

## HIPAA NOTICE OF PRIVACY PRACTICES OF **BOERNE DRUG COMPANY** ("PHARMACY")

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED BY PHARMACY AND ITS SUBSIDIARIES AND AFFILIATES ("Pharmacy"), AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Pharmacy recognizes that your health information is personal, and we are committed to protecting it. Pharmacy's use and disclosure of your health information is also very important to our ability to provide you with quality care, and to comply with certain laws. This Notice applies to Pharmacy's uses and disclosures of individually identifiable Protected Health Information ("PHI") received or created by Pharmacy as a healthcare provider under the Standards for Privacy of Protected Health Information disseminated under the Health Insurance Portability and Accountability Act of 1996,<sup>1</sup> subject to applicable state laws.

- I. **We Are Legally Required to Safeguard Your PHI.** Pharmacy is required by law to:
  - A. Maintain the privacy of your PHI;
  - B. Provide you with this Notice;
  - C. Comply with this Notice.
- II. **Future Changes to Our Privacy Practices and This Notice.** Pharmacy reserves the right to change its privacy practices and to make any such change applicable to your PHI obtained before the change. If a change in our practices is material, we will revise this Notice to reflect the change. You may obtain a copy of any revised Notice by contacting Pharmacy's Customer Service Department at 830-331-8183, or on our Web site at [www.boernedrug.com](http://www.boernedrug.com).
- III. **Our Uses and Disclosures of Your PHI.** The law permits us to use and disclose your PHI for purposes of providing treatment, obtaining payment and for certain operations related to healthcare. This Section III provides some examples of each of these permitted uses and disclosures.
  - A. **Permitted Uses and Disclosures for purposes of treatment, payment and healthcare operations.**

We may use and disclose your PHI to provide treatment to you or for the treatment activities of another healthcare provider. Some examples include:

We may disclose your PHI to physicians, pharmacists, nurses, and other healthcare providers and suppliers who are involved in your care for purposes of your treatment.

We may also use and disclose your PHI to tell you and your physician or other healthcare provider about or recommend treatment options or alternatives, or to tell you and your physician or other healthcare provider about health-related benefits, products or services under your benefit plan. In addition, depending on your condition, we may use and disclose your PHI for purposes of contacting you regarding your prescription refills, compliance with dosage requirements, proper drug administration, drug precautions and side effects, and product storage.

We may use and disclose your PHI for our various therapeutic intervention programs. We may review your PHI to help us identify potential issues related to your treatment, such as proper dosage or potential drug interactions. We may use and disclose your PHI for purposes of contacting your retail pharmacist and your physician or other healthcare provider prior to dispensing a prescribed drug in the event we have identified a potentially inappropriate therapy, such as potential drug to drug interactions, or if we have identified issues related to frequency or dosage, as well as other recommendations regarding your drug regimen.

We may also use and disclose your PHI to contact your physician for purposes of recommending alternative medications when appropriate, alerting your physician regarding potential drug interactions, potential dosing issues, potential side effects and issues related to your compliance with therapy.

We may also use and disclose your PHI to advise you or your physician or other healthcare provider that an alternative generic medication is available or that a specific medication is not preferred or approved by your health plan or third party payer.

We may also use or disclose your PHI in order to get paid for treatment provided to you by Pharmacy or for the payment activities of another entity. For example:

We may use your PHI to create the bills that we submit to the insurance company or health plan sponsor to receive payment for the services we provide to you.

We may use your PHI to determine if you are eligible for insurance coverage or benefits under a health plan or other program.

We may disclose certain portions of your PHI to your insurance or health plan sponsor for payment audit purposes or to our business associates who perform billing, adjudication, claims processing or other related services for us.

We may use your PHI during payment-related data processing.

We may also use or disclose your PHI for our operations related to healthcare. For example:

We may use your PHI to evaluate the quality of care you received from us, or to evaluate the performance of those involved with your care.

We may use and disclose your PHI to provide utilization reports and other data analyses to your plan sponsor for purposes of prescription benefits management.

We may also use and disclose your PHI to perform periodic quality assurance reviews and audits, to develop protocols, and for purposes of case management and care coordination.

PHI may be provided to our internal auditors, attorneys, accountants, and other consultants to make sure we are complying with the laws that affect us.

