

BOARD OF COUNTY COMMISSIONERS  
SARPY COUNTY, NEBRASKA

RESOLUTION APPROVING AGREEMENT WITH TWO RIVERS INSURANCE COMPANY, INC.  
d/b/a EMPLOYEE BENEFIT SYSTEMS FOR THE PURPOSE OF ESTABLISHING PARTIAL SELF  
FUNDING FOR HEALTH INSURANCE

WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6) (Reissue 1997), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. §23-103 (Reissue 1997), the powers of the County as a body are exercised by the County Board; and,

WHEREAS, the County of Sarpy desires to enter into an agreement with Two Rivers Insurance Company, Inc., d/b/a Employee Benefit Systems for the purpose of establishing responsibility, rights and obligations relating to partial self-funding for health insurance, as outlined in the agreement attached hereto as Exhibit A; and,

WHEREAS, said attached agreement is for unique, non-competitive and professional services and is in the best interests of the citizens of Sarpy County; and,

NOW, THEREFORE, BE IT RESOLVED by the Sarpy County Board of Commissioners that this Board hereby approves and adopts the agreement with Two Rivers Insurance Company, Inc., d/b/a Employee Benefit Systems, a copy of which is attached.

BE IT FURTHER RESOLVED that the Chairman of this Board, together with the County Clerk, is hereby authorized to sign on behalf of this Board the contract with Two Rivers Insurance Company, Inc., d/b/a Employee Benefit Systems, copies of which are attached, and any other related documents, the same being approved by the Board.

DATED this 19<sup>th</sup> day of May, 2009.

Moved by Tom Richards, seconded by Rich Jansen, that the above Resolution be adopted. Carried.

YEAS:

NAYS:

ABSENT:

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

none  
\_\_\_\_\_  
\_\_\_\_\_

none  
\_\_\_\_\_  
\_\_\_\_\_  
ABSTAIN:  
none  
\_\_\_\_\_



[Signature]  
County Clerk

Approved as to form:  
[Signature]  
Deputy County Attorney

**AGREEMENT BETWEEN TWO RIVERS INSURANCE COMPANY, INC, D/B/A  
EMPLOYEE BENEFIT SYSTEMS AND**

**Sarpy County**

THIS AGREEMENT is being entered into on the 1st day of July, 2009, by and between Two Rivers Insurance Company, Inc. d/b/a Employee Benefit Systems, (hereinafter referred to as "Administrator") of 214 North Main Street, Burlington, IA 52601 and Sarpy County (hereinafter referred to as "Client") of 1210 Golden Gate Drive, Papillion, NE 68046-2895.

WHEREAS, the parties enter into this Agreement for the purposes of establishing responsibility, rights and obligations relating to partial self-funding,

WHEREAS, Sarpy County desires that Employee Benefit Systems be the exclusive administrator of partial self-funding,

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the parties hereto agree as follows:

**Section 1. General Provisions.**

- 1) This contract shall be binding upon the parties and shall be effective for a one year period beginning July 1, 2009. This contract shall be continuing in nature on a year-to-year basis for one-year segments thereafter and may only be terminated pursuant to paragraph 2.
- 2) Both parties shall have the right to provide written notice invoking a 60-day termination clause. In other words, if either party wishes to terminate the contract at any time, either party may give written notice of intent to terminate the agreement and the same shall terminate 60 days after the date of receipt of the written notice by the other party.
- 3) All matters pertaining to the validity, construction and effect of this Agreement shall be governed by the laws of the state of Nebraska.
- 4) In consideration of services provided by Administrator, Client agrees to pay Administrator a monthly administration fee as follows:

**Partial Self-Funding (PSF)**— \$6.50 per enrolled participant in the medical plan.

Administrator agrees to provide at least 60 days notice prior to end of contract period to future fee increases and to limit such increases to once in a 12-month period. The fee thereafter shall be based on each month's count of participating employees. For fee calculation purpose, Plan participants on Leave of Absence and COBRA extensions will be included as employees. Administrator will bill the group monthly for the administration fee.

5) Client may audit during regular business hours any and all records of Administrator pertaining to claims or premiums paid on behalf of Client's plan participants.

6) Booklet printing charges are not contemplated under this agreement and will be separately contracted for as necessary.

## **Section 2. Services Provided by Administrator.**

In consideration of a monthly administration fee, Administrator agrees, upon receipt of a claim, to pay eligible expenses, not paid by Client's Insurance Plan, according to Client's plan description. These services shall include but not be limited to the processing and payment or denial of claims, monthly and yearly reporting of the financial data as required by Client or by law, Explanation of Benefits, file 1099-Med forms to the IRS and provide copies to the provider, and perform other services as necessary to administer Client's benefit plan and its claims.

