

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.

Confidentiality of Alcohol and Drug Abuse Patient Records

The confidentiality of alcohol and drug abuse patient records maintained by Addiction Recovery Systems (“ARS”) is protected by Federal law and regulations. Generally, except as provided in the below Notice of Privacy Practices, the program may not say to a person outside the program that a patient attends the program, or disclose any information identifying a patient as an alcohol or drug abuser *unless*:

- (1) The patient consents in writing;*
- (2) The disclosure is allowed by a court order; or*
- (3) The disclosure is made to medical personnel in a medical emergency or to qualified personnel for research, audit, or program evaluation.*

Violation of the Federal law and regulations by a program is a crime. Suspected violations may be reported to appropriate authorities in accordance with Federal regulations.

Federal law and regulations do not protect any information about a crime committed by a patient either at the program or against any person who works for the program or about any threat to commit such a crime.

Federal laws and regulations do not protect any information about suspected child abuse or neglect from being reported under State law to appropriate State or local authorities.

(See 42 U.S.C. 290dd-3 and 42 U.S.C. 290ee-3 for Federal laws and 42 CFR part 2 for Federal regulations.)

Notice of Privacy Practices

ABOUT THIS NOTICE

ARS is strongly committed to protecting your health information. This Notice of Privacy Practices (“Notice”) is provided pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and describes how we may use and disclose your protected health information to carry out treatment, payment or health care operations and for other purposes that are permitted or required by law. This Notice also describes your rights and our duties with respect to your protected health information. “Protected health information” is information about you that may identify you and that relates to your past, present or future physical or mental health or condition and related health care services.

We must follow the privacy practices that are described in this Notice while it is in effect. If you have any questions about this Notice, please contact your Clinical Supervisor or the ARS

Corporate Compliance Officer at 1-484-731-2500 or 1-866-691-1969.

HOW WE MAY USE & DISCLOSE YOUR PROTECTED HEALTH INFORMATION

The following categories describe the different ways that we may use and disclose your protected health information. These examples are not meant to be exhaustive, but to illustrate the types of uses and disclosures that may be made by ARS. However, ARS may never have a reason to make some of these disclosures.

1. For Treatment

We may use and disclose your protected health information on an as needed basis within ARS and to an entity that has direct administrative control over ARS to provide, coordinate, or manage your health care treatment and any related services. For example, your protected health information may be shared among the ARS personnel involved in your care. *With your written consent*, we may disclose to your physician protected health information to assist him/her in providing treatment to you while participating in or upon discharge from the program.

2. For Payment

With your written consent, we may use and disclose your protected health information so that the treatment and health care services you receive may be billed to you, your insurance company, a government program, or third party payors. This may include certain activities that your health insurance plan may undertake before it approves or pays for the health care services we recommend for you, such as making a determination of eligibility or coverage for insurance benefits, reviewing services provided to you for medical necessity, and undertaking utilization review activities. For example, *with your consent*, we may provide your health plan with medical information about the health care services ARS rendered to you for reimbursement purposes.

3. For Health Care Operations

We may use and disclose your protected health information for internal health care operation purposes. For example, members of the treatment staff, the utilization review coordinator, the quality improvement manager, or members of the quality improvement team may use information in your health record to assess the care and outcomes in your case and others like it. This information will then be used in an effort to continually improve the quality and effectiveness of the treatment and service we provide.

4. Notification

With your written consent, in the event of an emergency or crisis, we may use or disclose your personal information to notify or assist in notifying a family member, personal representative, or another person that you designate as responsible for your continued care, of your location and general condition.

5. Communication with Family

With your written consent, this program's treatment personnel, using their best judgment, may disclose to a family member, other relative, close personal friend or other significant person that you identify, your personal health information that is relevant to that person's

involvement in your care – or for payment needs related to your care. *Un-emancipated Minor*: If, and to the extent, permitted or required by an applicable provision of State or other law, including applicable case law, this organization’s treatment representative may disclose and provide access to protected health information about an un-emancipated minor to the parent or legal guardian, or other person acting *in loco parentis*.