We may use and disclose your PHI in conducting data analysis for purposes of providing information and data to your plan sponsor, new program development and providing services to improve outcomes and effectively manage prescription drug costs.

In addition, we may also disclose your PHI to another healthcare provider, health insurance plan, or healthcare clearinghouse for purposes of their operations related to healthcare. However, we will only do so if they have or have had a relationship with you and if the PHI they request pertains to that relationship. In addition, we will disclose your PHI to these third parties for limited purposes only, such as conducting quality improvement activities, reviewing the performance of a healthcare provider, or training purposes.

- B. **Uses and Disclosures That Require Us to Give You the Opportunity to Object.** Unless you object, we may provide relevant portions of your PHI to a family member, friend, or other person you indicate is involved in your healthcare or in helping you get payment for your healthcare. In an emergency or when you are not capable of agreeing or objecting to these disclosures, we will disclose PHI as we determine is in your best interest, but will advise you of such use and disclosure after the emergency, and give you the opportunity to object to future disclosures to family and friends. Unless you object, we may also disclose your PHI to persons performing disaster relief notification activities.
- C. **Certain Other Uses and Disclosures Which Do Not Require Your Authorization.** The law allows us to use and disclose PHI without your authorization in the following circumstances:
1. **When Required by Law.** We use and disclose PHI when we are required to do so by federal, state or local law.
  2. **For Public Health Activities.** We use and disclose PHI when we are so required to by public health and other government authorities. For example, we may be required to disclose information to the Federal Food and Drug Administration (FDA) relative to adverse events with respect to medications, products, product recalls, defects or replacements. We also use and disclose PHI as necessary to report suspected child abuse.
  3. **For Reports About Victims of Abuse, Neglect or Domestic Violence.** We will use and disclose your PHI in reports about victims of abuse, neglect, or domestic violence only if we are required or authorized by law to do so, or if you otherwise agree.
  4. **To Health Oversight Agencies.** We will use and disclose PHI as requested by government agencies who have authority to audit or investigate our operations
  5. **For Lawsuits and Disputes.** If you are involved in a lawsuit or dispute, we may use and disclose your PHI in response to a subpoena or other lawful request, but only if efforts have been made to tell you about the request or to obtain a court order that will protect the PHI requested.
  6. **To Law Enforcement.** We may use and disclose PHI if asked to do so by a law enforcement official, in the following circumstances:

- a. in response to a court order, subpoena, warrant, summons or similar process;
  - b. to identify or locate a suspect, fugitive, material witness or missing person;
  - c. to provide information about the victim of a crime if, under certain limited circumstances, we are unable to obtain the person's agreement;
  - d. about a death we believe may be due to criminal conduct;
  - e. about criminal conduct at our facility;
  - f. in emergency circumstances, to report a crime, its location or victims, or the identity, description or location of the person who committed the crime.
7. **To Coroners, Medical Examiners and Funeral Directors.** We may use and disclose PHI to facilitate the duties of coroners, medical examiners and funeral directors.
  8. **To Organ Procurement Organizations.** We may use and disclose PHI to facilitate organ donation and transplantation.
  9. **For Medical Research.** We may use and disclose your PHI to medical researchers who request it for approved medical research projects; however, with very limited exceptions such uses and disclosures must be cleared through a special approval process before any PHI is used and disclosed to the researchers, who will be required to safeguard the PHI they receive.
  10. **To Avert a Serious Threat to Health or Safety.** We may use and disclose your PHI to someone who can help prevent a serious threat to your health and safety or the health and safety of another person or the public.
  11. **For Specialized Government Functions.** We may use and disclose your PHI for specialized government functions. For example, we may use and disclose your PHI to authorized federal officials for intelligence and national security activities that are authorized by law, or so that they may provide protective services to the President or foreign heads of state or conduct special investigations authorized by law.
  12. **To Workers' Compensation or Similar Programs.** We may use and disclose your PHI to workers' compensation or similar programs in order for you to obtain benefits for work-related injuries or illness.

