

HM INSURANCE GROUP

Notice of Privacy Practices (HIPAA)

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.

Our Legal Duty

At HM Insurance Group and its subsidiaries (referred to as HM Insurance Group), we are committed to protecting the privacy of your protected health information. We are required by applicable federal and state laws to maintain the privacy of your protected health information. "Protected health information" is your individually identifiable health information, including demographic information, collected from you or created or received by a health care provider, a health plan, your employer, or a health care clearinghouse that relates to: (1) your past, present, or future physical or mental health or condition; (2) the provision of health care to you; or (3) the past, present, or future payment for the provision of health care to you.

We are required to give you this Notice about our privacy practices, which describes how we may use, disclose, collect, handle, and protect our members' protected health information; our legal duties; and your rights concerning your protected health information. We are required to maintain the privacy of your protected health information and inform you of your right to be notified following a breach of your unsecured protected health information. We must follow the privacy practices that are described in this Notice while it is in effect. This Notice is effective as of 9/23/2013, and will remain in effect unless we replace it.

On an ongoing basis, we will review and monitor our privacy practices to ensure the privacy of our members' protected health information. Due to changing circumstances, it may become necessary to revise our privacy practices and the terms of this Notice. We reserve the right to make the changes in our privacy practices and the new terms of our Notice will become effective for all protected health information that we maintain, including protected health information we created or received before we made the changes. If we make a material change in our privacy practices, we will revise this Notice and notify all affected members in advance of the change. Changes to this Notice will be posted on our website and we will provide you with either the revised Notice or information about the changes and how to obtain a revised Notice.

You may request a copy of our Notice at any time. For more information about our privacy practices, or for additional copies of this Notice, please contact us using the information listed at the end of this Notice.

Uses and Disclosures of Protected Health Information

In order to administer your benefit programs effectively, we collect, use and disclose protected health information for certain of our activities, including payment and health care operations. The following is a description of how we may use and/or disclose protected health information about you for payment and health care operations.

Payment and Health Care Operations: We may use and disclose your protected health information to pay claims for services provided to you by providers covered by your plan to: determine your eligibility for benefits, coordinate benefits, examine medical necessity, obtain premiums and/or issue explanations of benefits. We may use and disclose your protected health information to: conduct quality assessment and improvement activities, engage in care coordination or case management, manage our business and rate our risk and determine the premium for your health plan. However, we may not use or disclose your protected health information that is genetic information for underwriting purposes. We may use and/or disclose your protected health information for all activities that are included within the definition of "payment" and "health care operations," but we have not listed all of the activities in this notice so please refer to 45 C.F.R. § 164.501 for a complete list.

Business Associates: In connection with our payment and health care operations activities, we contract with individuals and entities (called "business associates") to perform various functions on our behalf, or to provide certain types of services (such as member service support, utilization management or subroga-

tion). To perform these functions or to provide the services, business associates will receive, create, maintain, use, or disclose protected health information, but only after we require the business associates to agree in writing to contract terms designed to appropriately safeguard your information.

Other Covered Entities: In addition, we may use or disclose your protected health information to assist health care providers in connection with their treatment or payment activities, or to assist other covered entities in connection with certain of their health care operations. For example, we may disclose your protected health information to a health care provider when needed by the provider to render treatment to you, and we may disclose protected health information to another covered entity to conduct health care operations in the areas of quality assurance and improvement activities, or accreditation, certification, licensing or credentialing.

Other Possible Uses and Disclosures of Protected Health Information

In addition to uses and disclosures for payment and health care operations, we may use and/or disclose your protected health information for the following purposes.

To Plan Sponsors: We may disclose your protected health information to the plan sponsor of your group health plan to permit the plan sponsor to perform plan administration functions. We may also disclose summary health information to the plan sponsor to obtain premium bids for the health insurance coverage offered through your group health plan, or to decide whether to modify, amend or terminate your group health plan. Please see your plan documents for a full explanation of the limited uses and disclosures that the plan sponsor may make of your protected health information in providing plan administration functions for your group plan

Benefits and Services: We may use your protected health information to contact you with information about health-related benefits and services, or about treatment alternatives that may be of interest to you. We may disclose your protected health information to a business associate to assist us in these activities.

Others Involved in Your Health Care: Unless you object, we may disclose your protected health information to a friend or family member who is involved in your health care or to someone who helps pay for your care. We may also disclose your information to an entity assisting in a disaster relief effort so that your family can be notified about your condition, status or location.

Research, Death: We may use or disclose your protected health information for research purposes in limited circumstances. We may disclose the protected health information of a deceased person to a coroner, medical examiner or funeral director.

Public Health and Safety: We may disclose your protected health information to the extent necessary to avert a serious and imminent threat to your health or safety or the health or safety of others. We may disclose your protected health information to a government agency authorized to oversee the healthcare system or government programs or its contractors, and to public health authorities for public health purposes. We may disclose your protected health information to appropriate authorities if we reasonably believe that you are a possible victim of abuse, neglect, domestic violence or other crimes.

Required by Law: We may use or disclose your protected health information to the extent that federal or state law requires the use or disclosure. For example, we must disclose your protected health information to the U.S. Department of Health and Human Services upon request for purposes of determining whether we are in compliance with federal privacy laws.

Legal Proceedings and Enforcement: We may disclose your protected health information in response to a court or administrative proceeding or order, subpoena, discovery request, or other lawful process, under certain circumstances.

es. Under limited circumstances, we may disclose your protected health information to law enforcement official to locate or identify a suspect, fugitive, material witness, crime victim or missing person.

