

December 17, 2012

New Hampshire Department of Justice
Office of the Attorney General
33 Capital Street
Concord, NH 03301

Dear Office of the Attorney General:

The purpose of this letter is to notify your office of a recent privacy incident that occurred impacting residents of your state. First, let me state that Humana takes all privacy concerns seriously and is taking appropriate steps to prevent errors such as this in the future.

A Humana office in the Tampa, Florida area moved to a new location on July 12, 2012. On November 28, due to a business need to pull information from the 2011 files that were boxed for storage during the move, it was discovered that one box of paper files containing member appeals regarding discharge from a skilled nursing facility and/or hospital was lost during the move. The files contained member name, demographic information, date of birth, Medicare identification number, and possibly clinical information. Humana has no information to date indicating that the information has been inappropriately used.

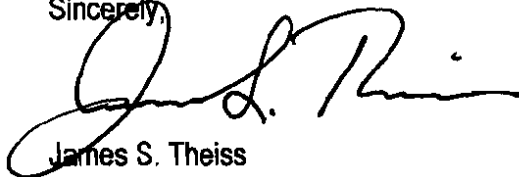
A notification letter will be sent to one New Hampshire resident who was impacted by this situation Tuesday, December 18. Enclosed you will find a copy of the letter that includes an application for free credit monitoring, and free identity theft protection due to the fact that the Medicare identification number, which is often the Social Security number, was in the files. Additionally, a copy of Humana's Notice of Privacy Practices was included in the mailing.



We deeply regret this incident, but want to assure you that Humana has various safeguards to protect individual information including policies, procedures and technical safeguards. As a result of this incident our Corporate Procedures for the move process have been enhanced. Humana will promptly report to your office and appropriate law enforcement officials any information that is shared with us that indicates this information has been inappropriately used.

Please do not hesitate to contact me if you have any additional questions regarding this situation.

Sincerely,



James S. Theiss
Chief Privacy Officer
Humana Inc.
502-580-4322
jtheiss@humana.com

Enclosures



{Date}

{Name}

{Street Address}

{Street Address}

{City, State, Zip}

Dear {Member name}:

We are writing to notify you, a valued member, of a recent incident involving your personal information. On December 5, 2012 Humana's Privacy Office became aware your personal information may have potentially been compromised. One of our offices in the Tampa, Florida area moved to a new location on July 13, 2012. Recently, it was discovered that one box of paper files containing member appeals regarding discharge from a skilled nursing facility and/or hospital was lost during the move. The files may have contained some combination of your member name, demographic information, date of birth, Medicare identification number which is often your Social Security number, and clinical information. We deeply apologize for this unfortunate situation and have taken actions to address this incident and protect you.

Humana has guidelines, policies and procedures in place for maintaining the privacy and confidentiality of all personal and health information. At this time, Humana has no information indicating that your information has been inappropriately used. At our expense, we want to provide you, a service that can help protect you against misuse of the information. This service includes credit monitoring with Equifax, a credit monitoring service, for one year and one million dollars in identity theft insurance. We strongly encourage you to enroll for this free service to protect yourself from the potential misuse of your information. Instructions on how to enroll for this service are enclosed.

We want you to know that at Humana we take seriously our responsibility to ensure your privacy. You have privacy rights under a Federal law that protects your health information. We must follow this law to protect your privacy rights. These rights are important for you to know. You can exercise these rights, ask questions about them, and file a complaint if you think your rights are being denied or your health information has not been protected. You may find out more about your privacy rights by reading our HIPAA Notice of Privacy Practices which is included.

Humana respects your right to file a complaint with us or with the Department of Health and Human Services through the Office of Civil Rights at:

U.S. Department of Health and Human Services
Government Center
J.F. Kennedy Federal Building – Room 1875
Boston, MA 02203

In addition, the Federal Trade Commission suggests the following steps if you believe your identity has been stolen.

1. **Place a fraud alert on your credit reports and review your credit reports.** Contact the toll-free fraud number of any of the three consumer reporting companies below to place a fraud alert on your credit report. You only need to contact one of the three companies to place an alert. The company you call is required to contact the other two companies.

* **Equifax** **1-800-525-6285**
www.equifax.com
P.O. Box 740241, Atlanta, GA 30374-0241

* **Experian** **1-888-EXPERIAN or 1-888-397-3742**
www.experian.com;
P.O. Box 9532, Allen, TX 75013

* **TransUnion** **1-800-680-7289**
www.transunion.com
Fraud Victim Assistance Division,
P.O. Box 6790, Fullerton, CA 92834-6790

Once you place the fraud alert, you are entitled to order free copies of your credit reports.