II. **Other Uses and Disclosures of Your Protected Health Information.** Other uses and disclosures of your PHI that are not covered by this Notice or permitted by the laws that apply to us will be made only with your written authorization. If you give us written authorization for a use or disclosure of your PHI, you may revoke that authorization, in writing, at any time. If you revoke your authorization, we will no longer use or disclose your PHI for the purposes specified in the written authorization, except that we are unable to take back any disclosures we have already made with your permission. In addition, we can use or disclose your PHI after you have revoked your authorization for actions we have already taken in reliance upon your authorization. We are also required to retain certain records of the uses and disclosures made when the authorization was in effect.

- III. **Your Rights Related to Your Protected Health Information.** You have the following rights:
- A. **The Right to Request Limits on Uses and Disclosures of Your PHI.** You have the right to ask us to limit how we use and disclose your PHI, as long as you are not asking us to limit uses and disclosures that we are required or authorized to make by the Secretary of the Federal Department of Health and Human Services, related to any of the disclosures described in Section III above. Any such request must be submitted in writing to our Privacy Officer (Pharmacist-In-Charge). We are not required to agree to your request. If we do agree, we will put it in writing and will abide by the agreement except when you require emergency treatment.
  - B. **The Right to Choose How We Communicate With You.** You have the right to ask that we send information to you at a specific address (for example, at work rather than at home) or in a specific manner (for example, by email rather than by regular mail, or never by telephone). We must agree to your request as long as it would not be disruptive to our operations to do so. You must make any such request in writing, addressed to our Privacy Officer.
  - C. **The Right to See and Copy Your PHI.** Except for limited circumstances, you may look at and copy your PHI if you ask in writing to do so. Any such request must be addressed to our Customer

Service Department at 725 N. Main Suite 2, Boerne, Texas 78006, which will respond to your request within 30 days (or 60 days if the extra time is needed). In certain situations we may deny your request, but if we do, we will tell you in writing of the reasons for the denial and explain your rights with regard to having the denial reviewed.

If you ask us to copy your PHI, we may charge you a reasonable amount as allowed by law.

Alternatively, we may provide you with a summary or explanation of your PHI, as long as you agree to that and to the cost, in advance.

- D. **The Right to Correct or Update Your PHI.** If you believe that the PHI we have about you is incomplete or incorrect, you may ask us to amend it. Any such request must be made in writing and must be addressed to our Customer Service Department at Pharmacy's address listed above, and must tell us why you think the amendment is appropriate. We will not process your request if it is not in writing or does not tell us why you think the amendment is appropriate. We will act on your request within 60 days (or 90 days if the extra time is needed), and will inform you in writing as to whether the amendment will be made or denied. If we agree to make the amendment, we will ask you to tell us who else you would like us to notify of the amendment.

We may deny your request if you ask us to amend information that:

1. was not created by us, unless the person who created the information is no longer available to make the amendment;
2. is not part of the PHI we keep about you;
3. is not part of the PHI that you would be allowed to see or copy; or
4. is determined by us to be accurate and complete.

If we deny the requested amendment, we will tell you in writing how to submit a statement of disagreement or complaint, or to request inclusion of your original amendment request in your PHI.

- B. **The Right to Receive a List of the Disclosures We Have Made.** You have the right to receive a list of instances in which we have disclosed your PHI. The list will not include disclosures we have made for treatment, payment, and healthcare operations purposes described in Section III, those made directly to you or your family or friends, for disaster notification purposes, or those that were made per an authorization from you. Neither will the list include disclosures we have made for national security purposes or to law enforcement personnel, or disclosures made before April 14, 2003.

Your request for a list of disclosures must be made in writing and be addressed to our Customer Service Department at the Pharmacy's address listed above. We will respond to your request within 60 days (or 90 days if the extra time is needed). The list we provide will include disclosures made within the last six years unless you specify a shorter period. The first list you request within a 12-month period will be free. You will be charged our costs for providing any additional lists within the 12-month period.

- C. **The Right to Receive a Paper Copy of This Notice.** Even if you have agreed to receive the Notice by email, you have the right to request a paper copy as well. You may obtain a paper copy of this Notice by contacting our Customer Service Department at the Pharmacy's address listed above.

**Complaints.** If you believe your privacy rights have been violated, you may file a complaint with us or with the Secretary of the Federal Department of Health and Human Services. To file a complaint with us, put your complaint in writing and address it to our Chief Privacy Officer at Pharmacy and mail it to the Pharmacy's address listed above. We will not retaliate against you for filing a complaint.