



HEALTH CARE FLEXIBLE SPENDING ACCOUNT

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.

Effective as of January 1, 2011.

The Plan's Responsibilities

We understand that information about you and your health is personal. This Notice will describe your rights and certain obligations the Health Care Flexible Spending Account ("FSA" or "Plan") has regarding the use and disclosure of your health information. This Notice applies to all records of medical expenses submitted and/or reimbursed under the Plan.

It is the Plan's responsibility to safeguard your health information. The Plan is required by state and federal law to maintain the privacy of your health information. The Plan must also give you this Notice of its legal duties and its privacy practices, and it must follow the terms of the Notice that is currently in effect.

The Plan reserves the right to change this Notice and to make the new provisions effective for all health information it maintains as well as any health information it receives in the future. The Plan will post a copy of the current Notice at the Office of Human Resources, and it will also be available on the Plan's website at <http://www.udel.edu/hr>.

For purposes of this Notice, the term "PHI" means "Protected Health Information". Protected Health Information, or PHI, includes all individually identifiable health information transmitted or maintained by the Plan, without regard to what form (oral, written or electronic) it may be. The only PHI used or disclosed by a Plan is that PHI provided by you.

Permitted Uses and Disclosures

The following categories describe different ways that the Plan may use and disclose your PHI. The Plan has not listed every use or disclosure within the categories, but describes some of the types of uses and disclosures it may make. It, however, is the policy of the Plan to limit the disclosure of PHI to those few situations where, in the Plan's discretion, it is necessary.

Payment – The Plan may, although it rarely does, use and disclose your PHI to others in order to determine the proper reimbursement owed to you.

Health Care Operations – Although it is unlikely, the Plan may use and disclose PHI about you for general administrative and business functions ("health care operations"). For example, your PHI may be disclosed to an auditor who audits the Plan.

The University as Plan Sponsor – The Plan may disclose PHI to the University (the sponsor of the Plan) for plan administration functions such as claims processing and auditing where the University, as it has done or will do, amends its plan documents to protect your PHI consistent with federal law. For example, your PHI may be disclosed to the benefits employees of the Office of Human Resources for the purpose of processing a claim for reimbursement.

At no time, however, will the Plan disclose PHI to the University for employment-related actions or decisions unless otherwise authorized by you.

In addition, the Plan may disclose "summary health information" to the University for modifying, amending or terminating the Plan. Summary health information is information that summarizes the claims history, claims expenses or type of claims experienced by individuals for whom the University has provided health benefits under a health, medical or similar plan, and from which identifying information has been deleted. This material will be provided in a manner that is consistent with federal law. Finally, the Plan may disclose to the University information on whether you are participating in the Plan.

Business Associates – There are some services the Plan provides through contracts with business associates. For example, the Plan may hire an outside auditor to audit the Plan. To protect your PHI, the Plan requires its business associates to sign written agreements which state that the Business Associate will protect the privacy of your PHI. To the extent a Business Associate engages an agent or subcontractor, Business Associate will contractually require the agent or subcontractor to safeguard your PHI and otherwise comply with HIPAA as though it were Business Associate.

As Required by Law – Your PHI must be disclosed as required by law. For instance, the Plan must use and disclose PHI in response to a subpoena issued by a court with proper legal authority.

Authorization – In all situations other than those described above, the Plan can ask for your written authorization (on forms provided by a Privacy Official) before using or disclosing PHI about you, even when you are requesting the disclosure to a third party. You may always refuse to sign an authorization. Please be aware that once your PHI has been disclosed, the Plan has no control over any re-disclosure by the recipient. You may always revoke an authorization in writing. Except to the extent that the PHI has already been used or disclosed, the Plan will abide by your request to revoke your authorization. Certain uses and disclosures of PHI require authorization such as those relating to the marketing and/or selling of PHI.

Minimum Necessary

Except when providing PHI to you, the Secretary of Health and Human Services, anyone authorized by you or anyone authorized by law, in those limited situations of using, disclosing or requesting your PHI, the Plan will make reasonable efforts

to limit the disclosure or use of PHI to the “minimum necessary” (within the meaning of HIPAA and the Health Information Technology for Economic and Clinical Health Act, or “HITECH”) for the intended use, disclosure or request.

