

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.

IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, PLEASE CONTACT OUR PRIVACY OFFICER. (See the last page of this notice for information on who to contact.)

Pekin Life Insurance Company is required by law to maintain the privacy of your health information and to provide you with notice of our legal duties and privacy practices with respect to your health information. If you have any questions about this notice or if you want more information about our privacy practices, please contact our Privacy Officer listed on the last page of this document.

Our Pledge Regarding Medical Information

In the course of conducting our business, we collect Protected Health Information (PHI). Protected Health Information is information, including demographic information, that may identify you and that relates to health care services provided to you; the payment for health care services you are receiving or have received; or your physical or mental health or condition, in the past, present or future. We are committed to protecting this medical information about you.

This notice will tell you about the ways in which we may use and disclose medical information about you. It also describes our obligations and your rights regarding the use and disclosure of medical information. We will follow the terms of the notice that is currently in effect in protecting your medical information.

How We May Use and Disclose Medical Information About You

We are allowed to use and disclose PHI for the purposes of treatment, payment and health care operations, without your consent or authorization. Examples of use and disclosure that we make under each category are listed below. Not every use or disclosure in a category will be listed.

- **For Treatment.** "Treatment" means the provision, coordination, or management of health care and related services by one or more health care providers, including coordination of care with a third party. We may use or disclose PHI about you to facilitate medical treatment or services by providers. We may disclose medical information about you to providers, including hospitals, doctors, nurses, home health care agencies, durable medical equipment vendors or other similar entities. For example, we might inform a durable medical equipment vendor about items you might need to treat an illness or injury.
- **For Payment.** "Payment" means an activity undertaken by a health plan to obtain premiums or to determine or fulfill its responsibility for provision of benefits under the health plan; or to obtain or provide reimbursement for health care. We may use or disclose PHI for payment purposes. Examples of how we may use and disclose PHI are:
 - in the billing, collection and payment of premiums; and in payment of fees to vendors such as PPO Networks, Utilization Review Companies, Prescription Drug Card Companies, and Reinsurance carriers;
 - in repricing PPO claims, or obtaining other discounts on claims;
 - when sending PHI to an external medical review company to determine the medical necessity or experimental status of a treatment;
 - in sharing PHI with other insurers to determine coordination of benefits or settle subrogation claims;
 - in providing PHI to the plan's Utilization Review Company for precertification or to a case management company for case management services;

- in sending PHI to a reinsurance carrier to obtain reimbursement of claims paid;
 - in determining eligibility for benefits, and facilitating payment for the treatment and service you receive from health care providers;
 - in creating, printing, and handling letters, explanations of benefits, and claim checks; and in mailing these forms to the insured employee, or individual insured policyholder.
- **For Health Care Operations.** "Health care operations" refers to activities compatible with and directly related to treatment or payment. We may use and disclose PHI for other health care operations necessary to conduct our business. For example, we may use or disclose PHI:
 - to conduct quality assessment and improvement activities;
 - for underwriting, premium rating, and other activities relating to policy coverage, such as replacing a contract of health insurance or determining the cost impact of benefit design changes;
 - for conducting or arranging consulting services such as medical review, legal services, audit services, accounting services, and actuarial services; and in fraud and abuse detection programs;
 - for business planning and development such as cost management or new vendor selection;
 - for general data analysis in the long term management and planning for our insureds and the Company;
 - to state or federal government or insurance regulating bodies.
- **Other Uses and Disclosures Allowed Without Authorization.** We are allowed to use and disclose PHI, without your consent or authorization, as follows:
 - to You, as the covered individual;
 - to a personal representative designated by you to receive PHI, or a personal representative designated by law such as the parent or legal guardian of a child, or the surviving family members or representatives of the estate of a deceased individual;
 - we will send all mail to the primary insured. This includes mail relating to the insured's spouse and other family members who are covered by the plan, and includes mail with information on the use of plan benefits by the insured's spouse and other family members and information on the denial of any plan benefits to the insured's spouse and other family members.
 - as required by law;
 - to the Secretary of Health and Human Services (HHS) or any employee of HHS or other government agency as part of an investigation to determine our compliance with the HIPAA privacy rules;
 - to a Business Associate as part of a contracted agreement to perform services for Our Company;
 - to a health oversight agency during the course of audits, investigations, inspections, licensures and other proceedings;
 - as required by law to public health authorities for purposes related to: preventing or controlling disease, injury or disability; reporting child abuse or neglect; reporting domestic violence; reporting to the Food and Drug Administration problems with products and reactions to medications; and reporting disease or infection exposure;
 - in the course of any administrative or judicial proceeding; or to a law enforcement official for purposes such as identifying or locating a suspect, fugitive, material witness or missing person, or complying with a court order or subpoena; and other law enforcement purposes;
 - to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law;

