



HIPAA Privacy Notice

NUSCO Flexible Benefits Plan, Retiree Health Plan and Med-Vantage Plan
2010 Plan Year

Enclosed is a Privacy Notice Regarding Protected Health Information (PHI). Northeast Utilities Service Company (NUSCO) is required to send this to you because you are eligible to participate in one or more of the following NUSCO-sponsored programs: the Flexible Benefits Plan, the Med-Vantage Plan, and/or the Retiree Health Plan. You may have received similar Privacy Notices from your doctors, dentists, and other health care providers.

In addition to providing you with the Privacy Notice, the Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulation which was effective April 14, 2003, requires us to protect the privacy of your individually identifiable personal health information (PHI).

The NUSCO HR Service Center, which handles limited PHI regarding your elected medical coverage options, will provide you with information regarding the following:

- Your and your dependents' eligibility for coverage under the programs
- Cost information about the programs and billing information (payroll and pension deductions, COBRA bills)
- Enrollment information
- Qualifying status changes, such as a change in your marital status or the addition or deletion of dependents
- General descriptions of covered benefits.

The Carriers with whom NUSCO contracts to provide services (such as CIGNA, Blue Cross Blue Shield of MA, UMR, United Behavioral Health, WageWorks, Express Scripts, Vision Service Plan, and Delta Dental) will be your primary contact for the following:

- Specific coverage questions
- Answers to your questions regarding claim status and claim denials
- Claim processing and all related activities including appeals.

To meet these standards:

- The HR Service Center and Benefits Section of Human Resources will retain only the minimum required PHI, such as enrollment information and family status change forms.
- Unless you request differently, the HR Service Center and Benefits Section of Human Resources will not request answers to your claim questions from the Carriers. You should contact the Carriers directly with your claim questions and issues. The Carriers are available to help guide you through the appeals process should you need assistance.

Please note that this Privacy Regulation does not apply to medical information or records used in the course of employment, such as Workers' Compensation, HealthLink, Fitness for Duty, Long-Term Disability and the medical records kept in the Berlin Health Unit.

We diligently ensure the privacy of your PHI and maintain compliance under the Privacy Regulation and other laws protecting the confidentiality of your medical information.

PRIVACY NOTICE REGARDING PROTECTED HEALTH INFORMATION

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.

Background: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires health plans to notify plan participants and beneficiaries about their policies and practices to protect the confidentiality of health information. This document is intended to satisfy HIPAA's notice requirement with respect to all health information created, received, or maintained by the Northeast Utilities Service Company Flexible Benefits Plan, Med-Vantage Plan and Retiree Health Plan (each, a "Plan"), as sponsored by Northeast Utilities Service Company ("NUSCO"). NUSCO and the other companies in the Northeast Utilities System are referred to in this notice as "the Company."

Each Plan needs to create, receive, and maintain records that contain health information about you to administer the Plan and provide you with health care benefits. This notice describes each Plan's health information privacy policy with respect to your and your covered dependents' (collectively, "you" or "your") Medical, Prescription Drug, Mental Health and Substance Abuse, Dental, Vision, Employee Assistance Program, Health Care Flexible Spending Account (FSA), and/or Health Reimbursement Account (Med-Vantage) benefits. The notice tells you the ways the Plans may use and disclose health information about you, and describes your rights and the obligations the Plans have regarding the use and disclosure of your health information. However, it does not address the health information policies or practices of your health care providers.

The Plans' Pledge Regarding Health Information Privacy

The privacy policy and practices of the Plans protect confidential health information that identifies you or could be used to identify you and relates to a physical or mental health condition or the payment of your health care expenses. This individually identifiable health information is known as "protected health information" ("PHI").* Your PHI will not be used or disclosed without a written authorization from you, except as described in this notice or as otherwise permitted or required by federal and state laws.

Privacy Obligations of the Plans

Each Plan is required by law to:

- Make sure that health information that identifies you is kept private;
- Give you this notice of the Plan's legal duties and privacy practices with respect to health information about you; and
- Follow the terms of the notice that is currently in effect.

*Please note that HIPAA does not prevent the Company from keeping or using employment records to the extent required for the conduct of Company business even if those records contain individually identifiable health information. Examples of those would be information required to administer OSHA, the HealthLink program, Fitness for Duty, sick pay, or other employment matters and, in most cases, FMLA.