6. Treatment Communications

With your written consent, we may send you treatment communications concerning treatment alternatives or other health related products or services for which we may receive payment in exchange for making the communication.

7. Qualified Service Organizations and Business Associates

We may disclose your protected health information to qualified service organizations or our business associates that perform functions on our behalf or provide us with services if the information is necessary for such functions or services. To protect your health information, however, we require qualified service organizations and business associates to appropriately safeguard your information.

8. Medical Emergencies/Product Defects

We may disclose your protected health information to medical personnel in a medical emergency and to medical personnel of the Food and Drug Administration (FDA) who assert a reason to believe that your health may be threatened by an error in the manufacture, labeling, or sale of a product under FDA jurisdiction.

9. Court Order

We may disclose your protected health information in the course of a judicial proceeding in response to an order of a court in conformity with federal regulations.

10. Auditors and Evaluators

We may disclose your protected health information, for purposes of performing an audit, investigation or evaluation, to any Federal, State, or local governmental agency which provides financial assistance to ARS or is authorized by law to regulate its activities; a private person or entity which provides financial assistance to ARS; a third party payor covering patients of ARS; or a quality improvement organization performing a utilization or quality control review.

11. Research

We may disclose your protected health information to researchers when their research has been approved by an institutional review board that has reviewed the research proposal and established protocols to ensure the privacy of your protected health information and to otherwise satisfy federal regulatory requirements.

12. Abuse or Neglect

We may disclose your protected health information to a public health authority that is authorized by law to receive reports of child abuse or neglect. In this case, the disclosure will be made consistent with the requirements of applicable federal and state laws.

13. Law Enforcement

We may disclose your protected health information to report a crime committed by you either at the program or against any person who works for the program or about any threat to commit such a crime.

14. For Data Breach Notification Purposes

We may use or disclose your protected health information to provide legally required notices of unauthorized access to or disclosure of your health information.

15. Required Uses and Disclosures

Under the law, we must make disclosures to you and when required by the Secretary of the U.S. Department of Health and Human Services to investigate or determine our compliance with the requirements of HIPAA.

SPECIAL PROTECTIONS FOR HIV, MENTAL HEALTH & GENETIC INFORMATION

Certain federal and state laws may require special privacy protections that restrict the use and disclosure of certain health information, including HIV-related information, mental health information, and genetic information. Some parts of this Notice may not apply to these types of information.

USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION BASED UPON YOUR WRITTEN AUTHORIZATION

Other uses and disclosures of your protected health information not described in this Notice will be made only with your written authorization. You may revoke this authorization, at any time, in writing, except to the extent that ARS has taken an action in reliance on the use or disclosure indicated in the authorization. Additionally, if a use or disclosure of protected health information described above in this Notice is prohibited or materially limited by other laws that apply to use, it is our intent to meet the requirements of the more stringent law.

YOUR RIGHTS REGARDING YOUR PROTECTED HEALTH INFORMATION

The following is a statement of your rights with respect to your protected health information and a brief description of how you may exercise these rights.

1. Right to be Notified if there is a Breach of Your Protected Health Information

You have the right to be notified upon a breach of any of your unsecured protected health information.

2. Right to Inspect and Copy

You may inspect and obtain a copy of your protected health information that is contained in your medical and billing records that ARS uses for making decisions about you. To inspect and copy your medical information, you must submit a written request to your Clinical Supervisor. If the information requested is maintained in electronic form and you request a copy in electronic form, we will provide the information to you if it is readily

producible in the requested electronic form. If you request a copy of your information, whether in electronic or paper form, we may charge you a reasonable fee for the costs of copying, mailing or other costs incurred by us in complying with your request. Under federal law, you may not inspect or copy the following records: psychotherapy notes; information compiled in reasonable anticipation of, or use in, a civil, criminal, or administrative action or proceeding; and protected health information that is subject to law that prohibits access to protected health information. Depending on the circumstances, we may deny your request to inspect and/or copy your protected health information. A decision to deny access may be reviewable. Please contact your Clinical Supervisor if you have questions about access to your medical record.