All benefits will be paid with the care, skill, diligence and impartiality normally expected of a third-party administrator in the insurance industry.

All forms, materials and computerized checks used by Administrator will be provided at Administrator's expense. Any additional expenses will be the responsibility of the Client.

## **Section 3. Checking Account and Bonding.**

Client shall adequately fund a checking account, which shall be used for maintaining reserve funds, payment of Client's claims, premiums and monthly administration fee and other approved expenses. Client will be responsible for any monthly checking account service charges relating to this account. Administrator will not pre-fund any claim or premium payments. Neither Administrator nor its officers shall be liable to pre-fund any of the costs outlined above in this section, including but not limited to claim payments, premiums, cost or administration costs. Administrator will not be liable for

any claims resulting from a group's termination due to lack of adequate funding to Administrator.

Administrator shall maintain a fidelity bond for protection against fraud or dishonesty on the part of any employee of Administrator in an amount sufficient to comply with ERISA legislation for this size plan.

#### **Section 4. Confidentiality and Inspections of Records.**

Except as authorized in writing by Client, Administrator shall not disclose to any person, institution, or company not authorized by Client any information directly or indirectly related to Employees and shall not reveal any individually identifiable medical information, in accordance with HIPAA privacy and security regulations, without first receiving authorization from the individual involved.

#### **Section 5. Responsibilities and Considerations of Sarpy County.**

Client shall provide a method of notification to Administrator detailing the eligibility of new members enrolled and those persons that are no longer eligible for the benefit. In the absence of notification (of termination or loss of benefit coverage), eligibility for payment of the claim or other benefit will continue.

Client hereby authorizes Administrator to draw checks, drafts or other instruments for the payment of Benefits associated with the processing of Benefits in accordance with the terms and conditions of the Plan and this agreement against any account maintained and designated by Client for this purpose.

Administrator will not be responsible for any late fees or interest penalties assessed by a company that Administrator performs the billing function if payment from the client is not received by Employee Benefit Systems on a timely basis to pay the premium.

It is the client's responsibility to pay all premium payments on a timely basis. Payments received in the Administrator's office on or before the second to the last business day of any month will be processed and paid to the Insurer without penalty or it will be the Administrator's responsibility to pay the late fees (ie: if the last business day of the month is on Thursday, payment is expected on or no later than Wednesday).

In the event of delayed filing of subrogation or similar claims by any party, including by any Government agency, Client will retain responsibility for all benefits payable under the Health Care Plan in effect at the time the loss is incurred. Administrator shall handle any such matters in a timely manner. If Client has retained another Administrator when such an event happens, Administrator shall provide any information it may have related to the matter as soon as possible.

**Section 6. Indemnification.**

Each party agrees to indemnify and hold harmless the other parties with respect to any and all claims, liabilities, losses, damages, penalties or expenses (including reasonable attorney fees) caused by (a) the breach by a party of any of its undertakings or agreements set forth in this Agreement, or (b) any negligence by a party in its mailing and processing of application, preparations of policies, collection and remitting of premiums, or its relation with insured employees.

**Section 7. Term of Agreement.**

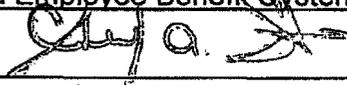
This Agreement shall be effective on the date first set forth above and shall continue for a term of one (1) year commencing July 1, 2009 and shall automatically be renewed for successive terms of one (1) year each until terminated by either party.

**Section 8. Nebraska Law Applicable.**

This Agreement shall be deemed to be a Nebraska contract, and shall be construed and governed by the laws of such state.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals effective the 1<sup>st</sup> day of July, 2009.

Two Rivers Insurance Co., Inc  
d/b/a Employee Benefit Systems

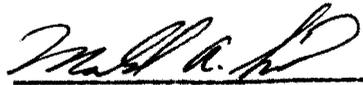
  
\_\_\_\_\_  
(Signature)

5/14/09  
\_\_\_\_\_  
(Date)

Sarpy County

  
\_\_\_\_\_  
(Signature)

5/19/2009  
\_\_\_\_\_  
(Date)

Approved as to form:   
\_\_\_\_\_  
County Attorney

**BUSINESS ASSOCIATE CONTRACT ADDENDUM TO**

**TWO RIVERS INSURANCE COMPANY, INC.**

**d/b/a EMPLOYEE BENEFIT SYSTEMS**

This Business Associate Contract Addendum ("Addendum") supplements and is made part of the Employee Benefit Systems ("EBS") Administration Agreement ("Agreement"), dated July 1, 2009 and **Sarpy County, 1210 Golden Gate Drive, Papillion, NE 68046-2895** ("Plan"). This Addendum is effective as of July 1, 2009 ("Effective Date").

