

## Plan Amendment

Jefferson County Board of Education (“Employer”) sponsors a group dental plan known as the **Direct Reimbursement Benefit Plan** (the “Plan”) for the benefit of its eligible employees and their dependents.

Certain members of the Employer’s workforce perform services in connection with administration of the Plan. In order to perform these services, it is necessary for these employees from time to time to have access to Protected Health Information (as defined below).

Under the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the “Privacy Standards”), these employees are permitted to have such access only if the Plan is amended in accordance with the Privacy Standards.

Therefore, the Plan is amended, effective **October 1, 2003**, as follows:

- 1.1 General. The Plan shall not disclose Protected Health Information to any member of Employer’s workforce unless each of the conditions set out in this Amendment are met. “Protected Health Information” shall have the same definition as set out in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- 1.2 Permitted Uses and Disclosures. Protected Health Information disclosed to members of Employer’s workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan’s administrative functions shall include all Plan payment functions and health care operations. The terms “payment” and “health care operations” shall have the same definitions as set out in the Privacy Standards, but the term “payment” generally shall mean activities taken with respect to payment of premiums or contributions, or to determine or fulfill Plan responsibilities with respect to coverage, provision of benefits, or reimbursement for health care. “Health care operations” generally shall mean activities on behalf of the Plan that are related to quality assessment; evaluation, training or accreditation of health care providers; underwriting, premium rating and other functions related to obtaining or renewing an insurance contract, including stop loss insurance; medical review; legal services or auditing functions; or business planning, management and general administrative activities.
- 1.3 Authorized Employees. The Plan shall disclose Protected Health Information only to members of the Employer’s workforce who are designated on Schedule I hereto and are authorized to receive such

Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. For purposes of this Amendment, “members of the Employer’s workforce” shall refer to all employees and other persons under the control of the Employer.

- a. Updates Required. The Employer shall amend Schedule I promptly with respect to any changes in the members of its workforce who are authorized to receive Protected Health Information.
- b. Use And Disclosure Restricted. An authorized member of the Employer’s workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.
- c. Resolution of issues of noncompliance. In the event that any member of the Employer’s workforce uses or discloses Protected Health Information other than as permitted by this Amendment and the Privacy Standards, the incident shall be reported to the Plan’s privacy officer. The privacy officer shall take appropriate action, including:
  - (1) Investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
  - (2) Appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
  - (3) Mitigation of any harm caused by the breach, to the extent practicable; and
  - (4) Documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

1.4 Certification of Employer. The Employer must provide certification to the Plan that it agrees to:

- a. Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;
- b. Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
- c. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

- d. Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Amendment, or required by law;
- e. Make available Protected Health Information to individual Plan members in accordance with § 164.524 of the Privacy Standards;
- f. Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with § 164.526 of the Privacy Standards;
- g. Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with § 164.528 of the Privacy Standards;
- h. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- i. If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- j. Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by § 164.504(f)(2)(iii) of the Privacy Standards and set out in Section 1.3 hereof.

All other provisions of this Plan remain unchanged.