

Policy Protecting Competitively Sensitive Information

I. Scope

Davis Vision, Inc. (“Davis Vision”) adopts and is ultimately responsible and accountable for the administration and enforcement of this Policy Protecting Competitively Sensitive Information (CSI) in compliance with the Highmark Health Policy Protecting Competitively Sensitive Information for the Highmark Health System as defined in that policy and including all companies designated on Attachment A to this Policy. All **Davis Vision** Personnel, including all directors, officers, other employees, trainees, volunteers, and independent contractors are subject to and shall strictly comply with this Policy.¹

II. Purpose

The Pennsylvania Insurance Department (“Department”) has raised the concern that the corporate affiliation of Highmark Inc. companies (as buyers of healthcare medical services), Allegheny Health Network companies (as sellers of healthcare medical services), and Highmark Health (as the parent company) could result in one or more of these entities obtaining or sharing information on the terms and conditions of rival contracts. The Department expressed concern that the result could be a reduction in competition, competitive innovation or pricing between the now affiliated companies and their rivals at one or more levels. To prevent such potential adverse competitive effects, the Department requires that the System develop, implement and strictly comply with Firewalls to restrict Highmark Inc. companies’ knowledge of and ability to influence Allegheny Health Network companies’ negotiations with rival insurers. Similarly, development, implementation and strict compliance with Firewalls is required to restrict Allegheny Health Network companies’ influence on Highmark Inc. companies’ negotiations with rival hospitals.

Accordingly, **Davis Vision** has determined that the adoption of this Policy will serve to protect CSI against inappropriate access, use or disclosure, as required as a condition of the Department’s Approving Determination and Order issued on May 29, 2013, Order No. ID-RC-13-

¹ Each adopting company will adjust this model policy only as necessary to reflect the organizational structure of that company.

06. This Policy is implemented and will be enforced in accordance with the Department's Approving Determination and Order. A copy of that Order may be found at http://www.portal.state.pa.us/portal/server/pt/community/industry_activity/9276/application_materials/1014652. This Policy sets forth the requirements and processes to safeguard against such inappropriate access, use or disclosure of CSI between and among companies within the System and their respective Personnel.

This Policy is not intended to replace Highmark Health Policy 132, titled "Information Use, Management and Disclosure," but to supplement it, particularly with respect to the imposition of procedures to accomplish the objectives of that Policy. To the extent that there are inconsistencies between this Policy and Highmark Health Policy 132, the provisions of this Policy shall control and supersede the provisions of Highmark Health Policy 132.

III. Definitions

- A. **Competitively Sensitive Information (CSI)** protected under this Policy includes the following categories of non-public information held by the System: Past, present and future reimbursement rates and rate schedules; contracts with providers; contracts with payers; any term or condition in a payer-provider agreement that could be used to gain an unfair commercial advantage over a competitor or supplier, including but not limited to discounts, reimbursement methodologies, and provisions relating to performance, pay for performance, pay for value, tiering of providers, cost data and methodologies including specific cost and member information and revenue, or discharge information specific to the payer or provider; contract negotiations or negotiating positions, including but not limited to offers, counteroffers, party positions, and thought processes; specific plans regarding future negotiations or dealings with payers or providers; and claims reimbursement data.
- B. **Firewalls** refer to safeguards that restrict unauthorized access, use and sharing of CSI. Firewalls segregate and protect CSI through procedures, training and behavioral guidelines and processes applicable to all System Personnel in their interactions with one another. Firewalls also include software-based and hardware-based tools and equipment to protect CSI and create additional barriers to unauthorized access.

Firewalls prohibit the sharing of CSI in any form, whether oral, written, electronic or otherwise.