**RECITALS**

A. The U.S. Department of Health and Human Services ("HHS") has issued final regulations, pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), governing the privacy of individually identifiable health information obtained, created or maintained by certain entities, as set forth in the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E (the "HIPAA Privacy Rule").

B. The HIPAA Privacy Rule requires that the EBS enter into this Agreement with the Plan in order to protect the privacy of protected health information (as that term is defined in 45 CFR § 164.501) limited to that information created or received by EBS from or on behalf of the Plan ("Protected Health Information, "or "PHI").

C. Under the Administrative Agreement, EBS regularly receives, uses and discloses Protected Health Information in performance of its obligations under, and to carry out the purposes of, the Administrative Agreement.

D. The parties intend that EBS carry out its responsibilities under the Administrative agreement as a "Business Associate" of Plan, as that term is defined in the HIPAA Privacy Rule, as necessary for EBS to carry out its "treatment", "payment" and "health care operations" functions, as those terms are defined in the HIPAA Privacy Rule.

## AGREEMENTS

NOW, THEREFORE, for the mutual promises contained herein, and for other good and valuable consideration, the sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. **Amendment of Agreement.** The parties agree that this Addendum shall be made part of the Agreement as an amendment to the Agreement, effective as of the Effective Date written above. Any terms and conditions of the Agreement not specifically amended by this Addendum shall remain in full force and effect.

2. **Permitted Uses and Disclosures of Protected Health Information.** EBS may use and disclose Protected Health Information received from, or obtained or created on behalf of, the Plan for one or more of the following purposes:

a. Except as otherwise limited in this Addendum, EBS may use or disclose Protected Health Information to perform all of the functions, activities, or services for, or on behalf of, the Plan, as set forth in the Agreement, provided that such use or disclosure would not violate the HIPAA Privacy Rule if performed by the Plan.

b. As required by the HIPAA Privacy Rule and other applicable laws.

c. As necessary to fulfill any present or future legal responsibilities of the Plan.

d. Except as otherwise limited in this Addendum, EBS may use Protected Health Information for the proper management and administration of EBS or to carry out the legal responsibilities of EBS.

e. Except as otherwise limited in this Addendum, EBS may disclose Protected Health Information for the proper management and administration of EBS, provided that such disclosures of PHI are required by law, or EBS obtains reasonable assurances from the party to whom the PHI is disclosed that (i) the PHI will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person; and (ii) the person notifies EBS of any instances of which it is aware in which the confidentiality of the PHI has been breached.

f. Except as otherwise limited in this Addendum, EBS may use Protected Health Information to provide data aggregation services to the Plan as permitted by 45 CFR §164.504 (e)(2)(i)(B).

3. **Plan Responsibilities with respect to Protected Health Information.**

3.1 **General.** The Plan shall be responsible for all PHI of Plan participants obtained by the Plan. The Plan shall take the necessary actions to permit EBS to receive and disclose PHI that is provided to EBS under the terms of this Addendum.

3.2 Authorizations. The Plan shall be responsible to obtain any authorization, as required by the HIPAA Privacy Rule and any other applicable law, to disclose such PHI to EBS, or to permit EBS to disclose such PHI to a third party and for the Plan's further receipt, use or disclosure of such PHI as necessary to perform EBS's obligations under the Agreement. The Plan shall notify EBS in writing of any material limitations contained in the authorizations and any other restrictions on the use or disclosure of PHI agreed to by the Plan. In the event Plan agrees to any restriction on use or disclosure of the PHI which EBS believes contradicts EBS's obligations under the Agreement, EBS shall be released from performing any such obligations.

3.3 Privacy Policy. The Plan shall provide EBS with the Notice of HIPAA Privacy Practices that the Plan has developed to comply with 45 CFR §164.520, as well as any changes to such notice.

3.4 Restrictions on Disclosure of PHI. The Plan shall be responsible for developing procedures to address the right of a Plan participant to restrict disclosure of the participant's PHI and to request an accounting of PHI disclosures. The Plan shall provide EBS with any changes in, or revocation of, permission by a Plan participant to use or disclose Protected Health Information, if such changes affect EBS's permitted or required uses and disclosures of the participant's PHI as set forth in this Addendum.

3.5 Amendment of PHI. The Plan shall be responsible for amendment of any PHI as requested by a Plan participant.

3.6 Privacy Officer. The Plan shall designate a HIPAA privacy officer, and shall provide EBS with the name of the HIPAA privacy officer.

