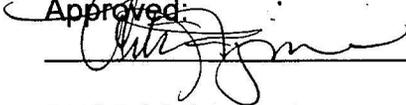

ADMINISTRATIVE MANUAL
TOWN OF LOS GATOS

Subject:	Page:	Section Number:
NOTICE OF PRIVACY PRACTICES	1 OF 2	

Approved:	Effective Date:	Revised Date:
	04/14/2003	

PURPOSE

The purpose of this policy is to comply with federal and state HIPAA Privacy Regulations, and to advise Town employees of their rights to protect medical records and other personal health information.

SCOPE

This policy applies to all Town employees and health plan/care providers that use Protected Health Information (PHI).

POLICY

The "Notice of Privacy Practice" is required by law to inform Town employees of how to protect the confidentiality of their health care information. The Town is permitted to use or disclose employee's Protected Health Information for health care treatment, payment of claims, and billing of premiums.

These notices must be available to all Town employees upon request.

PROCEDURES

Uses and Disclosures of Employee Medical Information - The Town is permitted to use or disclose employees Protected Health Information (PHI) for the following purposes:

Treatment - Town may use and disclose employee's PHI to assist health care providers (doctors, hospitals, pharmacies, and others) in providing treatment.

Payment - Town may use and disclose employee's PHI to determine eligibility for benefits, pay claims, coordinate benefits, obtain premiums, or be reimbursed by another entity that may be responsible for payment.

Health Care Operations - Town may use and disclose employee's PHI to perform Town plan activities (such as quality assessment activities or administrative activities, including data management or customer service.) In some cases, Town may use or disclose employee's information for underwriting purposes, determining premiums, and the detection and investigation of fraud.

The Town may also use or disclose employee's PHI when required by law, to perform plan administration functions, to public health agencies for reasons such as to prevent or control disease, injury or disability. The Town may also use or disclose employee's PHI to business associates providing services to the Town. Other permitted or required disclosures are law enforcement, research purposes, special government function, court or administrative order, respond to subpoena, discovery request or other lawful process, state insurance departments, workers' compensation to the extend to comply with state laws, medical examiner, funeral director or organ procurement organization.

Uses or Disclosures with an Authorization - Employee's PHI will be made available only with employee's written authorization, unless otherwise permitted or required by law. This authorization may be revoked at any time in writing.

Right to Access Employee's PHI - Employees have the right to access their PHI, review or obtain copies. A fee may be charge for cost of producing, copying and mailing the requested information.

Right to Amend Employee's PHI - If an employee feels that the PHI maintained by the Town is incorrect or incomplete, he/she may request that it be amended. This request must be in writing and must include the reason of the change.

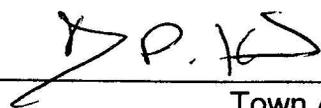
Right to an Accounting of Disclosures - An employee has the right to request an accounting of disclosures that the Town has made of his/her PHI. The list will not include Town disclosures related to treatment, payment or health care operations. This list may exclude certain other disclosures, such as for national security purposes.

The request must be made in writing and must indicate a time period for which the employee wants the accounting. The time period may not be longer than six years and may not include dates before April 14, 2003. Request should also indicate what form the employee wants the list (hard copy or electronically). A fee may be imposed for providing accounting disclosures.

Right to Request Restrictions on the Use & Disclosure of Employee PHI - An employee has the right to request that the Town restrict or limit the use or disclose the PHI for treatment, payment or health are operations. The Town may not agree to the request, however, the Town will comply unless the information is needed for an emergency. Request may be made in writing and must include: 1) what information employee wants to limit; 2) how the limited information will be use or disclosed, or both; 3) to whom the restrictions apply.

The Town will maintain physical, administrative and technical security measures to protect employee's health information.

APPROVED AS TO FORM:



Town Attorney