Inmates: If you are an inmate of a correctional institution, we may disclose your protected health information to the correctional institution or to a law enforcement official to provide health care to you, for your health and safety and the health and safety of others, or for the safety and security of the correctional institution.

Military and National Security: We may disclose to Military authorities the protected health information of Armed Forces personnel under certain circumstances. We may disclose to authorized federal officials protected health information required for lawful intelligence, counterintelligence, and other national security activities.

Health Oversight Activities: We may disclose your protected health information to a health oversight agency for audits, investigations, inspections, licensure or disciplinary actions, or civil, administrative, or criminal proceedings or actions. Oversight agencies include government agencies that oversee the health care system, government benefit programs, other government regulatory programs, and compliance with civil rights laws.

Workers' Compensation: We may disclose your protected health information to comply with workers' compensation laws and other similar programs that provide benefits for work-related injuries or illnesses.

To You and on Your Authorization: We must disclose your protected health information to you, as described in the Individual Rights section of this Notice below. You may give us written permission to use your protected health information or to disclose it to anyone for any purpose. We may use or disclose to a business associate or to an institutionally related foundation, your protected health information for the purpose of raising funds on our behalf. With each fundraising communication we will provide you with the opportunity to elect not to receive any further fundraising communications. Uses and disclosures of psychotherapy notes, uses and disclosures for marketing purposes, disclosures that constitute a sale of protected health information and other uses and disclosures not described within this Notice will only be made with your written authorization. If you give us authorization, you may change your mind at any time. Your decision to revoke your prior authorization will not affect any use or disclosures made while it was in effect.

Individual Rights

Access: You have the right to inspect and copy protected health information about you in a designated record set that may be used to make decisions about your care. However, you may not inspect or copy psychotherapy notes or certain other information that may be contained in a designated record set. To inspect and copy protected health information, you must submit your request in writing to the Privacy Office. You may request that we provide copies in a format other than paper. We will use the format you request unless we cannot practically do so. We may charge a fee for the costs of copying, mailing or other costs associated with your request. We may deny your request to inspect and copy in certain limited circumstances. If your request is denied, you may request a review of that decision. Under certain conditions, our denial will not be reviewable and we will inform you of that with our decision. The healthcare professional conducting the review will not be the person who denied your initial request. We will comply with the outcome of the review.

Accounting: You have the right to receive a list of instances in which we disclosed your protected health information for purposes other than treatment, payment, health care operations and certain other activities. Your request may be for disclosures made up to 6 years before the date of your request. We will provide you with the date on which we made the disclosure, the name of the person or entity to which we disclosed your protected health information, a description of the protected health information we disclosed, the reason for the disclosure, and certain other information. The first list you request will be free. If you request this list more than once in a 12-month period, we may charge you a reasonable, cost-based fee for responding to these additional requests. Contact the Privacy Office for information on these fees.

Restriction: You have the right to request a restriction on the protected health information we use or disclose about you for treatment, payment or health care operations. We are not required to agree to restrictions. If we do, we will

follow our agreement unless the information is needed to provide emergency treatment to you. Any request for restrictions must be in writing and must tell us: (1) what information you want to limit; (2) whether you want to limit our use, disclosure or both; and (3) to whom you want the limits to apply, for example, disclosures to your spouse. We will notify you if we end our agreement with you to restrict your protected health information.

Confidential Communications: If you believe that a disclosure of all or part of your protected health information may endanger you, you have the right to request that we communicate with you in confidence about your protected health information by alternative means or to an alternative location. For example, you may ask that we contact you only at your work address or via your work e-mail. Your request must be in writing and must state that the information could endanger you if it is not communicated in confidence by the alternative means or location you want. We must accommodate your request if it is reasonable, specifies the alternative means or location, and continues to permit us to collect premiums and pay claims under your health plan, including issuance of explanations of benefits.

Amendment: If you believe that your protected health information is incorrect or incomplete, you have the right to request that we amend your protected health information. Your request must be in writing, and it must explain why the information should be amended. We may deny your request if we did not create the information you want amended or for certain other reasons. If we deny your request, we will provide you a written explanation. You may submit in writing a statement disagreeing with the denial, which we will add to the information you wanted to amend. If we accept your request, we will make reasonable efforts to inform others, including people you name, of the amendment and to include the changes in any future disclosures of that information.

Paper Copy of This Notice: You have the right to a paper copy of this Notice, and you may ask us to give you a copy of this Notice at any time. You may obtain an electronic copy of this Notice on our website.

Questions and Complaints

If you want more information about our privacy practices or have questions or concerns, please contact us using the information listed below.

If you are concerned that we may have violated your privacy rights or you disagree with: (1) a decision we made about access to your protected health information, (2) our response to a request you made to amend or restrict the use or disclosure of your protected health information, or (3) our response to your request to have us communicate with you in confidence by alternative means or at an alternative location, you may complain to us using the contact information listed below. You also may submit a written complaint to the U.S. Department of Health and Human Services. We will provide you with the address to file your complaint with the U.S. Department of Health and Human Services upon request.

We support your right to protect the privacy of your protected health information. We will not retaliate in any way if you choose to file a complaint with us or with the U.S. Department of Health and Human Services.

Contact Office: HM Insurance Group Privacy Office

Telephone: (866) 215-2352 (toll free)

Fax: (717) 302-4203

Address: 120 Fifth Avenue
Pittsburgh, PA 15222

Web Site: www.hminsurancgroup.com

HM Insurance Group and Subsidiaries

HM Life Insurance Company

HM Life Insurance Company of New York