4. **EBS Responsibilities with Respect to Protected Health Information.**

4.1 Additional Disclosures. EBS shall not use or further disclose PHI other than as permitted or required by the Agreement or this Addendum.

4.2 Prevention of Disclosures. EBS shall use commercially reasonable safeguards to prevent the use or disclosure of PHI other than as permitted by the Agreement and this Addendum.

4.3 Reporting of Disclosures. EBS shall report to the Plan any use or disclosure of PHI not provided for by the Agreement or this Addendum of which EBS becomes aware.

4.4 Subcontractors. EBS shall provide that any subcontractors or agents to whom EBS provides PHI received from, or created or received on behalf of, the Plan in order to perform the obligations of EBS under the Agreement agree to comply with the same restrictions and conditions that apply to EBS with respect to such PHI.

4.5 PHI Access. EBS shall develop procedures to permit Plan participants or their authorized representative's access to PHI in the possession of EBS or any of its agents or subcontractors. Such procedures shall meet the requirements of the HIPAA Privacy Rule.

4.6 Accounting of Disclosures. Within thirty (30) days of written notice by the Plan to EBS that it has received a request for an accounting of disclosures of PHI regarding a Plan participant, EBS shall provide to the Plan a list of disclosures that are required to be made by for the Plan by 45 CFR § 164.528. In the event the request for an accounting is delivered directly to EBS, EBS shall, within five (5) days, forward the request to the Plan. It shall be the Plan's responsibility to prepare and deliver to the participant any such accounting request.

4.7 Amendment to PHI. EBS agrees to make any amendment(s) to Protected Health Information to the PHI record in its possession as directed by the Plan.

5. Access to Books and Records. EBS shall make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by EBS on behalf of, the Plan available to the Secretary of Health and Human Services for purposes of determining the Plan's compliance with the HIPAA Privacy Rule. EBS shall notify the Plan prior to making any such disclosure.

6. Termination.

6.1 Termination by Plan. As provided for under 45 CFR § 164.504(e) (2) (iii), the Plan may immediately terminate the Agreement and any related agreements if the Plan makes the determination that EBS has breached a material term of the Addendum. Alternatively, at the discretion of the Plan, the Plan may choose to provide EBS with written notice of the existence of the breach and provide EBS with thirty (30) calendar days to cure said breach upon mutually agreeable terms. In the event that mutually agreeable terms cannot be reached within this thirty (30) day period, Plan shall cure said breach to the satisfaction of the Plan within an additional fifteen (15) days. Failure by Plan to cure said breach or violation in the manner set forth above shall be grounds for immediate termination of the Agreement by the Plan.

6.2 Termination by EBS. If EBS determines that the Plan has breached a material term of this Addendum, the Contractor shall provide the Plan with written notice of the existence of the breach and shall provide the Plan with thirty (30) calendar days to cure said breach upon mutually agreeable terms. In the event that mutually agreeable terms cannot be reached within this thirty (30) day period, the Plan shall cure said breach to the satisfaction of EBS within an additional fifteen (15) days. Failure by the Plan to cure said breach or violation in the manner set forth above shall be grounds for immediate termination of the Agreement by EBS.

6.3 Disposition of Protected Health Information Upon Termination. If feasible, EBS, at termination or expiration of the Agreement, shall return or destroy all PHI received from, or created or received by EBS on behalf of, the Plan, and any copies of such PHI, which EBS maintains in any form. EBS shall contact its subcontractors or agents to take similar actions with regard to such PHI. If such return or destruction is not feasible, EBS will notify the Plan in writing, and will continue the protections of this Addendum to the PHI and limit further uses and disclosures of the PHI to the purposes that make the return or destruction of the PHI not feasible.

7. Compliance with HIPAA Privacy Rule. The Plan may enter into an agreement with EBS to perform certain obligations of the Plan as required by the HIPAA Privacy Rule for a covered entity (as that term is defined in the Rule). Unless specifically provided EBS shall not assume, or be deemed to have assumed, any obligations of the Plan to comply with the HIPAA Privacy Rule.

8. Representations and Warranties. Each Party represents and warrants to the other Party:

a. That all of its employees, agents, representatives and members of its work force, whose services may be used to fulfill obligations under the Agreement and this Addendum are or shall be appropriately informed of the terms of this Addendum to enable each Party to fully comply with provisions of this Addendum.

b. That it will reasonably cooperate with the other Party in the performance of the mutual obligations under this Addendum.

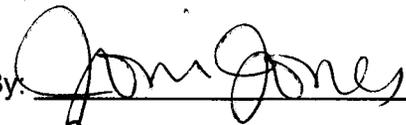
c. That it will interpret and perform the terms and conditions of this Addendum in conformance with the HIPAA Privacy Rule.