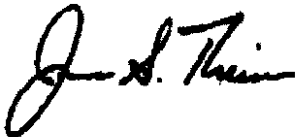
2. **Carefully review your credit reports.** Look for inquiries from companies that you haven't contacted, accounts that you did not open, and debts on your accounts that you can't explain. Be aware that some companies may bill under names other than their store names.
3. **Close any accounts that you know, or believe, have been tampered with or opened fraudulently.**
4. **File your concern with the Federal Trade Commission.** This important information helps law enforcement agencies track down identity thieves. You can contact the Federal Trade Commission at 1-877-ID-THEFT, (1-877-438-4338) or by visiting the Federal Trade Commission website at www.ftc.gov/idtheft or write Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.
5. **File a report with your local police or the police in the community where the identity theft took place.**

Even if you do not find any signs of fraud on your credit reports, experts in identity theft recommend you check your credit reports every three months for the next year.

If you have any questions or need any help with anything mentioned in this letter, please contact us by e-mail at PrivacyOffice@Humana.com or contact Customer Service at 1-800-457-4708. If you have a speech or hearing impairment and use a TTY, dial 711 at no cost to you. In addition, please notify our Privacy Office if you believe your information is being used (e.g. identity theft) by another party so that we can work with you and law enforcement officials to promptly investigate the matter.

Again, please accept our sincere apology for this incident. We value your membership and work hard to protect your information.

Sincerely,

A handwritten signature in black ink, appearing to read "James S. Theiss". The signature is fluid and cursive, with the first name "James" being the most prominent part.

James S. Theiss
Chief Privacy Officer
Humana Inc.
502-580-4322
jtheiss@humana.com

Enclosures

Equifax Credit Watch Gold with 3-in-1 Monitoring

Promotion Code: #####

As mentioned in the enclosed letter, we have arranged with Equifax Personal Solutions to help you protect your identity and your credit information at no cost to you. The steps to follow are:

1. Enroll in Equifax Credit Watch™ Gold with 3-in-1 Monitoring identity theft protection product. This product is being provided to you at no cost for one year.
2. Additionally, you may choose to adopt an increased level of protection by placing a fraud alert on your credit file at Equifax and the other two credit reporting agencies.

Enroll in Equifax Credit Watch™ Gold with 3-in-1 Monitoring

Equifax Credit Watch will provide you with an “early warning system” to changes to your credit file and help you to understand the content of your credit file at the three major credit reporting agencies. The key features and benefits are listed below.

Equifax Credit Watch provides you with the following benefits:

- Comprehensive credit file monitoring and automated alerts of key changes to your Equifax, Experian, and TransUnion credit reports
- Wireless alerts and customizable alerts available
- One 3-in-1 Credit Report and access to your Equifax Credit Report™
- Up to \$1 million in identity theft insurance with \$0 deductible, at no additional cost to you †
- 24 by 7 live agent Customer Service to assist you in understanding the content of your Equifax credit information, to provide personalized identity theft victim assistance and in initiating an investigation of inaccurate information
- 90 day Fraud Alert placement with automatic renewal functionality (available online only)

How to Enroll

To sign up online for **online delivery** go to www.myservices.equifax.com/tri

1. **Register:** Complete the form with your contact information (name, gender, address, date of birth, Social Security Number and telephone number) and click the “Continue” button. Complete the form with your email address, create a User Name and Password, and enter the Promotion Code that is at the top of the first page of this letter in the “Promotion Code” box. The Promotion Code eliminates the need to provide a credit card number for payment. Then click the “Accept Terms & Continue” button. All of the information that you enter is in a secured environment.
2. **Verify ID:** The system will then ask you to answer up to four security questions. The questions and answers support the Equifax Identity Verification Process. Please answer the questions and then click the “Submit Order” button.
3. **Order Confirmation:** This page shows you your order. Please click the “View my Product” button to access the product features.

To sign up for **US Mail delivery**, dial 1-866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via US Mail only.

1. **Promotion Code:** You will be asked to enter your promotion code as provided at the top of your letter.
2. **Customer Information:** You will be asked to enter your home telephone number, home address, name, date of birth and Social Security Number.
3. **Permissible Purpose:** You will be asked to provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax cannot process your enrollment.
4. **Order Confirmation:** Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via the US Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity can not be verified using the information provided). Please allow up to 10 business days to receive this information.

Directions for placing a Fraud Alert

A fraud alert is a consumer statement added to your credit report. This statement alerts creditors of possible fraudulent activity within your report as well as requests that they contact you prior to establishing any accounts in your name. Once the fraud alert is added to your credit report, all creditors should contact you prior to establishing any account in your name. To place a fraud alert on your credit file, visit: www.fraudalerts.equifax.com or you may contact our auto fraud line at 1-877-478-7625, and follow the simple prompts. Once the fraud alert has been placed with Equifax, a notification will be sent to the other two credit reporting agencies, Experian and Trans Union, on your behalf.

