties and privacy practices. We are required by state law to give you this notice.

Your Personal Information (PI)

We may collect, use, and share your nonpublic PI as described in this notice. If we use or disclose PI for underwriting purposes, we are prohibited from using or disclosing PI that is genetic information of an individual for such purposes.

PI identifies a person and is often gathered in an insurance matter. Because PI is defined as any Y0110_NPP IA 08/15/2016

information that can be used to make judgments about your health, finances, character, habits, hobbies, reputation, career and credit, we take reasonable safety measures to protect the PI we have about you.

Collection of Personal Information

We may collect PI about you. PI may be about your health. It may also be demographic, such as your name, address, and birth date. It may also be financial, such as your credit card number. In most cases, you are our most important source for this information. We may also collect or check PI by speaking to others, such as your doctor or hospital. We may also contact other insurance companies to whom you have applied. We collect PI about your dealings with us and others acting on our behalf. This includes data about claims, medical history, eligibility, and payment. We may collect this PI by

letter, telephone, personal contact, or electronic request.

Sharing Personal Information

Your PI is used to manage your coverage well. We do not share the PI of current or former members with others unless you tell us that it is OK for us to do so. We will only share PI without your OK when allowed by law. Here are some samples of when we may give PI to others:

- To third parties that do services for us. They must agree to protect your PI as required by law.
- To third parties so they can give us PI to determine eligibility for benefits. Or to spot or put a stop to criminal action, fraud, or misrepresentation.
- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to spot or put a stop to criminal action, fraud, or misrepresentation.
- To our agents and brokers, other insurance companies, self-insured groups, or insurance support groups as needed to give you the right service or to carry out an insurance matter that has to do with you or a covered member of your family. For example, we may share PI with another insurance company to help manage insurance benefits. In some states, the person who gets the information is not allowed to share it with others without your OK unless you are told about it ahead of time and are given a chance to find out if your PI was shared.
- To a doctor, hospital or other medical provider to confirm coverage or benefits. To tell you about a medical problem that you may not be aware of. To carry out an operational or service audit.
- To insurance regulatory agencies.
- In response to a court order. This includes a search warrant or subpoena.
- To law enforcement or governmental authority to protect ourselves against an act of fraud, or if we reasonably believe that illegal activities have taken place.
- To industry and professional groups who carry out actuarial and research studies. Normally, the results of such studies benefit our members and the general public. That is why we would share

data for that type of purpose. Only the minimum necessary PI will be shared with others for actuarial and research purposes. If it is shared, you will not be identified in any report that results from the research. All PI given to researchers is treated in a private manner.

- To your group health plan if reasonably needed to report claims experience or carry out an audit of our services. In some states, we are only allowed to give information on a group level (no PI) for these reasons.
- To a peer review group for review of the service or conduct of a doctor, hospital, or other medical provider.
- To a policyholder to give them information on the status of an insurance matter.
- To the government to decide your eligibility for health benefits if the government may be held responsible.
- To state governments to protect the public health and welfare. But, only as needed to allow them to perform their duties when reporting is required or allowed by law.
- To an affiliate when it has to do with an audit of our company, or for marketing an insurance product or service. The affiliate must agree not to share the PI for any other reason or to those who are not affiliated. In Texas, we are required to get your OK in writing before we share any PI for these reasons.
- To a party to a sale, merger, or consolidation of all or part of our business. We can only share the PI reasonably needed to allow the person getting it to make business choices about the purchase. The person who gets the PI agrees not to share it with others unless allowed by state law.
- To a person who we know has a legal or beneficial interest in an insurance policy. No medical record information is shared unless allowed by state law. Only PI reasonably needed to allow such person to protect his or her interests in such policy is shared.
- To a non-affiliated party to market a product or service. In these cases, information that has to do with your medical records, character, habits, mode of living or reputation, is not shared. The non-affiliated party will use the limited information to market the product or service. We will only share your information in this way if we gave you the chance to opt-out (see below). In Texas, and

under HIPAA, we may only share your PI with third parties for marketing reasons if we get an OK in writing from you.

- As otherwise allowed or required by law.

Information obtained from a report prepared by an insurance support group may be kept by the group and made known to other persons. These groups are companies that routinely take part in gathering data about persons just to give the data to an insurance company.

Opt-out Opportunity

If we take part in an activity that would require us to give you a chance to opt-out, we will contact you. We will tell you how you can let us know that you do not want us to use or share your PI for that activity.

Your Rights

Under state law, you have a number of rights that have to do with your PI.

Access

You may ask for access to certain recorded PI that we reasonably locate and get for you.

Amendment

You may ask us to correct, change, or delete recorded PI we have if you think it is wrong. To ask for access or to change your PI, call Customer Service at the phone number printed on your ID card. They can give you the address to send the request. They can also give you any forms we have that may help you with this process. We will need your full name, address, date of birth, all ID numbers and details about what PI you want to access or change.

How we protect information

We are dedicated to protecting your PI. We set up a number of policies and practices to help make sure this PI is kept secure.

We keep your oral, written, and electronic PI safe using physical, electronic, and procedural safeguards as required by federal and Texas laws. Also, where required by law, our affiliates and non-affiliates must protect the privacy of data we share in the normal course of business. They are not allowed to give PI to others without your written OK, except as allowed by law.

Complaints

If you think we have not protected your privacy, you can file a complaint with us. We will not take action against you for filing a complaint.

Contact Information

Please call Customer Service at the phone number printed on your ID card. They can help you apply your rights, file a complaint, or talk with you about privacy issues.

Copies and Changes

You have the right to get a new copy of this notice at any time. Even if you have agreed to get this notice by electronic means, you still have the right to a paper copy. We reserve the right to change this notice. A revised notice will apply to PI we already have about you as well as any we may get in the future. We are required by law to follow the privacy notice that is in effect at this time. We may tell you about any changes to our notice in a number of ways. We may tell you about the changes in a member newsletter or post them on our website. We may also mail you a letter to tell you about changes.

Si necesita ayuda en español para entender este documento, puede solicitarla sin costo adicional, llamando al número de servicio al cliente que aparece al dorso de su tarjeta de identificación o en el folleto de inscripción.

This Notice is provided by the following companies:

Memorial Hermann Health Plan
929 Gessner, Suite 1500
Houston, TX 77024