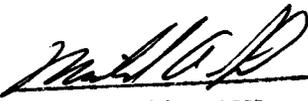
9. **Amendment.** The parties agree that this Addendum may be amended by mutual agreement of the parties, in writing. In the event an amendment to this Addendum is required by modifications to the HIPAA Privacy Rule, EBS may unilaterally amend this Addendum to comply with the HIPAA Privacy Rule, and the Plan shall be bound by such amendment.

Two Rivers Insurance Company, Inc.  
d/b/a Employee Benefit Systems

By:   
Title: COO  
Date: 4/23/09

Sarpy County

By:   
Title: Chairman  
Date: 5/19/2009

Approved as to form:   
County Attorney

**NOTICE OF HIPAA PRIVACY PRACTICES**

**SARPY COUNTY**

***THIS NOTICE DESCRIBES HOW HEALTH INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION.***

***PLEASE REVIEW THIS INFORMATION CAREFULLY***

Note: If you have questions about this notice, please contact the designated HIPAA Privacy Officer, for Sarpy County, Partial Self Funding Administration (the "Plan"). That person may be contacted at: Sarpy County, Business Manager.

**INTRODUCTION**

It is the policy of **Sarpy County**, as the Plan Sponsor of the Sarpy County, Partial Self Funding Administration Plan to take reasonable steps to ensure the privacy of your protected health information ("PHI") (all individually identifiable health information transmitted or maintained by the Plan, regardless of its form (written, oral or electronic)) in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This notice attempts to summarize the federal regulations published for HIPAA. In the event of any discrepancies between this notice and the regulations, the regulations will supersede and control.

This notice is being distributed to Plan participants in compliance with the Privacy regulation of HIPAA.

**WHO WILL FOLLOW THIS NOTICE**

This notice describes the privacy practices of the Plan. The individuals and entities designated by Sarpy County to administer the Plan may use and disclose PHI as described in this Notice. As Plan Sponsor, Sarpy County has amended the Plan document to incorporate practices and procedures related to your PHI that are designed to protect your PHI as required by HIPAA.

**OUR PRIVACY POLICY REGARDING YOUR PROTECTED HEALTH INFORMATION**

Your protected health information includes information about your health. The Plan understands that information about your health is personal. The Plan is committed to protecting your PHI. In the process of providing benefits under the Plan, the Plan may obtain protected health information from a variety of sources, including medical care

providers, other medical plans and you. This notice applies to any and all of the records of your protected health information generated or obtained by the Plan.

This notice will tell you about the ways in which the Plan may use and disclose your protected health information. This notice also describes your rights and certain obligations the Plan has regarding the use and disclosure of your PHI.

The Plan reserves the right to revise or amend at any time this notice of privacy practices. Any revision or amendment to this notice will be effective for all of your PHI records the Plan has created or maintained in the past, and for any of your PHI records the Plan may create or maintain in the future. If this notice is changed, the Plan will provide a new notice to all Plan participants for whom the Plan still maintains PHI. The Plan will notify each participant of this notice and where they may receive an additional copy. Any revised version of this notice will be distributed within 60 days of the effective date of any material change to the uses or disclosures of PHI, an individual's rights, the duties of the Plan or other privacy practices addressed in this notice.

### **OUR OBLIGATIONS TO YOU**

The Plan is required by law to:

- Take reasonable steps to ensure that protected health information that identifies you is kept private, except as otherwise provided by state or federal law;
- Inform you of the Plan's uses and disclosures of your protected health information;
- Outline the Plan's duties regarding your PHI;
- Explain your right to file a complaint with the Plan or the U.S. Department of Health and Human Services; and
- Follow the terms of the notice that is currently in effect.

### **HOW THE PLAN MAY USE AND DISCLOSE YOUR PROTECTED HEALTH INFORMATION**

The following categories describe different ways in which the Plan may use and disclose your protected health information without consent or authorization from you. Not every use or disclosure in a category will be listed. This notice covers treatment, payment, and what are called health care operations, as discussed below. It also covers other uses and disclosures for which an authorization is not necessary.

*In all cases, except for treatment, payment and health care operations, or where the Plan is permitted to use or disclose your health information without an authorization (as outlined below), the Plan will release such information about you to third parties only with a valid authorization form signed by you. For treatment, payment and health care operations, the Plan may use or disclose your protected health information once you have been provided with this Notice.*

#### For Treatment.

The Plan may use your PHI to permit the provision, coordination or management of health care and related services. The Plan may disclose your PHI to doctors, nurses, medical students, pharmacists or other health care providers who are involved in taking care of you. In addition, the Plan may disclose your PHI for purposes of consultations and referrals between one or more of your providers. For example, the Plan might disclose the name of your family health care provider to a specialist who needs health records for your care or treatment.