Your Health Information Rights

The following describes your rights concerning your PHI. You may contact the Plan using the information at the end of this Notice to exercise your rights, obtain the forms described here, get an explanation on how to submit a request, or receive other additional information.

Right to Access Your PHI - You have the right to inspect and get copies of or receive a summary of certain portions of your health record. You must make a request in writing, and may obtain a request form from the Plan. You may be charged a fee for the costs of copying, mailing, or other supplies associated with your request. Under limited circumstances, the Plan can deny you the right to access your medical records.

Right to Amend Your PHI - You have the right, with limited exceptions, to request that the Plan amend your health record. Your request must be in writing, and it must explain why the information should be amended. The Plan may deny the request if your request is not in writing, if it does not provide a reason for the amendment, if your PHI was not created by the Plan or is not part of the information maintained by the Plan, if the amendment pertains to information you are not permitted to copy and inspect under applicable law, or if the information in your medical record is complete and accurate. If the Plan denies your request for an amendment, you may file a statement of disagreement with the Plan, which the Plan has the right to rebut.

Right to an Accounting - You have the right to receive a list of instances since April 14, 2004 in which the Plan disclosed your PHI except for those disclosures exempted by law, for example, those for payment or healthcare operations purposes, and those authorized by you or your representative. Your request must state a time period which may not be longer than six (6) years (you may request a shorter time period) and may not be for disclosures before April 14, 2004. If you request this accounting more than once in a 12 month period, the Plan may charge a reasonable fee for responding to these additional requests.

Right to Request Restrictions - You have the right to request that the Plan place additional restrictions on the situations when it can use or disclose your PHI. The Plan is not required to agree to these restrictions, but if it does, the Plan will abide by the agreement (except in an emergency). However, the Plan may not refuse a request to restrict the disclosure of PHI to health plans where the individual pays in full out of pocket for the services to which that information relates. You must make your request in writing. Any agreement the Plan may make to your request for additional restrictions must be in writing signed by a person authorized to make such an agreement on behalf of the Plan. The Plan will not be bound unless the agreement is in writing.

Right to Confidential Communications - You have the right to request that the Plan communicate with you about your PHI by alternative means or at alternative locations if you clearly state that the disclosure of all or part of the PHI could endanger you. You do not have to explain the basis for your request. You must make this request in writing and specify how or where you wish to be contacted and the Plan will accommodate all reasonable requests.

Right to Opt-Out of Receiving Certain Information. You have the right to opt-out of receiving certain types of communications from the Plan including marketing, fundraising, and treatment related communications.

Right to Notice of any Breach. If your unsecured PHI has been breached, the Plan is required to notify you of such breach.

Right to a Paper Copy – You have the right to obtain a paper copy of this Notice of privacy practices upon request. Please let the Plan know by contacting its Privacy Officer and you will be provided with a paper copy.

For More Information or to Report a Problem

If you would like more information about the privacy practices of the Plan or if you have questions or concerns, please contact the Plan’s Privacy Officer, M. Christine Ulrich, Office of Human Resources, 413 Academy Street, Newark, DE 19716 or phone: 302-831-2171.

If you believe your privacy rights have been violated, you also have the right to file a complaint with the Plan’s Privacy Officer, M. Christine Ulrich, Office of Human Resources, 413 Academy Street, Newark, DE 19716, telephone 302/831-2171. All complaints must be in writing and should be marked “*Confidential*” on the outside of the envelope. You will not be penalized in any way for making a complaint. You may also submit a written complaint to the U.S. Department of Health and Human Services.

No Guarantee of Employment

Nothing contained in this Notice shall be construed as a contract of employment between the University and any employee, nor as a right of any employee to be continued in the employment of the University, nor as a limitation of the right of the University to discharge any of its employees, with or without cause.

No Change to the Plan

Except for the privacy rights described in this Notice, nothing contained in this Notice shall be read in a way that results in a change to any rights or obligations you may have under the Plan. You should refer to the applicable Plan documents for complete information regarding any rights or obligations you may have under the Plan.

Prepared: November 15, 2010