- to coroners, medical examiners, funeral directors; to organizations involved in procuring, banking or transplanting organs and tissues;
- to appropriate persons in order to prevent or lessen a serious and imminent threat to the health or safety of a particular person or the general public;
- to comply with workers' compensation laws.
- **Special Situations.**
 - We may also use or disclose PHI to:
 - provide you with treatment alternatives or other health-related benefits that may be of interest to you;
 - to researchers when the individual identifiers have been removed; or when an institutional review board or privacy board has reviewed the research proposal and established protocols to ensure the privacy of the requested information, and approved the research;
 - to military command authorities if you are a member of the armed forces or a veteran;
 - to a correctional institution of law enforcement official if you are an inmate in a correctional institution or in the custody of the law enforcement official, and the use or disclosure is necessary (1) for the institution to provide you with health care; (2) to protect your health and safety or the health safety of others; or (3) for the safety and security of the correctional institution.
 - certain employees of an Employer who sponsors a group health plan administration functions, including claim payments under that plan. Your PHI cannot be used for employment purposes without your specific authorization.
- **Other Uses and Disclosures.** Other uses and disclosures of your PHI will only be made upon receiving your written authorization. If you do authorize Pekin Life Insurance Company to use or disclose your health information for another purpose, you may revoke your authorization in writing at any time.

Your Rights in Relation to Protected Health Information

- **Right to Request Restrictions on Uses and Disclosures.** You have the right to request a restriction or limitation on the PHI we use or disclose about you for treatment, payment, or health care operations. You also have the right to request a limit on the medical information we disclose about you to someone who is involved in your care or the payment for your care, like a family member or friend.

We are not required to agree to your request.

To request restrictions, you must make your request in writing to the address listed on the last page of this notice. In your request, you 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.

- **Right to Request Confidential Communications.** You have the right to request that we communicate with you about medical matters in a certain way or at a certain location.

To request confidential communications, you must make your request in writing to the address listed on the last page of this notice. We will not ask you the reason for your request. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

- **Right to be Notified of a Breach.** You have the right to be notified in the event that we, or a Business Associate, determine that a notifiable breach of unsecured protected health information has occurred, in accordance with law.

- **Right to Inspect and Copy.** You have the right to inspect and copy certain PHI that may be used to make decisions about your health care benefits. Federal law does prohibit you from having access to the following records: psychotherapy notes, information compiled in reasonable anticipation of, or for use in a civil, criminal or administrative action or proceeding; and PHI that is subject to a law that prohibits access to that information.

To inspect and copy your PHI, you must submit a request in writing to the address listed on the last page of this notice. If you request a copy of the information, we may charge a fee for the costs of copying, mailing or other supplies associated with your request.

We may deny your request to inspect and copy certain very limited circumstances. If you are denied access to medical information, you may request that the denial be reviewed by submitting a written request to the address listed on the last page of this notice.

- **Right to Amend Protected Health Information.** If you feel that medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by or for us.

To request an amendment, your request must be made in writing and sent to the address listed on the last page of this notice. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- is not part of the medical information kept by or for us;
- was not created by us, unless the person or entity that created the information is no longer available to make the amendment;
- is not part of the information which you would be permitted to inspect and copy; or
- is accurate and complete.

If we deny your request, you have the right to file a statement of disagreement with us and any future disclosures of the disputed information will include your statement.

- **Right to an Accounting of Disclosures.** You have the right to request an "accounting of disclosures" of your PHI. The accounting will not include (1) disclosures for purposes of treatment, payment, or health care operations; (2) disclosures made to you; (3) disclosures made pursuant to your authorization; (4) disclosures made to friends or family in your presence because of an emergency; (5) disclosures for national security purposes; and (6) disclosures incidental to otherwise permissible disclosures.

To request this list or accounting of disclosures, you must submit your request in writing to the address listed on the last page of this notice. Your request must state a time period which may not be longer than six years. Your request should indicate in what form you want the list (for example, paper or electronic). The first list you request during a 12 month period will be free. For additional lists, we may charge you for the costs of providing the list. We will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

- **Right to a Paper Copy of This Notice.** You have the right to a paper copy of this notice. You may ask us to give you a copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to a paper copy of this notice.

You may obtain a copy of this notice at our website, www.pekininsurance.com

To obtain a paper copy of this notice, contact the Privacy Officer at 800/322-0160.

Changes to This Notice

We reserve the right to change the terms of this notice and to make new provisions regarding your PHI that we maintain, as allowed or required by law. We reserve the right to make the revised or changed notice effective for medical information we already have about you as well as any information we receive in the future. Within 60 days of a material change to the notice, we will mail a copy of our revised Notice of Privacy Practices so individuals then covered by the plan, at their last known address on file. A copy the current notice will also be posted on our website.

Complaints

Complaints about this Notice of Privacy Practices or how Pekin Life Insurance Company handles your health information should be directed to the Privacy Officer.

Diane Steiner, Vice President - Life Underwriting
Pekin Life Insurance Company
2505 Court Street
Pekin, IL 61558
800/322-0160

All complaints must be submitted in writing. You will not be penalized, or in any other way retaliated against for filing a complaint.

If you are not satisfied with the manner in which we handle a complaint, you may submit a formal complaint to the Office for Civil Rights of the United States Department of Health and Human Services.