#### For Payment.

The Plan may use and disclose your protected health information without consent or authorization so that the treatment and services you receive may be reviewed for coverage under the Plan. Payment activities include but are not limited to actions to make coverage determinations, claim management, subrogation, plan reimbursement, coordination of benefits, and review of medical necessity, customary and reasonable charge determinations, and pre-certification. For example, the Plan may share your PHI with your spouse's health care plan to determine which plan pays for the claim and the amount each plan may pay.

#### For Health Care Operations.

The Plan may use and disclose health information about you without consent or authorization for "health care operations". These uses and disclosures are necessary to operate the Plan according to its terms and to ensure that benefits can be delivered to Plan participants. Health care operations may include but are not limited to, quality assessment and improvement, reviewing the competency and quality of the health care professionals delivering services to participants, premium rating and other activities related to creating or renewing insurance contracts, medical review, legal services, accounting and auditing, business planning and development, management and general administrative activities. For example, the Plan may provide your PHI to a case manager, to review the care provided by your treating health care providers to determine treatment options going forward and the manner in which the Plan would cover such options under the Plan's terms.

#### Treatment Alternatives.

The Plan may use and disclose your PHI to tell you about or recommend possible treatment options or alternatives that may be of interest to you. However, the Plan will not use or disclose health information to market other products and services, either ours or those of third parties, without your authorization.

#### Health-Related Benefits and Services.

The Plan may use and disclose your PHI to tell you about health-related benefits or services that may be of interest to you.

#### Individuals Involved in Your Care or Payment for Your Care.

The Plan may release your protected health information about you to a family member who is involved in your health care without consent or authorization. The Plan may also give such information to someone who helps pay for your care.

#### As Required By Law.

The Plan will disclose protected health information about you when required to do so by federal, state or local law without your consent or authorization.

#### To Avert a Serious Threat to Health or Safety.

The Plan may 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. Any disclosure, however, would only be to someone able to help prevent the threat, including the target of the threat.

#### To Business Associates.

The Plan, from time to time, will hire consultants and other third parties, known as "business associates", that will provide services to the Plan. The Plan may provide protected health information to such consultants without your consent or authorization. Business associates are required to maintain and comply with the privacy requirements of state and federal law and keep your protected health information confidential. Examples of "business associates" include the third party administrator of the Plan, Employee Benefit Systems ("EBS"), and computer service vendors that assist the Plan in processing claims.

#### Military and Veterans.

If you are a member of the armed forces, the Plan may release your PHI as required by military command authorities. The Plan may also release the PHI of foreign military personnel to the appropriate foreign military authority.

#### Worker's Compensation.

The Plan may release your protected health information for workers' compensation or similar programs without consent or authorization.

### Public Health Risks.

The Plan may disclose your protected health information for public health activities without your consent or authorization. These activities generally include the following:

- to prevent or control disease, injury or disability;
- to report reactions to medications or problems with products;
- to notify people of recalls of products they may be using;
- to notify a person who may have been exposed to a disease or may be at risk for contracting or spreading a disease or condition;
- to notify the appropriate government authority if the Plan believes a patient has been the victim of abuse, neglect or domestic violence. The Plan will only make this disclosure if you agree to when required or authorized by law.

### Health Oversight Activities.

The Plan may disclose your protected health information to a medical oversight agency for activities authorized by law. These oversight activities include, for example, audits, investigations, inspections, and licensure. These activities are necessary for the government to monitor the health care system, government programs, and compliance with civil rights laws.

### Lawsuits and Administrative Proceedings.

If you are involved in a lawsuit or dispute as a party, the Plan may disclose your protected health information in response to a court or administrative order. The Plan may also disclose your PHI in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute. Similarly, the Plan may disclose your protected health information in proceedings where you are not a party, but only if efforts have been made to tell you or your attorney about the request or to obtain an order protecting the information requested.

### Law Enforcement.

The Plan may release your protected health information if asked to do so by a law enforcement official:

- in response to a court order, subpoena, warrant, summons or similar process;
- to identify or locate a suspect, fugitive, material witness, or missing person;
- about the victim of a crime if, under certain limited circumstances, the Plan is unable to obtain the person's agreement;
- about a death the Plan believes may be the result of criminal conduct;
- about criminal conduct at the Plan; and
- in emergency circumstances to report a crime; the location of the crime or victims; or the identity, description or location of the person who committed the crime.