- C. **Highmark Health** is the parent entity of both Highmark Inc. and Allegheny Health Network.
- D. **Highmark Inc. (Highmark)** is a subsidiary of Highmark Health. Highmark Inc. and the companies it controls conduct the insurance business of the System. The Highmark Inc. companies identified in Attachment A are referred to in this Policy as “Highmark Inc. Companies.”
- E. **Allegheny Health Network (AHN)** is a subsidiary of Highmark Health. AHN and the companies it controls conduct the provider services of the System. The AHN companies identified in Attachment A are referred to in this Policy as “AHN Companies.”
- F. **System** is the collective reference to Highmark Health, Highmark Inc. and AHN.
- G. **Personnel** includes any director, officer, other employee, trainee, volunteer, independent contractor or consultant performing services on behalf of the System or any company within the System.
- H. **Davis Vision Personnel** includes any director, officer, other employee, trainee, volunteer, independent contractor or consultant performing services on behalf of **Davis Vision**.
- I. **Director of Privacy** is the individual responsible for privacy oversight for AHN or Highmark Inc. respectively and who is directly accountable to the Highmark Health Chief Privacy Officer.
- J. **Senior Privacy Official** is the **Davis Vision** employee responsible for privacy oversight of the **Davis Vision**.

IV. Roles and Responsibilities

- A. **Davis Vision’s** President and Board shall be ultimately accountable and responsible for the adoption, implementation, monitoring and strict enforcement of this Policy. The Audit Committee of the Board, or those performing the audit function, shall require periodic reports regarding compliance with this Policy and shall report that information to the full Board.
- B. Subject to A above, the following shall be responsible for administration of this Policy:

1. Director of Privacy, and/or Senior Privacy Official for Davis Vision
2. Senior Auditor and Compliance Officer, Davis Vision [if applicable]
3. Senior Legal Officer, Davis Vision [if applicable]
4. Senior Information Security Officer, Davis Vision

V. Policy and Administration

A. All **Davis Vision** Personnel must strictly observe the following Policy to protect against the inappropriate access, use or disclosure of CSI:

1. **Davis Vision** Personnel who have access to, or are in possession of, any CSI of any Highmark Inc. Company shall not disclose such CSI to AHN or to any Personnel of an AHN Company.

Example: Mabel works as an account service manager in the National Accounts area of Highmark. In providing plan administration reports to her self-funded group accounts, Mabel regularly sees claims reimbursement and utilization reports for nonaffiliated providers who treat members of the group account. Mabel rides the bus everyday with Sandy who works in Physician Services for AHN and is responsible for assisting in the recruitment of new physicians into the network. During their ride to work one morning, Sandy asks Mabel if she could research a particular physician practice and share their utilization and reimbursement information with her so that she can determine if they are a good recruiting target. Mabel is prohibited from sharing any of the billing, claims reimbursement and utilization reports of Highmark Inc. nonaffiliated providers with Sandy because it is CSI.

2. **Davis Vision** Personnel who have access to, or are in possession of, any CSI of any AHN Company shall not disclose such CSI to Highmark Inc. or to any Personnel of a Highmark Inc. Company;

Example: John is Associate Counsel at AHN and one of his responsibilities is to negotiate the terms and conditions of third party payer contracts. After a long and protracted series of negotiations, John successfully reaches a good deal for AHN physicians, and concludes the contract negotiation with Acme Health Insurer. That afternoon, John has lunch with his friend Ben who works at Highmark. John cannot discuss the negotiations, his thoughts and impressions, and the results of

the negotiation with Ben because sharing the information would violate this Policy and compromise Competitively Sensitive Information.

B. All **Davis Vision** Personnel must take mandatory CSI Policy training and all newly-hired **Davis Vision** Personnel must do so before performing any work. There will be no exceptions to this mandatory requirement. **Davis Vision** shall provide periodic refresher training regarding the protection of CSI, at least annually, and supplemental training as necessary. CSI Policy training shall be developed, designed, facilitated and administered by the Highmark Health Chief Privacy Officer. At the completion of the mandatory training session and after each refresher training session, all **Davis Vision** Personnel shall be required to certify completion of the program and comprehension of the materials presented.