How the Plans May Use and Disclose Health Information about You

The following are the different ways the Plans may use and disclose your PHI:

- **For Treatment.** The Plans may disclose your PHI to a health care provider who renders treatment on your behalf. For example, if you are unable to provide your medical history as the result of an accident, a Plan may advise an emergency room physician about the types of prescription drugs you currently take.

- **For Payment.** Each Plan may use and disclose your PHI so claims for health care treatment, services, and supplies you receive from health care providers may be paid according to the Plan's terms. For example, a Plan may receive and maintain information about surgery you received to enable the Plan to process a hospital's claim for reimbursement of surgical expenses incurred on your behalf.
- **For Health Care Operations.** Each Plan may use and disclose your PHI to enable it to operate or operate more efficiently or make certain all of the Plan's participants receive their health benefits. For example, the Plan may use your PHI for case management, disease management or to perform population-based studies designed to reduce health care costs. In addition, a Plan may use or disclose your PHI to conduct compliance reviews, audits, actuarial studies, and/or for fraud and abuse detection. A Plan may also combine health information about many Plan participants and disclose it to the Company in summary fashion so it can decide what coverage the Plan should provide. The Plan may remove information that identifies you from health information disclosed to the Company so it may be used without the Company learning who the specific participants are.
- **To the Company.** A Plan may disclose your PHI to designated Company personnel so they can carry out their Plan-related administrative functions, including the uses and disclosures described in this notice. Such disclosures will be made only to the Plan's Administrator ("the Plan Administrator") and/or personnel in NUSCO's HR Service Center or Benefits group. These individuals will protect the privacy of your health information and ensure it is used only as described in this notice or as permitted by law. Unless authorized by you in writing, your PHI: (1) may not be disclosed by the Plans to any other Company employee or department and (2) will not be used by the Company for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by the Company.
- **To a Business Associate.** Certain services are provided to the Plans by third party administrators known as "business associates." For example, the Plans may input information about your health care treatment into an electronic claims processing system maintained by a business associate so your claim may be paid. In so doing, the Plans may disclose your PHI to its business associate so it can perform its claims payment function. However, the Plans will require their business associates, through contract, to appropriately safeguard your PHI.
- **Treatment Alternatives.** The Plans may use and disclose your PHI to tell you about possible treatment options or alternatives that may be of interest to you.
- **Health-Related Benefits and Services.** The Plans may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.
- **Individual Involved in Your Care or Payment of Your Care.** The Plans may disclose PHI to a close friend or family member involved in or who helps pay for your health care. The Plans may also advise a family member or close friend about your condition, your location (for example, that you are in the hospital), or death.
- **As Required by Law.** The Plans will disclose your PHI when required to do so by federal, state, or local law, including those that require the reporting of certain types of wounds or physical injuries.

Special Use and Disclosure Situations

The Plans may also use or disclose your PHI under the following circumstances:

- **Lawsuits and Disputes.** The Plans may disclose your PHI in response to a court or administrative order, a subpoena, warrant, discovery request, or other lawful due process, but only if the request is specific and limited to the extent reasonably practicable.
- **Law Enforcement.** The Plans may use and disclose your PHI if asked to do so by a law enforcement official, for example, to identify or locate a suspect, material witness, or missing person or to report a crime, the crime's location or victims, or the identity, description, or location of the person who committed the crime.
- **Workers' Compensation.** The Plans may use and disclose your PHI to the extent authorized by and to

the extent necessary to comply with workers' compensation laws or other similar programs.

- **Military and Veterans.** If you are or become a member of the U.S. armed forces, the Plans may use and disclose medical information about you as deemed necessary by military command authorities.
- **To Avert Serious Threat to Health or Safety.** The Plans may use and disclose your PHI when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.
- **Public Health Risks.** The Plans may use and disclose your PHI for public health activities. These activities include preventing or controlling disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; or reporting reactions to medication or problems with medical products or to notify people of recalls of products they have been using.
- **Health Oversight Activities.** The Plans may disclose your PHI to a health oversight agency for audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs.
- **Research.** Under certain circumstances, the Plans may use and disclose your PHI for medical research purposes.
- **National Security, Intelligence Activities, and Protective Services.** The Plans may disclose your PHI to authorized federal officials: (1) for intelligence, counterintelligence, and other national security activities authorized by law and (2) to enable them to provide protection to the members of the U.S. government or foreign heads of state, or to conduct special investigations.
- **Organ and Tissue Donation.** If you are an organ donor, the Plans may disclose your PHI to organizations that handle organ procurement or organ, eye, or tissue transplantation or to an organ donation bank to facilitate organ or tissue donation and transplantation.
- **Coroners, Medical Examiners, and Funeral Directors.** The Plans may disclose your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Plans may also disclose your PHI to a funeral director, as necessary, to carry out his/her duty.

