

December 15, 2012

TO: Participants in the Group Health Plans
FROM: Your Group Health Plan

Notice of Privacy Practices

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.

As we work every day to provide your benefits and pay your claims, protecting the confidentiality of personal medical information has always been an important priority. We (the Group Health Plans, including American Airlines plans and any other Group Health Plans administered by American Airlines, collectively, the "Plans") adopted new policies in 2003 to safeguard the privacy of your medical information and comply with federal law (specifically, the Health Insurance Portability and Accountability Act, known as "HIPAA").

In this Notice we want to help you understand:

- ◆ How your personal medical information may be used, and
- ◆ What rights you have regarding this information.

The Plans include the health plan components of:

- ◆ *The Group Life and Health Benefits Plan for Employees of Participating AMR Corporation Subsidiaries* * (Plan 501), including the Employee Assistance Program (EAP),
- ◆ *Supplemental Medical Plan for Employees of Participating AMR Corporation Subsidiaries* (Plan 503),
- ◆ *Long Term Care Insurance Plan for Employees of Participating AMR Corporation Subsidiaries* (Plan 510),
- ◆ *TWA Retiree Health and Life Benefits Plan* (Plan 511), and
- ◆ Any other Group Health Plans for which American Airlines serves as Plan Administrator.

Note: If you are covered by an insured health option under the Plan, you will also receive a separate Notice from your insurer or HMO.

This Notice Applies To:

The information in this Notice applies only to health-related benefit plans that provide "medical care," which means the diagnosis, cure, mitigation, treatment or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body, transportation primarily for and essential to medical care, and insurance covering medical care. This means that, for the Plans listed above, only the health-related benefits, including medical, dental, vision, prescription drug, mental health, and health care flexible spending account benefits, are subject to the limitations described in this Notice. The EAP is included in this Notice only to the extent it is involved in the provision and administration of medical benefits.

This Notice Does Not Apply To:

By law, the HIPAA Privacy rules, and the information in this Notice, do *not* apply to the following benefit plans:

- Disability plans (optional short-term, short-term and long-term disability)
- Life insurance plans, including accidental death & dismemberment (AD&D) *

* This is the formal name of the benefit plan. Only the Health plan components of this benefit plan are covered by this Notice. Life insurance and other non-Health benefits are not subject to this Notice.

- Workers' compensation plans, which provide benefits for employment-related accidents and injuries
- Property and casualty insurance

In addition, AMR Corporation and its subsidiaries may have personal medical information about you that is used for routine employment activities. Medical information held or used by AMR Corporation and its subsidiaries in its employment records for employment purposes is *not* subject to this Notice.

This includes, but is not limited to, medical information, files or records related to compliance with government occupational and safety requirements, the Americans with Disabilities Act (ADA) or other employment law requirements, occupational injury, disability insurance eligibility, sick leave requests or justifications, drug or alcohol screening results, workplace medical surveillance, fitness-for-duty test results, or other medical information needed to meet Federal Aviation Administration (FAA), Department of Transportation (DOT), or other company policy or government requirements. Information used by the EAP in its role in administering employment-related programs, such as drug and alcohol testing, is not subject to this Notice.

How The Group Health Plans May Use Your Protected Health Information

In order to manage your health benefits effectively, the Plans are permitted by law to use and disclose your personal medical information (called "Protected Health Information" or "PHI") in certain ways, without your authorization:

For treatment. So that you receive the right treatment and care, your PHI may be used and disclosed as providers coordinate or manage your health care services. For example, your physician uses your information when he or she consults with a specialist regarding your condition.

For payment. To make sure that claims are paid correctly and you receive the benefits to which you are entitled, we may use and disclose your PHI to determine plan eligibility and responsibility for coverage and benefits. For example, we may use your information when we confer with other health plans to resolve a coordination of benefits issue. Payment activities may also include billing, claims management, plan reimbursements, utilization review for medical necessity, appropriateness of care, subrogation, preauthorizations, or other activities.

For health care operations. To ensure quality and efficient plan operations, we may use your PHI in a number of ways, including plan administration, quality assessment and improvement, vendor review, and underwriting activities. Your information could be used, for example, to assist in the evaluation of a vendor who supports us, or we may contact you to provide reminders or information about appointments, treatment alternatives or other health-related benefits and services available under the Plans. Other examples of health care operations include Plan or claims audits, fraud and abuse compliance programs, handling Plan appeals, disease management activities, health improvement activities, and other general administrative activities.

We may share your PHI across the Plans covered by this Notice for health care operations activities, since the Plans are maintained and managed by the same plan administrator (AMR/American Airlines).

We may also disclose your PHI to American Airlines, Inc., (the Plan sponsor) in connection with these activities. If you are covered under an insured health plan, the insurer or HMO also may disclose PHI to the Plan sponsor in connection with payment, treatment or health care operations.