C. **All Davis Vision** Personnel must excuse themselves from participation in any activity where their participation would necessarily involve the improper access, use or disclosure of CSI. Any individual who comes in contact with CSI from either Highmark or AHN in the ordinary course of his or her function cannot use that CSI in performing any activity or service for the other company. If that activity requires sharing or reference to the CSI, the individual must excuse himself or herself from that activity.

Example: James is an executive of Highmark Health and also serves as a director of AHN. In his executive position and in the course of his job function he properly receives CSI from Highmark Inc. regarding recent rate negotiations with Hospital A, a competitor of AHN. At the next AHN board meeting, James must not disclose that CSI and must excuse himself from AHN board discussions or actions that would involve the use or disclosure of that CSI.

D. All **Davis Vision** Personnel are encouraged to contact the Highmark Health Chief Privacy Officer or **Davis Vision** Director of Privacy or the Senior Privacy Official for **Davis Vision** if they have any questions about their responsibilities or other matters pertaining to this Policy.

VI. Infrastructure and Physical Safeguards

- A. **Davis Vision** shall continue to observe current safeguards and adopt any additional safeguards sufficient to assure that access to CSI is properly controlled and protected. Such safeguards include:
- Role based access
 - Control and Management of User IDs
 - Separation of servers or data stored on servers as appropriate
 - Monitoring systems for unauthorized access
 - Other necessary technical controls to accomplish segregation of duties, businesses and roles.
- B. **Davis Vision** shall continue to use security tools that include electronic interface with the Human Resources systems to provide information regarding the identity of authorized **Davis Vision** Personnel in each business area, including updates on terminations, new hires, transfers and other position and organization changes.
- C. Strong PC/workstation controls shall continue to protect CSI from unauthorized access or transmission.

VII. Monitoring and Auditing

- A. The Highmark Health Privacy Department shall be responsible for monitoring the System, including **Davis Vision**, to assure that CSI has not been inappropriately accessed, used or disclosed.
- B. Highmark Health's Internal Audit Department shall develop and implement an audit plan to assure that proper controls are in place for the protection of CSI and that all policies and procedures are followed. Internal Audit shall conduct regular audits of the System, including **Davis Vision**, to ensure compliance with this Policy. Audit findings and observations shall be reported to the Highmark Health Chief Privacy Officer for appropriate remediation and mitigation, and ultimately reported to the Highmark Health Audit Committee, which shall report to the full Highmark Health Board, and to the Audit Committee of the **Davis Vision** Board or those performing the audit function, who shall report to the full **Davis Vision** Board.

- C. All **Davis Vision** Personnel shall certify annually that they have read and understood this Policy and that they are in full compliance with it. In addition, all **Davis Vision** Personnel shall certify their responsibility to report actual or potential violations with the understanding that such reporting will not result in retribution or retaliation by any company or Personnel within the System. Highmark Health's Internal Audit Department shall monitor these annual certifications to insure compliance with this Policy. All annual certifications will be reported to Highmark Health's Chief Privacy Officer for inclusion in the annual report on System compliance.
- D. All **Davis Vision** Personnel shall also affirmatively acknowledge that failure to report an actual or potential violation of this Policy may subject the individual to disciplinary action, up to and including termination.

VIII. Violations and Enforcement

- A. Violations of this Policy are subject to corrective action up to and including termination of employment or contractual arrangement, or removal from the Board, consistent with Highmark Health and **Davis Vision** disciplinary procedures.
- B. All **Davis Vision** Personnel are required to immediately report violations or suspected violations of this Policy to the **Davis Vision** Senior Privacy Official, who shall notify the appropriate Director of Privacy, who shall notify the Highmark Health Chief Privacy Officer. The Highmark Health Chief Privacy Officer, the appropriate Director of Privacy and the **Davis Vision** Senior Privacy Official shall investigate and take appropriate remedial action including determining the cause(s) of any violation, mitigating the effects of the violation, taking corrective action to prevent future occurrences, and engaging Human Resource areas as necessary to determine appropriate sanctions.