Coroners, Medical Examiners and Funeral Directors.

The Plan may release your protected health information to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or determine the cause of death.

National Security and Intelligence Activities.

The Plan may release your protected health information to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

Protective Services for the President and Others.

The Plan may disclose PHI about you to authorized federal officials so they may provide protection to the President, other authorized persons or foreign heads of state or conduct special investigations.

Inmates.

If you are an inmate of a correctional institution or under the custody of a law enforcement official, the Plan may release your protected health information to the correctional institution or law enforcement official. This release would be necessary (1) for the institution to provide you with health care; (2) to protect your health and safety or the health and safety of others; or (3) for the safety and security of the correctional institution.

**USES AND DISCLOSURES THAT REQUIRE WRITTEN AUTHORIZATION**

Other Uses of PHI.

Other uses and disclosures of PHI not covered by this notice or the laws that apply to the Plan will be made only with your written permission as set out in an authorization signed by you. If you provide the Plan permission to use or disclose medical information about you, you may revoke that permission, in writing, at any time. If you revoke your permission, the Plan will no longer use or disclose health information about you for the reasons covered by your written authorization. The Plan would not revoke any disclosures that had previously been made with your permission.

## **YOUR RIGHTS REGARDING YOUR PROTECTED HEALTH INFORMATION**

You have the following rights regarding the protected health information the Plan maintains about you:

### **Right to Inspect and Copy.**

You have the right to inspect and copy the PHI that may be used by the Plan to make decisions about your benefits under the Plan, which is contained in a designated record set. Usually, these records will include medical records and billing records of your health care providers; enrollment, payment, and billing; claims adjudication and case management records of the Plan; and other information used by the Plan to make decisions about your benefits under the Plan.

To inspect and copy these records, you or your representative must submit your request in writing to the Privacy Officer of the Plan, at Sarpy County, 1210 Golden Gate Drive, Papillion, NE, 68046-2895. If you request a copy of the information, the Plan may charge a reasonable fee for the costs of copying, mailing and or other supplies associated with your request. Requests will normally be processed in 30 days of receipt by the Plan if the information is maintained on-site. If the information is maintained off-site, the Plan will have 60 days. An additional 30-day extension may be allowed if the Plan is unable to meet these deadlines.

The Plan may deny your request to inspect and copy your PHI in limited circumstances. If you are denied access to your PHI, the Plan will provide you with a written denial that sets forth the reasons for the denial, and an explanation of how to exercise your appeal rights and how to complain to the U. S. Department of Health and Human Services. You or your personal representative may request that the denial be reviewed. The person conducting the review will not be the person who denied your request. The Plan will comply with the outcome of the review.

### **Right to Amend.**

If you feel that the PHI the Plan has about you is incorrect or incomplete, you may ask the Plan to amend the information. You have the right to request an amendment for as long as the information is kept by or for the Plan.

To request an amendment, your request must be made in writing and submitted to the Plan's Privacy Officer at the address listed above. In addition, you must provide a reason that supports your request.

The Plan has 60 days from receipt of your request to act on it. A 30-day extension may be permitted if the Plan cannot comply with the request by that deadline. The Plan 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, the Plan may deny your request if you ask us to amend information that:

- Was not created by the Plan, unless the person or entity that created the information is no longer available to make that amendment;
- Is not part of your PHI kept by the Plan;
- Is not part of the information which you would be permitted to inspect and copy; or
- Is accurate and complete.

In the event your request for amendment is denied, the Plan will provide you with a written denial, which specifies the reasons for the denial. You or your personal representative may submit a written statement to the Plan, which disagrees with the denial. This statement may be included with any future disclosures of your PHI.

#### Right to an Accounting of Disclosures.

You have the right to request an "accounting of disclosures." This is a written list of certain disclosures of your PHI that the Plan has made. The Plan is not required to provide you with a list of PHI disclosures made to carry out treatment, payment or health care operations, to you about your PHI, or prior to the effective date of HIPAA as applied to this Plan.

To request this list of disclosures, you must submit your request in writing to the Privacy Officer. Your request must state a time period for your request, which may not be longer than six years and may not include dates prior to the effective date. A response to your request will be provided within 60 days of the Plans' receipt of your request (which may be extended for an additional 30 days). The first list you request within a 12-month period will be free. For additional lists, the Plan may charge you for the costs of providing the list. The Plan 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 Request Restrictions.

You have the right to request that the Plan restrict or limit the PHI the Plan uses or discloses about you for treatment, payment or health care operations. You also have the right to request a limit on the PHI we 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 may request that your spouse or child who is involved in payment of your care not receive certain information about your condition.

