



To: All Employees and their Spouses & Dependent Children, if any

Date: September 23, 2013

NOTICE OF HIPAA 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.

Effective Date of Notice: September 23, 2013

The Deborah Heart and Lung Center Benefits Plan (the "Plan") is required by law to take reasonable steps to ensure the privacy of your health information and to inform you about:

- the Plan's required and permitted uses and disclosures of your Protected Health Information (PHI);
- your privacy rights with respect to your PHI;
- the Plan's duties with respect to your PHI;
- your right to file a complaint with the Plan and to the Secretary of the U.S. Department of Health and Human Services; and
- the person or office to contact for further information about the Plan's privacy practices.

The term "Protected Health Information" (PHI) includes all individually identifiable health information transmitted or maintained by the Plan, regardless of form (oral, written, electronic).

How We May Use and Disclose Your PHI

We Are Required to Disclose . . . your PHI upon your request and to give you access to your PHI in order to inspect and copy it. We Are Required to Use and Disclose . . . your PHI if the Secretary of the Department of Health and Human Services needs it to investigate or determine the Plan's compliance with the privacy regulations.

We Are Permitted to Use and Disclose . . . your PHI to carry out treatment, payment and health care operations.

The Plan and its business associates may use your PHI without your prior written Authorization or opportunity to agree or object, verbally or otherwise, in order to carry out treatment, payment and health care operations.

Treatment is the provision, coordination or management of health care and related services. It also includes, but is not limited to, consultations and referrals between one or more of your providers. For example, the Plan may disclose to a treating orthodontist the name of your treating dentist so that

the orthodontist may ask for your dental X-rays from the treating dentist.

Payment includes, but is not limited to, actions to make coverage determinations and payment (including billing, claims management, subrogation, plan reimbursement, reviews for medical necessity and appropriateness of care and utilization review and preauthorizations). For example, the Plan may tell a doctor whether you are eligible for coverage or what percentage of the bill will be paid by the Plan.

Health care operations include, but are not limited to, quality assessment and improvement, reviewing competence or qualifications of health care professionals, underwriting, premium rating and other insurance activities relating to creating or renewing insurance contracts. It also includes disease management / wellness, case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs, business planning and development, business management and general administrative activities. For example, the Plan may use information about your claims to refer you to a disease management / wellness program, project future benefit costs or audit the accuracy of its claims processing functions.

The Plan may also disclose your PHI to the Plan Sponsor (Deborah Heart and Lung Center) so that it may carry out certain "plan administration functions" on behalf of the Plan. Typically, the information shared by the Plan to the Center will be limited to "summary health information" which summarizes the claims history, claims expenses or types of claims experienced by Plan participants; and from which identifying information has been deleted in accordance with HIPAA. The use of this information will be limited to obtaining premium bids from health plans for providing health insurance coverage under the Plan or modifying, amending or terminating the Plan. The Center has amended the documents that govern the operation of the Plan to protect your PHI and limit its use as required by federal law in the event that the Plan discloses additional PHI to the Center.

We Must Obtain Your Prior Written Authorization . . . in most circumstances in order to use or disclose psychotherapy notes about you, for any marketing communications we may send, or in any circumstance where we would disclose PHI in exchange for remuneration (a "sale").

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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. The Plan may use and disclose such notes when needed by the Plan to defend against litigation filed by you.

Marketing communications encourage the recipient to purchase or use the product or service. We will always ask for your authorization prior to sending out communications which are marketing. We may send you, however, communications concerning refill reminders or drugs that you are currently taking, and for certain treatment and health care operations purposes, such as alternative treatments and case management, provided we receive no money in exchange for the communication from another party.

We will never “sell” your PHI unless you have specifically provided an authorization for us to do so. However, we may receive money or other remuneration, for example, for treatment and payment purposes, public health purposes, or where remuneration would be reasonable and cost-based for a purpose otherwise permitted by law.

We Must Give You an Opportunity to Agree or Object Prior to Our Using or Disclosing Your PHI . . . to notify, or assist in the notification of a family member, personal representative of another person responsible for your care of your location, general condition or death. If you are present or otherwise available, we may disclose your PHI to a family member, relative or close personal friend if you have either agreed to the disclosure or have been given an opportunity to object and have not objected.

If you are not present, or in an emergency circumstance, we will only disclose that PHI that is directly relevant to the person’s involvement with your care or payment related to your care.