Example: Tricia, a data analyst in the AHN provider financial operations area sits in the cubicle next to her colleague Glen. One afternoon Tricia overhears Glen talking on the phone to Helen who works as an analyst in Highmark Inc. Informatics. Glen thanks Helen for the report she generated and sent to him containing Highmark BCBS member-level data pertaining to specific cost and reimbursement rates for particular drugs and the associated prescribing provider information. Concerned that competitively sensitive information was compromised, Tricia contacts the Highmark Health Chief Privacy Officer.

- C. In any case in which any individual has violated or is suspected to have violated this Policy, the **Davis Vision** Senior Privacy Official, the appropriate Director of Privacy and the Highmark Health Chief Privacy Officer shall notify **Davis Vision** Human Resources and provide case-specific information to enable **Davis Vision** Human Resources and **Davis Vision** business unit management to administer appropriate disciplinary measures. In any case in which a director or executive officer of **Davis Vision** has violated or is suspected to have violated this Policy, the **Davis Vision** Senior Privacy Official shall notify the appropriate Director of Privacy, who shall notify the Highmark Health Chief Privacy Officer, who shall oversee the investigation. If a violation is found, the Board with appropriate authority shall discipline the director or officer as it deems appropriate. There is zero tolerance for intentional improper access, use or disclosure of CSI in violation of this Policy.
- D. Failure to report known or suspected violations of this Policy shall constitute a violation.

IX. Filing a Complaint

- A. Complaints and reports may be made in any of the following ways:
 - (1) directly to the **Davis Vision** Senior Privacy Official or the Highmark Health Chief Privacy Officer,
 - (2) by calling toll-free: 1-877-959-4160,
 - (3) or by email to infomgmtdecisions@highmark.org.
- B. The Highmark Health Chief Privacy Officer shall have ultimate responsibility for the administrative enforcement of this Policy. The Highmark Health Chief Privacy Officer, the appropriate Director of Privacy and the **Davis Vision** Senior Privacy Official shall promptly investigate and ensure that necessary and appropriate remedial action is taken in response to all reported violations. The remedial actions taken shall include determination of the cause(s) of the violation, mitigation, corrective action that is required to prevent future occurrences, and facilitating appropriate workforce sanctioning if applicable.

X. Policy Against Retaliation

Davis Vision is committed to protecting all Personnel, health care providers with whom any Highmark Inc. company contracts, and members of the general public (collectively referred to as “Individuals”) from interference with making a good faith disclosure that this Policy has been violated, from retaliation for having made a good faith disclosure, or from retaliation for having refused a direction or order in conflict with this Policy. **Davis Vision** encourages all Individuals to report good faith concerns about a potential violation of this Policy. No Individual or entity who in good faith reports a violation of this Policy, or who participates in the investigation of a reported violation of this Policy, will suffer harassment, retaliation, adverse employment or other adverse action as a result of the Individual’s report and/or participation. Any **Davis Vision** Personnel who retaliates against someone who has reported a violation of this Policy in good faith, or who has participated in an investigation of a reported violation, is subject to discipline up to and including termination of employment or contractual arrangement or removal from the Board.

Example: Community Hospital A, in attempting to negotiate its provider contract with Highmark Inc. has evidence that Highmark Inc. knows the terms and conditions of Community Hospital A’s provider contract with other insurers. In the event that Community Hospital A files a complaint against Highmark Inc., Highmark Inc. may not take any negative action with respect to its relationship with Community Hospital A as a result of this complaint.

Example: Kathleen works at West Penn Hospital where as part of her duties, she gathers materials to assist the team that negotiates the hospital’s rates with insurers. As she is preparing information about the hospital’s recent experience providing services to subscribers of National Insurer, she finds an email from her supervisor to an employee of Highmark Inc. attaching West Penn’s current agreement with National Insurer. Kathleen reports her findings to the Highmark Health Chief Privacy Officer, which triggers an investigation and results in serious discipline of her supervisor. Neither the supervisor nor any other System Personnel may take any negative action toward Kathleen for complying with her obligations under this Policy.