To request restrictions, you must make your request in writing to the Privacy officer. In your request, you must state (1) what protected health information you want to limit; (2) whether you want to limit the Plan's use, disclosure or both; and (3) to whom you want the limits to apply, for example, disclosures to your spouse.

The Plan is not required to agree to your request. If the Plan agrees, we will comply with your request unless the information is needed to provide you emergency treatment.

### Right to Request Confidential Communications.

You have the right to request that the Plan communicate with you about your PHI in a certain way or at a certain location. For example, you can ask that the Plan only contact you at work or by mail. To request confidential communications, you must make your request in writing to the Privacy officer. Your request must specify how or where you wish to be contacted. The Plan will accommodate all reasonable requests.

### Right to a Paper Copy of This Notice.

You have the right to a paper copy of this notice. You may ask the Plan 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.

## **PERSONAL REPRESENTATIVES**

If necessary, you may exercise your rights under this notice through your authorized personal representative. Your personal representative will be required to provide to the Plan proof of his or her authority to act on your behalf. The following proof will be accepted: (i) a power of attorney for health care, properly executed, that has not been revoked; (ii) a copy of a court order, certified within the last 60 days, that appoints the person as your guardian; or (iii) the parent of a minor child. The Plan reserves the discretion to deny you personal representative access to your PHI to protect you.

## **COMPLAINTS**

If you believe your privacy rights have been violated by the Plan, you may file a written complaint with the Plan at Sarpy County or with the U.S. Secretary of the Department of Health and Human Services. The Plan will not retaliate against you for filing a complaint.

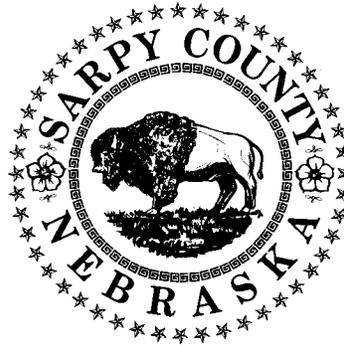
# Sarpy County Board of Commissioners

1210 GOLDEN GATE DRIVE  
PAPILLION, NE 68046-2895  
593-4155  
www.sarpy.com

ADMINISTRATOR  
Mark Wayne

DEPUTY ADMINISTRATOR  
Scott Bovick

FISCAL ADMIN./PURCHASING AGT.  
Brian Hanson



## COMMISSIONERS

**Rusty Hike**

District 1

**Joni Jones**

District 2

**Tom Richards**

District 3

**Pat Thomas**

District 4

**Rich Jansen**

District 5

## MEMO

To: Sarpy County Board

From: Brian Hanson

Re: Agreement for Partial Self-Funding of Health Insurance

At the May 19, 2009 Board meeting, the County Board will be asked to approve the attached Agreement with Employee Benefit Systems (EBS). Mike Williams, Sarpy County's health insurance consultant has proposed that Sarpy County enter into an agreement with a third party administrator for the partial self-funding of our health insurance program. This step is being proposed as a way to help reduce the projected 41% increase in health insurance premiums for the 2010 fiscal year.

Under the proposed plan, the County's premium will be paid to EBS. EBS will pay most of that money to Blue Cross and will use some of the money to pay claims under \$3,000. When there are extra funds not required for the payment of premiums or claims, those monies will be placed in a pool to be used for future costs. We do not feel it is likely, but it is possible that we could have to pay in additional funds if the claims under \$3,000 greatly exceed projections.

Pottawattamie County is a current customer of EBS and their Personnel Director gave a very positive recommendation for EBS. I recommend approval of the Agreement.

May 14, 2009

  
\_\_\_\_\_  
Brian E. Hanson

BEH/dp

cc: Mark Wayne  
Scott Bovick  
Deb Houghtaling  
Mike Williams  
Renee Lansman  
Linda Welles

# Deb Houghtaling

Sarpy County Clerk

1210 Golden Gate Drive, Suite 1118  
Papillion, Nebraska 68046-2895

Phone: (402) 593-2105  
Fax: (402) 593-4360

Fred Uhe  
Chief Deputy

May 26, 2009

Deb Gubba  
Employee Benefit Systems  
214 N Main St  
Burlington IA 52601

RE: Partial Self-Funding for Health Insurance

Action by the Sarpy County Board of Commissioners, at the meeting of May 19, 2009, is as follows:

**Resolved by Richards, seconded by Jansen, to approve the agreement with Two Rivers Insurance Company, Inc. dba Employee Benefit Systems. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.**

Enclosed is a fully executed agreement for your records.

Sincerely,



Debra J. Houghtaling  
Sarpy County Clerk