3. Right to Request Restrictions

You may ask us not to use or disclose any part of your protected health information for the purposes of treatment, payment or healthcare operations. You may also request that any part of your protected health information not be disclosed to family members or friends who may be involved in your care. To request a restriction on who may have access to your protected health information, you must submit a written request to your Clinical Supervisor. Your request must state the specific restriction requested and to whom you want the restriction to apply.

ARS is not required to agree to a restriction that you may request, unless you are asking us to restrict the use and disclosure of your protected health information to a health plan for payment or health care operation purposes and such information you wish to restrict pertains solely to a health care item or service for which you have paid us “out-of-pocket” in full. If we believe it is in your best interest to permit the use and disclosure of your protected health information, your protected health information will not be restricted. If we do agree to the requested restriction, we may not use or disclose your protected health information in violation of that restriction unless it is needed to provide emergency treatment.

4. Right to Request Confidential Communication

You have the right to request to receive confidential communications from us by alternative means or at an alternative location. We will accommodate reasonable requests. You must request this by submitting a written request to your Clinical Supervisor.

5. Right to Request Amendment

You may request an amendment of your protected health information contained in your medical and billing records that ARS uses for making decisions about you, for as long as we maintain the protected health information. You may request an amendment by submitting to the Clinical Supervisor a written request which includes the reason(s) that support your request. In certain cases, we may deny your request for an amendment. If we deny your request for an amendment, you have the right to file a statement of disagreement with us and we may prepare a rebuttal to your statement and will provide you with a copy of any such rebuttal.

6. Right to an Accounting of Disclosures

You have the right to receive an accounting of certain disclosures we have made, if any, of your protected health information. This right applies to disclosures for purposes other than treatment, payment or healthcare operations as described in this Notice. It excludes disclosures we may have made to you or to family members or friends involved in your care. The right to receive this information is subject to certain exceptions, restrictions and limitations. You may request an accounting of disclosures by submitting to the Clinical Supervisor a written request which includes the reason(s) that support your request.

7. Right to Obtain a Paper Copy of this Notice

You have the right to receive a paper copy of this Notice even if you have agreed to receive this notice electronically. You may ask us to give you a copy of this notice at any time. To obtain a paper copy of this Notice, you can contact your Clinical Supervisor.

REQUIREMENT FOR PHOTO IDENTIFICATION

In order to ensure that we are providing proper treatment and medication to the correct individual and to avoid the diversion of controlled substances to persons who are not ARS patients, we take your photograph upon admission to treatment at ARS and maintain it in your electronic health record to verify your identity when we dispense medication to you. As part of your electronic health record your photograph is subject to disclosure only as set forth above.

COMPLAINTS OR QUESTIONS

If you believe your privacy rights have been violated, you may complain to us or to the Secretary of the U.S. Department of Health and Human Services. If you have a question about this Notice or wish to file a complaint with us, please contact your Clinical Supervisor or the ARS Corporate Compliance Officer at the address listed below. All complaints must be submitted in writing. ARS will not retaliate against you for filing a complaint.

CHANGES TO THIS NOTICE

We reserve the right to change this Notice at any time. The new Notice will be effective for all health information we already have about you as well as any information we receive in the future. You can obtain a revised Notice by contacting your Clinical Supervisor or the ARS Corporate Compliance Officer at the address listed below.

Corporate Compliance Officer Addiction Recovery Systems, LLC 150 Onix Drive Kennett Square, PA 19348 1-484-731-2500 1-866-691-1969

This Notice is effective as of March 18, 2015