XI. No Exceptions

There are no exceptions to this Policy regarding improper access, use or disclosure of CSI.

XII. HIPAA Compliance

Nothing in this Policy is intended to prohibit or otherwise prevent disclosure of information that may include competitively sensitive data elements if the disclosure is necessary, appropriate and required to comply with the HIPAA Privacy, Security, Enforcement and Breach Notification Rules under HITECH, GINA and other modifications to the HIPAA Rules as set forth in 45 CFR Parts 160 and 164

XIII. Amendments

Any amendments to this Policy are subject to approval by the Pennsylvania Insurance Department.

EXHIBIT A

HIGHMARK INC. COMPANIES

1. Highmark Inc.
 - a. United Concordia Companies, Inc.
 - i. United Concordia Life and Health Insurance Company
 - ii. United Concordia Dental Plans of Pennsylvania, Inc.
 - b. Davis Vision, Inc.
 - i. DavisVision IPA, Inc.
 - c. HVHC Inc.
 - i. VisionWorks of America, Inc.
 1. VisionWorks, Inc.
 2. VisionWorks Enterprises, Inc.
 3. Empire Vision Center, Inc.
 - d. Highmark Select Resources Inc.
 - e. Keystone Health Plan West, Inc.
 - f. HM Life Insurance Company
 - g. HM Health Insurance Company
 - h. Highmark Senior Health Company (pending receipt of Certificates of Authority)
 - i. Highmark Coverage Advantage Inc. (pending receipt of Certificates of Authority)
 - j. Highmark Benefits Group Inc. (pending receipt of Certificates of Authority)

ALLEGHENY HEALTH NETWORK COMPANIES

1. HMPG Inc.
 - a. Promedix LLC
2. West Penn Allegheny Health System, Inc.
 - a. Alle-Kiski Medical Center
 - b. Canonsburg General Hospital
 - i. Canonsburg General Hospital Ambulance Service
 - c. Allegheny Medical Practice Network
 - d. Allegheny Clinic (f/k/a Allegheny Specialty Practice Network)
 - i. Physician Landing Zone
 1. Lake Erie Medical Group PC
 2. Premier Medical Associates, PC
 - e. West Penn Allegheny Oncology Network
3. Jefferson Regional Medical Center

- a. Prime Medical Group PCG 1
 - b. Primary Care Group 2, Inc.
 - c. Primary Care Group 3, Inc.
 - d. Primary Care Group 4, Inc.
 - e. Primary Care Group 5, Inc.
 - f. Primary Care Group 6, Inc.
 - g. Primary Care Group 7, Inc.
 - h. Primary Care Group 8, Inc.
 - i. Primary Care Group 9, Inc.
 - j. Primary Care Group 10, Inc.
 - k. Primary Care Group 11, Inc.
 - l. Primary Care Group 12, Inc.
 - m. Family Practice Medical Associates South, Inc.
 - n. JPMC-Diagnostic Services, LLC
 - o. Jefferson Magnetic Resonance Imaging, LLC
 - p. The Park Cardiothoracic and Vascular Institute
 - q. Specialty Group Practice 1, Inc.
 - r. Grandis, Rubin, Shanahan & Associates
 - s. Steel Valley Orthopaedic and Sports Medicine
 - t. Jefferson Hills Surgical Specialists
 - u. JPMC Specialty Group Practice
 - v. JPMC Physician Services Corporation
 - w. Pittsburgh Bone, Joint & Spine, Inc.
4. Saint Vincent Health Center
- a. Regional Heart Network
5. Saint Vincent Health System
- a. Clinical Services, Inc.
 - i. Saint Vincent Rehab Solutions, LLC
 - ii. Saint Vincent Consultants in Cardiovascular Diseases, LLC
 - iii. Saint Vincent NWP Surgery Center, Ltd.
 - b. Saint Vincent Affiliated Physicians
 - c. Saint Vincent Medical Education & Research Institute, Inc.