We Do Not Need to Obtain Your Authorization and Do Not Need to Give You the Opportunity to Object to the Use or Disclosure:

- (1) When required by law, for example, applicable federal, state or local law.
- (2) When permitted for purposes of public health activities, including when necessary to report product defects, to permit product recalls and to conduct post-marketing surveillance. We may also use or disclose your PHI to a public health authority that is authorized by law to collect or receive such information if you have been exposed to a communicable disease or are at risk of spreading a disease or condition.
- (3) When authorized by law to report information about abuse, neglect or domestic violence to public authorities if we believe that you may be a victim of abuse, neglect or domestic violence. In such case, the Plan will promptly inform you that

such a disclosure has been or will be made unless that notice would cause a risk of serious harm to you. For the purpose of reporting child abuse or neglect, it is not necessary for us to inform the minor that such a disclosure has been or will be made. Disclosure may generally be made to the minor’s parents or other representatives although there may be circumstances under federal or state law when the parents or other representatives may not be given access to the minor’s PHI.

- (4) To a public health oversight agency for oversight activities authorized by law. This includes uses or disclosures in civil, administrative or criminal investigations; inspections; licensure or disciplinary actions (for example, to investigate complaints against providers); and other activities necessary for appropriate oversight of government benefit programs (for example, to investigate Medicare or Medicaid fraud).
- (5) When required for judicial or administrative proceedings. For example, your PHI may be disclosed in response to a civil subpoena or discovery request, provided certain conditions are met. One of those conditions is that satisfactory assurances must be given to the Plan that the requesting party has made a good faith attempt to provide written notice to you, and the notice provided sufficient information about the proceeding to permit you to raise an objection and no objections were raised or if they were, they were resolved in favor of disclosure by the court or tribunal.
- (6) When required for law enforcement purposes (for example, to report certain types of wounds) or in accordance with a court order or grand jury subpoena.
- (7) 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 or 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 the Plan’s best judgment.
- (8) When required by a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death or other duties as authorized by law. Also, we are allowed to disclose PHI to funeral directors, consistent with

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- applicable law, as necessary to carry out their duties with respect to the decedent.
- (9) The Plan may use or disclose PHI for research, subject to certain conditions.
 - (10) If 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.
 - (11) When authorized by, and to the extent necessary to comply with, workers' compensation or other similar programs established by law.
 - (12) For specified government functions, for example, to facilitate functions related to the military and veterans, national security and intelligence activities, protective services for the president and others, and correctional institutions and inmates.

Except as otherwise indicated in this notice, uses and disclosures will be made only with your written authorization subject to your right to revoke such authorization.

The Plan is prohibited from using or disclosing PHI which is genetic information for underwriting purposes. We will not use any genetic information that we have collected about you for decisions regarding coverage, rates, or preexisting conditions. This is in accordance with HIPAA and the Genetic Information Nondiscrimination Act of 2008 (GINA).

Your Rights

You Have the Right to Request Restrictions on Uses and Disclosures . . . You may request that the Plan restrict uses and disclosures of your PHI to carry out treatment, payment or health care operations, or to restrict uses and disclosures to family members, relatives, friends or other persons identified by you who are involved in your care or payment for your care. However, the Plan is not required to agree to your request.

The Plan will accommodate reasonable requests to receive communications of PHI by alternative means or at alternative locations.

You or your personal representative will be required to complete a form to request restrictions on uses and disclosures of your PHI. Such requests should be made to the Plan Administrator.

You Have the Right to Inspect and Copy Your PHI . . . You have a right to inspect and obtain a copy of your PHI that is contained in a "designated record set" ("DRS"), for as long as the Plan maintains the PHI, including the right to a copy of your PHI in an electronic format if it is contained in an electronic DRS. We may charge you a reasonable cost-based fee to cover copying, postage and/or preparation of a

summary, and in the case of a request for a copy of your PHI maintained in an electronic DRS (or summary or explanation of such) in an electronic format, we may charge you the amount of our labor or supply costs in responding to your request.

"Designated Record Set" includes the enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for the Plan about you; or other information used in whole or in part by or for the Plan to make decisions about you. There are some exceptions to this definition and therefore not every document maintained by the Plan falls into the definition of a "designated record set."

The requested information will be provided within 30 days. A single 30-day extension is allowed if the Plan is unable to comply with the deadline.

You or your personal representative will be required to complete a form to request access to the PHI in your designated record set. Requests for access to PHI should be made to the Plan Administrator.