Your Rights Regarding Health Information About You

Your rights regarding the health information each Plan maintains about you are as follows:

- **Right to Inspect and Copy.** You have the right to inspect and copy your PHI. This includes information about your plan eligibility, claim and appeal records, and billing records, but does not include psychotherapy notes.

To inspect and copy PHI maintained by the Plans, submit your request in writing to the Privacy Official. The Plans may charge a fee for the cost of copying and/or mailing your request. In limited circumstances, the Plans may deny your request to inspect and copy your PHI. Generally, if you are denied access to PHI, you may request a review of the denial.

- **Right to Amend.** If you feel that PHI the Plans have about you is inaccurate or incomplete, you may ask the Plans to amend it. You have the right to request an amendment for as long as the information is kept by or for the Plans.

To request an amendment, send a detailed request in writing to the Privacy Official. You must provide the reason(s) to support your request. The Plan may deny your request if you ask the Plan to amend PHI that was: accurate and complete, not created by the Plan; not part of the PHI kept by or for the Plan; or not PHI that you would be permitted to inspect and copy.

- **Right to an Accounting of Disclosures.** You have the right to request an “accounting of disclosures.” This is a list of disclosures of your PHI that the Plan has made to others, except for those necessary to carry out health care treatment, payment, or operations; disclosures made to you; or in certain other situations.

To request an accounting of disclosures, submit your request in writing to the Privacy Official. Your request must state a time period, which may not be longer than six years prior to the date the accounting was requested.

- **Right to Request Restrictions.** You have the right to request certain restrictions on the PHI the Plans use or disclose about you for treatment, payment, or health care operations. You also have the right to request a limit on the PHI the Plans disclose about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that the Plans not use or disclose PHI about a surgery you had.

To request restrictions, make your request in writing to the Privacy Official. You must advise: (1) what information you want to limit; (2) whether you want to limit use, disclosure, or both; and (3) to whom you want the limit(s) to apply.

Note: The Plan is not required to agree to your request.

- **Right to Request Confidential Communications.** You have the right to request that the Plans communicate with you about health matters in a certain way or at a certain location. For example, you can ask that the Plans send you explanation of benefits (EOB) forms about your benefit claims to a specified address.

To request confidential communications, make your request in writing to the Privacy Official. The Plans will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

Right to a Paper Copy of this Notice. You have the right to a paper copy of this notice. You may write to the Privacy Official to request a written copy of this notice at any time. You may obtain a copy of this notice at <http://nunet.nu.com/NUCorporate/Depts/HR/HIPAA/hipaaprivacy.pdf>.

Changes to this Notice

Each Plan reserves the right to change this notice at any time and to make the revised or changed notice effective for PHI the Plan already has about you, as well as any information the Plan receives in the future. The Plan will post a copy of the current notice in the HR Service Center at all times.

Complaints

If you believe your privacy rights under this policy have been violated, you may file a written complaint with the Privacy Official at the address listed below. Alternatively, you may complain to the Office for Civil Rights of the U.S. Department of Health and Human Services, generally, within 180 days of when the act or omission complained of occurred.

Note: You will not be penalized or retaliated against for filing a complaint with the U.S. Department of Health and Human Services or with us.

Other Uses and Disclosures of PHI - Need for Your Written Authorization

Other uses and disclosures of PHI not covered by this notice or by the laws that apply to the Plans will be made only with your written authorization. If you authorize the Plans to use or disclose your PHI, you may revoke the authorization, in writing, at any time. If you revoke your authorization, the Plans will no longer use or disclose your PHI for the reasons covered by your written authorization; however, the Plans will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

If you have any questions about this notice, or complaints regarding the disclosure of PHI, please contact:

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