We encourage you to take advantage of this offer to assist with identity and credit protection. If you are considering enrollment with this service, please complete the steps to enroll within the **next ninety calendar days**. If you do not enroll within the ninety days, your promotional code will expire. Again, if you have any questions regarding this offer or this incident, please do not hesitate to contact us.

Sincerely,
Humana Privacy Office
Privacy Consultant

† Identity theft insurance underwritten by subsidiaries or affiliates of Chartis Inc. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions. This product is not intended for minors (under 18 years of age).

Notice of Privacy Practices

for your **personal** 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.

The privacy of your personal and health information is important. You don't need to do anything unless you have a request or complaint.

Relationships are built on trust. One of the most important elements of trust is respect for an individual's privacy. We at Humana value our relationship with you, and we take your personal privacy seriously.

This notice explains Humana's privacy practices, our legal responsibilities, and your rights concerning your personal and health information. We follow the privacy practices described in this notice and will notify you of any changes.

We reserve the right to change our privacy practices and the terms of this notice at any time, as allowed by law. This includes the right to make changes in our privacy practices and the revised terms of our notice effective for all personal and health information we maintain. This includes information we created or received before we made the changes. When we make a significant change in our privacy practices, we will change this notice and send the notice to our health plan subscribers.

What is personal and health information?

Personal and health information - from now on referred to as "information" - includes both medical information and individually identifiable information, like your name, address, telephone number, or Social Security number. The term "information" in this notice includes any personal and health information created or received by a healthcare provider or health plan that relates to your physical or mental health or condition, providing healthcare to you, or the payment for such healthcare. We protect this information in all formats including electronic, written and oral information.

How does Humana protect my information?

In keeping with federal and state laws and our own policy, Humana has a responsibility to protect the privacy of your information. We have safeguards

in place to protect your information in various ways including:

- Limiting who may see your information
- Limiting how we use or disclose your information
- Informing you of our legal duties about your information
- Training our associates about company privacy policies and procedures

How does Humana use and disclose my information?

We must use and disclose your information:

- To you or someone who has the legal right to act on your behalf
- To the Secretary of the Department of Health and Human Services
- Where required by law.

We have the right to use and disclose your information:

- To a doctor, a hospital, or other healthcare provider so you can receive medical care
- For payment activities, including claims payment for covered services provided to you by healthcare providers and for health plan premium payments
- For healthcare operation activities including processing your enrollment, responding to your inquiries and requests for services, coordinating your care, resolving disputes, conducting medical management, improving quality, reviewing the competence of healthcare professionals, and determining premiums
- For performing underwriting activities. However, we will not use any results of genetic testing.
- To your plan sponsor to permit them to perform plan administration functions such as eligibility, enrollment and disenrollment activities. We may share summary level health information about you with your plan sponsor in certain situations such as to allow your plan sponsor to obtain bids from other health plans. We will not share detailed health information to your plan sponsor unless you provide us your permission or your plan sponsor has certified they agree to maintain the privacy of your information.
- To contact you with information about health-related benefits and services, appointment reminders, or about treatment alternatives that may be of interest to you
- To your family and friends if you are unavailable to communicate, such as in an emergency

Notice of Privacy Practices *(continued)*

- To your family and friends or any other person you identify, provided the information is directly relevant to their involvement with your health care or payment for that care. For example, if a family member or a caregiver calls us with prior knowledge of a claim, we may confirm whether or not the claim has been received and paid.
- To provide payment information to the subscriber for Internal Revenue Service substantiation
- To public health agencies if we believe there is a serious health or safety threat
- To appropriate authorities when there are issues about abuse, neglect, or domestic violence
- In response to a court or administrative order, subpoena, discovery request, or other lawful process
- For law enforcement purposes, to military authorities and as otherwise required by law
- To assist in disaster relief efforts
- For compliance programs and health oversight activities
- To fulfill Humana's obligations under any workers' compensation law or contract
- To avert a serious and imminent threat to your health or safety or the health or safety of others
- For research purposes in limited circumstances
- For procurement, banking, or transplantation of organs, eyes, or tissue
- To a coroner, medical examiner, or funeral director.

Will Humana use my information for purposes not described in this notice?

In all situations other than described in this notice, Humana will request your written permission before using or disclosing your information. You may revoke your permission at any time by notifying us in writing. We will not use or disclose your information for any reason not described in this notice without your permission.

What does Humana do with my information when I am no longer a Humana member or I do not obtain coverage through Humana?

Your information may continue to be used for purposes described in this notice when your membership is terminated or you do not obtain coverage through Humana. After the required legal retention period, we destroy the information following strict procedures to maintain the confidentiality.