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Other Permitted Uses and Disclosures

Federal regulations allow use and disclosure of your PHI, without your authorization, for several additional purposes:

- ▶ Public health activities, including, but not limited to, public health issues such as disease control, child abuse or neglect; the safety, quality or effectiveness of FDA-regulated products; controlling the spread of communicable diseases; or identifying and preventing work place injuries or illnesses.
- ▶ When required by law, or authorized by law or you, to report information about abuse, neglect or domestic violence to an appropriate government authority if there exists a reasonable belief that you may be a victim of abuse, neglect, or domestic violence and you are either unable to agree because of your incapacitation to agree in connection with urgent enforcement activities or, in exercising professional judgment of the plan, there is a reasonable belief that the disclosure is necessary to prevent serious harm to you or another person. In such cases, we will promptly inform you that such a disclosure has been or will be made unless that notice, in the professional judgment of the plan, would expose you to risk of serious risk of harm or, in reporting to a personal representative, there is a reasonable belief that the personal representative is responsible for the abuse, neglect or other injury and informing such individual would, in the plan's professional judgment, not be in your best interest.
- ▶ Oversight activities of a health oversight agency authorized by law, including audits; civil, administrative or criminal investigations or actions; or other necessary oversight activities.
- ▶ Judicial and administrative proceedings in response to a court order or an administrative tribunal.
- ▶ When required for law enforcement purposes, such as to report certain types of wounds or other physical injuries; a court order or court-ordered warrant; a subpoena, summons or an administrative request; a request by a law enforcement official for information about an individual who is or is suspected to be a victim of a crime; or a death suspected to be caused by criminal conduct.
- ▶ For law enforcement purposes, including for the purpose of identifying or locating a suspect, fugitive, material witness, or missing person. Also, when disclosing information about an individual who is suspected to be a victim of a crime, but only if the individual agrees to the disclosure or the covered entity is unable to obtain the individual's agreement because of emergency circumstances. Furthermore, the law enforcement official must represent that the information is not intended to be used against the individual, the immediate law enforcement activity would be materially and adversely affected by waiting to obtain the individual's agreement, and disclosure is in the best interest of the individual as determined by the exercise of our best judgment.
- ▶ To a coroner or medical examiner for purposes of identifying a deceased person, determining a cause of death or other duties authorized by law. Also, disclosure is permitted to funeral directors, consistent with applicable law, as necessary to carry out their duties with respect to the decedent.
- ▶ To cadaveric organ, eye or tissue donation programs.
- ▶ Research purposes, as long as certain privacy-related standards are satisfied.
- ▶ When consistent with applicable law and standards of ethical conduct, if we, in good faith, believe the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public and the disclosure is to a person reasonably able to prevent or lessen the threat, including the target of the threat.

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- ▶ Specialized government functions (e.g., Medicare and Medicaid programs, Military and veterans' activities, national security and intelligence, federal protective services, medical suitability determinations, correctional institutions and other law enforcement custodial situations).
- ▶ Workers' compensation or similar programs that provide benefits for work-related injuries or illness.
- ▶ Other purposes required by law, provided that the use or disclosure is limited to the relevant requirements of such law.

In Special Situations...

We may disclose your PHI to a family member, relative, close personal friend, or any other person whom you identify, when that information is directly relevant to that person's involvement with your care or payment related to your care.

We may use your PHI to notify a family member, your personal representative, another person responsible for your care, or certain disaster relief agencies of your location, general condition, or death.

If you are present for, or otherwise available prior to, a use or disclosure of your PHI in one of these situations, and you have the capacity to make health care decisions, we will use or disclose your PHI only if we give you the opportunity to object and you do not do so, or we reasonably infer from the circumstances, using our best judgment, that you do not object to the disclosure.

If you are incapacitated, there is an emergency, or you otherwise do not have the opportunity to agree to or object to this use or disclosure because of your incapacity or an emergency circumstance, we will do what in our judgment is in your best interest regarding such disclosure and will disclose only information that is directly relevant to the person's involvement with your health care.

Other uses and disclosures will be made only after receipt of your written authorization. You may revoke your authorization in writing at any time. For example, your written authorization generally will be obtained before we will use or disclose psychotherapy notes about you from your psychologist other than for certain instances involving treatment, payment or health care operations. Psychotherapy notes are separately filed notes about your conversations with your mental health professional during a counseling session. They do not include summary information about your mental health treatment and other limited information. We may use and disclose such notes when needed by us to defend against legal actions or other proceedings brought by you.

Your Rights Regarding Protected Health Information

Right to Request Restrictions on PHI Uses and Disclosures. You may ask us to restrict how we use and disclose your PHI as we carry out treatment, payment, or health care operations. You may also ask us to restrict disclosures to your family members, relatives, friends, or other persons who you identify as being involved in your care or payment for your care. However, we are not required to agree to these requests. If your request is granted, you will be provided with additional information.

