



LACERA PRIVACY AND CONFIDENTIALITY POLICY

Revised 04/21/11

INTRODUCTION

LACERA's mission is to produce, protect, and provide promised benefits. An important aspect of this mission is protecting the privacy of our members, their beneficiaries, and the security of our operations. Accordingly, LACERA does not sell or trade members' personal information; nor do we disclose it to anyone other than those who need it to provide member services or those who are legally entitled to it. LACERA maintains the confidentiality of information that could impact the security of its members, personnel, or assets, as well as legally privileged information.

OBJECTIVE

This privacy policy provides guidance to enable LACERA to protect the privacy of its members and the security of its operations, employees, and assets, and to comply with relevant legal requirements.

LACERA's privacy practices are impacted primarily by the County Employees Retirement Law of 1937 (CERL) and the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Section 31532 of CERL precludes disclosure of LACERA's member records and sworn statements without proper authorization. HIPAA protects the privacy and security of individually identifiable personal health information (PHI), and imposes certain administrative requirements.

Beyond these legal requirements, LACERA continuously reviews legislation and privacy and security practices to ensure the privacy of its members and the security of its operation.

DEFINITIONS

Unauthorized Use: Used interchangeably with "unauthorized access;" refers to the access, acquisition, use, or distribution of confidential information in violation of LACERA's business and privacy policies or applicable laws.

Confidential Information: Information obtained or created by LACERA and restricted as to access, disclosure, or use. It may be found in any medium, whether oral, written, or electronic, and includes the following:

- **PI:** Personal Information (PI) is any non-public information that is identifiable to an individual. It may be demographic, such as the individual's age or address, or health information, such as medical history. It includes member records and sworn statements.
- **PHI:** Protected health information (PHI) is a subset of PI. PHI is individually identifiable health and demographic information created or collected by a covered entity or a business associate of a covered entity. At LACERA, it is individually identifiable health information gathered for and by our Retirement Health Care Division. It does not include information gathered by our Disability or Claims Processing functions.
- **SI:** Security Information (SI) is information which, if improperly disclosed, could adversely impact the security of a LACERA member, staff member, or LACERA's assets. Examples include information regarding LACERA's computer systems, financial accounts, and access systems.
- **PRI:** Privileged Information (PRI) is information within a legally recognized category that is protected from compulsory disclosure. An example is attorney-client communications.
- **Individual:** Any person who is the subject of PI or PHI.

- **Covered entity:** A health plan, a health care provider, or a health care clearinghouse.
- **TPO:** Acronym for treatment, payment, or health care operations. PHI may be used for the TPO of a covered entity. Generally, other uses require written authorization from the individual and tracking of the specific use.
- **Business associate:** A party separate from a covered entity who performs TPO on behalf of the covered entity, and whose work involves PHI.

PRIVACY POLICY DIRECTIVES

LACERA provides training for board members and staff to enable them to protect the privacy of personal member information. Our Privacy Officer is responsible for designing and updating privacy training to ensure current information and effective tools are provided to staff and board members.

LACERA employees are responsible for ensuring PI and PHI, including member records and sworn statements, are only disclosed to:*

- Authorized LACERA employees for approved purposes
- LACERA members upon request, or
- Third parties who submit appropriate authorizing documentation

In addition, LACERA employees are responsible for ensuring PI and PHI are obtained, used, or shared only to the extent necessary to further LACERA's mission, within the constraints of applicable law. This means access to PI and PHI is permitted on a need-to-know basis.

Reasonable safeguards are to be implemented to ensure the privacy of PI and PHI, including controls on who can access the information, how the information is used, how it is obtained, stored, and shared, and how it is eventually discarded. Member sworn statements and member records are to be kept confidential.

In accordance with HIPAA restrictions, LACERA generally may not disclose PHI for purposes other than the TPO of its retirement health care function without obtaining a written authorization from the individual and tracking its use.

SI and PRI are to be secured at all times from unauthorized disclosure or use.

The deliberate or negligent mishandling or misuse of PI, PHI, SI, or PRI is considered to be misconduct and is enforced through LACERA's Misconduct and Illegal Acts Policy.

PRIVACY POLICY PROGRAM

To implement its privacy policy, LACERA will:

- Maintain policies and procedures which provide guidance for the handling of PI, PHI, SI, and PRI. A Privacy Officer will coordinate these policies and procedures, with the exception of those relating to PRI. LACERA's Legal Office will provide guidance for PRI policies and procedures.
- Implement physical and electronic controls to protect the privacy of PI, PHI, SI, and PRI.
- Train all employees upon entry and periodically on privacy and confidentiality policies and procedures. Staff and board members will be required to execute a confidentiality/non-disclosure agreement.
- Maintain proper disclosures and disclaimers in all publications and communications with outside parties that may involve PI or PHI.

**With regard to this policy only, the term "employee(s)" refers to all LACERA personnel who are directed or directly supervised by LACERA management.*

- Obtain written authorization from the individual before disclosing Retirement Health Care PHI to anyone within LACERA for purposes other than Retirement Health Care TPO.
- Obtain written authorization from the individual before disclosing PI or PHI to third parties other than third parties working on behalf of LACERA or those who require the information by law or per a court order (e.g., government agencies, litigants). Other exceptions may apply.
- Obtain appropriate supporting documentation from third parties who require PI or PHI by law or per a court order before disclosing said information (e.g., government agencies, litigants).
- Maintain proper contractual agreements, as needed, including non-disclosure/confidentiality agreements with outside parties working on behalf of LACERA to ensure confidentiality of PI, PHI, SI and PRI.
- Establish procedures for the following transactions, which will be coordinated by an employee who reports to the Privacy Officer:
 - Receiving and responding to disputes regarding PI or PHI
 - Providing individuals access to their own PI and PHI
 - Notifying individuals about any unauthorized use of their PI and PHI.
- Include a privacy and security risk assessment in the annual organization-wide risk assessment conducted by Internal Audit.
- Periodically review this privacy policy to ensure it addresses all relevant laws and risks inherent in handling PI and PHI.
- Monitor compliance with this policy and applicable laws. This may include periodic audits and other monitoring tools.

PRIVACY OFFICER

All inquiries regarding our privacy policy and HIPAA privacy rule compliance should be directed to the LACERA Privacy Officer, who is Chief of Internal Audit. He may be reached at 626-685-4629.

Records may be obtained from LACERA through written authorization from the individual whose records are being sought or through a subpoena. Subpoenas may be served to the Custodian of Records and delivered to:

LACERA
 300 North Lake Avenue, Suite 650
 Pasadena, CA 91101
 (LACERA does not accept subpoenas by mail or fax.)