What are my rights concerning my information?

The following are your rights with respect to your information:

- **Access** – You have the right to review and obtain a copy of your information that may be used to make decisions about you, such as claims and case or medical management records. You also may receive a summary of this health information. If you request copies, we may charge you a fee for each page, a per hour charge for staff time to locate and copy your information, and postage.
- **Adverse Underwriting Decision** – You have the right to be provided a reason for denial or adverse underwriting decision if Humana declines your application or insurance.*
- **Alternate Communications** – You have the right to receive confidential communications of information in a different manner or at a different place to avoid a life threatening situation. We will accommodate your request if it is reasonable.
- **Amendment** – You have the right to request an amendment of information we maintain about you if you believe the information is wrong or incomplete. We may deny your request if we did not create the information, we do not maintain the information, or the information is correct and complete. If we deny your request, we will give you a written explanation of the denial.
- **Disclosure** – You have the right to receive a listing of instances in which we or our business associates have disclosed your information for purposes other than treatment, payment, health plan operations, and certain other activities. We maintain this information and make it available to you for a period of six years at your request. If you request this list more than once in a 12-month period, we may charge you a reasonable, cost-based fee for responding to these additional requests.
- **Notice** – You have the right to receive a written copy of this notice any time you request.
- **Restriction** – You have the right to ask to restrict uses or disclosures of your information. We are not required to agree to these restrictions, but if we do, we will abide by our agreement. You also have the right to agree to or terminate a previously submitted restriction.

* This right applies only to our Massachusetts residents in accordance with state regulations.

Notice of Privacy Practices *(continued)*

How do I exercise my rights or obtain a copy of this notice?

All of your privacy rights can be exercised by obtaining the applicable privacy rights request forms. You may obtain any of the forms by:

- Contacting us at 1-866-861-2762 at any time
- Accessing our Website at **Humana.com** and going to the Privacy Practices link
- E-mailing us at privacyoffice@humana.com

Send completed request form to:
Humana Inc.
Privacy Office 003/10911
101 E. Main Street
Louisville, KY 40202

What should I do if I believe my privacy has been violated?

If you believe your privacy has been violated in any way, you may file a complaint with Humana by calling us at 1-866-861-2762 any time.

You may also submit a written complaint to the U.S. Department of Health and Human Services, Office of Civil Rights (OCR). We will give you the appropriate OCR regional address on request. You also have the option to e-mail your complaint to OCRComplaint@hhs.gov. We support your right to protect the privacy of your personal and health information. We will not retaliate in any way if you elect to file a complaint with us or with the U.S. Department of Health and Human Services.

Humana follows all federal and state laws, rules, and regulations addressing the protection of personal and health information. In situations when federal and state laws, rules, and regulations conflict, Humana follows the law, rule, or regulation which provides greater member protection.

The following affiliates and subsidiaries also adhere to Humana's privacy policies and procedures:

American Dental Plan of North Carolina, Inc.
American Dental Providers of Arkansas, Inc.

CarePlus Health Plans, Inc.
Cariten Health Plan, Inc.
Cariten Insurance Company
CompBenefits Company
CompBenefits Dental, Inc.
CompBenefits Insurance Company
CompBenefits of Alabama, Inc.
CompBenefits of Georgia, Inc.
CorpHealth, Inc. dba LifeSynch
Corphealth Provider Link, Inc.
DentiCare, Inc.
EmpheSys, Inc.
EmpheSys Insurance Company
HumanaDental Insurance Company
Humana AdvantageCare Plan, Inc. fna Metcare Health Plans, Inc.
Humana Benefit Plan of Illinois, Inc. fna OSF Health Plans, Inc.
Humana Employers Health Plan of Georgia, Inc.
Humana Health Benefit Plan of Louisiana, Inc.
Humana Health Insurance Company of Florida, Inc.
Humana Health Plan of California, Inc.
Humana Health Plan of Ohio, Inc.
Humana Health Plan of Texas, Inc.
Humana Health Plan, Inc.
Humana Health Plans of Puerto Rico, Inc.
Humana Insurance Company
Humana Insurance Company of Kentucky
Humana Insurance Company of New York
Humana Insurance of Puerto Rico, Inc.
Humana MarketPOINT, Inc.
Humana MarketPOINT of Puerto Rico, Inc.
Humana Medical Plan, Inc.
Humana Medical Plan of Michigan, Inc.
Humana Medical Plan of Pennsylvania, Inc.
Humana Medical Plan of Utah, Inc.
Humana Pharmacy, Inc.
Humana Wisconsin Health Organization
Insurance Corporation
Managed Care Indemnity, Inc.
Preferred Health Partnership of Tennessee, Inc.
The Dental Concern, Inc.
The Dental Concern, Ltd.

HUMANA.