Right to Inspect and Copy PHI. Unless your written request to inspect or copy your PHI involves psychotherapy notes, was compiled in anticipation of, or for use in, a legal proceeding or is exempt under the Clinical Laboratory Improvements Amendment, you may inspect and copy your PHI contained in a "designated record set," for as long as we maintain your PHI.

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- ▶ "Designated Record Set" includes the medical records and billing records about individuals maintained by or for a covered health care provider; enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for a health plan; or other information used in whole or in part by or for the covered entity to make decisions about individuals. Information used for quality control or peer review analyses and not used to make decisions about individuals is not in the designated record set.
- ▶ The requested information will be provided within 30 days after the receipt of your written request if the information is maintained on-site or within 60 days if the information is maintained offsite. A single 30-day extension is allowed if we are unable to comply with the deadline.
- ▶ If access to the information is denied, you or your personal representative will be provided with a written denial and, if applicable, a description of how you may obtain a review. A description of how you may complain to the Secretary of the U.S. Department of Health and Human Services will also be provided.
- ▶ If you request a copy, or a summary or explanation of your PHI, a fee may be imposed.

Right to Amend PHI. You have the right to request that we amend or correct inaccurate information in a designated record set for as long as we maintain your PHI.

- ▶ To request an amendment, you must provide a written basis for your request.
- ▶ We have 60 days to act upon such a request. A single 30-day extension is allowed if we are unable to comply with the deadline. If the request is denied in whole or in part, you will be provided with a written denial that explains the basis for the denial. You or your personal representative may then submit a written statement disagreeing with the denial and have that statement included with any future disclosures of your PHI.
- ▶ We may deny your request if you ask us to amend information that was not created by us or is not part of the information kept by us, information that you would not be permitted to inspect and copy or information that is accurate and complete.

Right to Receive an Accounting of PHI Disclosures. You have the right to request an accounting of certain disclosures made by us during the six year period prior to the date of your request. However, you are not entitled to an accounting of disclosures made for payment, treatment or health care operations, disclosures previously made to you, many of the above-mentioned permitted uses and disclosures, disclosures you authorized in writing, or those occurring before April 14, 2003.

- ▶ If we cannot provide the accounting within 60 days, a single 30-day extension is allowed, if we provide you with a written statement of the reasons for the delay and the date by which the accounting will be provided.
- ▶ If you request more than one accounting within a 12-month period, a fee may be imposed.

NOTE: You or your personal representative will be required to complete a form to request restrictions on uses and disclosures of your PHI, to request access to the PHI in your designated record set, and to request amendment of PHI in a designated record set. To make these requests, and to request an accounting of PHI disclosures or a paper copy of this notice, please contact the office identified at the end of this notice.

Receiving Your PHI. You have the right to request that you receive your PHI by alternative means or at an alternative location if you reasonably believe that other disclosure could pose a danger to you. For example, you may only want to have information sent by mail or to a work address. However, you must submit your request in writing in which you must state that not doing so could endanger you. For more information about exercising these rights, contact the office identified at the end of this notice.

Right to Receive a Paper Copy of This Notice. You may always request a paper copy of this notice, even if you consented to receive an electronic notice. To do so, please contact the office identified at the end of this notice.

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About This Notice

We are required by law to maintain the privacy of your PHI. We are required to provide you with this notice regarding our policies and procedures and to abide by the terms of this notice, as it may be updated from time to time.

We reserve the right to alter, amend, modify, or terminate this Notice, or any part of this Notice of Privacy Practices. Changes may affect all or part of the Protected Health Information we maintain. In the event that there are changes, you will receive a new Notice by **via posting on JetNet, if you have elected to have benefits information sent to you electronically. Other Plan Participants will receive any revised Notices by mail.**

If You Suspect Violations of Your Privacy Rights

If you believe that your privacy rights have been violated, you may file a written complaint without fear of reprisal. Your complaint should be directed to the location identified below under "Contacting Us" or to the Secretary of the Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue, SW, Washington, DC 20201.

For more information about exercising these rights, contact the office identified at the end of this Notice.

Contacting Us

You may exercise the rights described in this notice by contacting American Airlines HR Services department, which will provide you with additional information, including forms or a paper copy of this Notice. The HR Services phone number is (800) 447-2000. Forms and other information can also be found on JetNet, and you may also contact HR Services using the Chat feature there..

If you believe that your privacy rights have been violated, you may file a written complaint without fear of reprisal. To do so, please follow the complaint procedures, including completing the Complaint Form, provided by Employee Services and published on JetNet. The contact is:

HIPAA Subcommittee of Privacy Compliance Council
American Airlines, Inc.
MD# 5134-HDQ1
P.O. Box 619616
DFW Airport, TX 75261-9616

or Federal Express address:

HIPAA Subcommittee of Privacy Compliance Council
American Airlines, Inc.
4333 Amon Carter Blvd.
MD# 5134-HDQ1
Ft. Worth, TX 76155.

You may also write to the Secretary of the U.S. Department of Health and Human Services. Your complaint should be directed to the Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue, SW, Washington, DC 20201.

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