If access is denied, you or your personal representative will be provided with a written denial setting forth the basis for the denial, a description of how you may appeal the decision and a description of how you may complain to the Secretary of the U.S. Department of Health and Human Services.

You Have the Right to Request to Amend Your PHI . . . You have the right to request that the Plan amend your PHI or a record contained in a designated record set, for as long as the PHI is maintained in the designated record set.

The Plan has 60 days after the request is made to act on the request. A single 30-day extension is allowed if the Plan is unable to comply with the deadline. If the request is denied in whole or part, the Plan must provide you 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.

Requests for amendment of PHI in a designated record set should be made to the Plan Administrator. You or your personal representative will be required to complete a form to request amendment of the PHI in your designated record set.

You Have the Right to Receive an Accounting of Disclosures . . . At your request, the Plan will also provide you with an accounting of certain disclosures made by the Plan of your PHI during the six years prior to the date of your request.

If the accounting cannot be provided within 60 days, an additional 30 days is allowed if the individual is given a written statement of the reasons for the delay and the date by

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which the accounting will be provided. If you request more than one accounting within a 12-month period, the Plan will charge a reasonable, cost-based fee for each subsequent accounting.

You Have the Right to Receive a Paper Copy of This Notice Upon Request . . . To obtain a paper copy of this Notice contact the following: Plan Administrator, c/o Human Resources, Deborah Heart and Lung Center, 200 Trenton Road, Browns Mills, New Jersey 08015, 609-893-6611.

A Note About Personal Representatives

You may exercise your rights through a legally authorized personal representative. Your personal representative will be required to produce evidence of his/her authority to act on your behalf before that person will be given access to your PHI or allowed to take any action for you. Proof of such authority may take one of the following forms:

- a power of attorney for health care purposes, notarized by a notary public;
- a court order of appointment of the person as the conservator or guardian of the individual; or
- proof that an individual who is the parent of a minor child. In New Jersey and most other States, absent other circumstances, individuals are minors only until they reach the age of 18.

The Plan retains the discretion to deny access to your PHI to a personal representative if we have a reasonable belief that you may be subject to abuse or neglect by the person and it is not in your best interests to release the information. This also applies to personal representatives of minors.

The Plan's Duties

The Plan is required by law to maintain the privacy of PHI and to provide participants with notice of its legal duties and privacy practices. The Plan is required by law to notify you in the event a Breach occurs of your unsecured PHI and you will receive notice from the Plan informing you of any such incident that occurs.

This notice is effective beginning April 14, 2003 and the Plan is required to comply with the terms of this notice and any subsequent revisions. However, the Plan reserves the right to change its privacy practices and to apply the changes to any PHI received or maintained by the Plan prior to that date. If a privacy practice is changed, a revised version of this notice will be posted and a copy provided, upon request.

Minimum Necessary Standard

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations, except as otherwise permitted by law.

This notice does not apply to information that has been de-identified. De-identified information is information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual is not individually identifiable health information.

State Law Issues

To the extent that State law is more restrictive with respect to our ability to use or disclose your Patient Information, or to the extent that it affords you greater rights with respect to the control of your information, we will follow applicable State law. This may arise if your Health Information contains information relating to HIV/AIDS, mental health, substance abuse/chemical dependency and genetic testing, among others.

Your Right to File a Complaint With the Plan or the HHS Secretary

If you believe that your privacy rights have been violated, you may complain to the Plan in care of the following: Director of Compliance and Privacy, Deborah Heart and Lung Center, 200 Trenton Road, Browns Mills, New Jersey 08015, 1-800-660-5195.

You may file a complaint with the Secretary of the U.S. Department of Health and Human Services, 150 S. Independence Mall West Suite 372 - Public Ledger Building - Philadelphia, PA 19106-9111 Phone (215) 861-4441 Toll Free: (800) 368-1019. The Plan will not retaliate against you for filing a complaint.

Whom to Contact at the Plan for More Information

If you have any questions regarding this notice or the subjects addressed in it, you may contact the following: Plan Administrator, c/o Human Resources, Deborah Heart and Lung Center, 200 Trenton Road, Browns Mills, New Jersey 08015, 609-893-6611. All requests which may be made under this notice including but not limited to amendments, access to, copies or accountings of disclosures of PHI may be made to the Plan Administrator at the contact information designated above.

Conclusion

The use and disclosure of your health information by the Plan is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). You may find these regulations at 45 Code of Federal Regulations Parts 160 and 164. This notice attempts to summarize the regulations. The regulations will supersede any discrepancy between the information in this notice and the regulations.