AMERICAN HOMEPATIENT, INC. AND AFFILIATED ENTITIES

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.

American HomePatient, Inc. and its affiliated entities (collectively "American HomePatient") use health information about you for treatment, to obtain payment for treatment, to evaluate the quality of care you receive, and for other administrative and operational purposes. Your health information is contained in a medical record that is the physical property of American HomePatient.

Uses or Disclosures of Your Health Information

Treatment. We may use and disclose health information about you to provide you with respiratory care products and services, enteral nutrition products and services, infusion therapy products and services, home medical equipment, or related medical treatment or services. To this end, we may communicate with other health care providers regarding your treatment and coordinate and manage your health care with others. For example, information related to your treatment may be shared with a health care provider, such as your physician, a pharmacist, nurse, respiratory therapist, or other person providing health services to you. This information is necessary for health care providers to determine what treatment you should receive. Health care providers also may record actions taken by them in the course of your treatment and note how you responded to the actions.

Payment. We may use and disclose health information about you to others for purposes of receiving payment for treatment and services that you receive. For example, a bill may be sent to you or a third-party payor, such as Medicare, an insurance company, or a health plan. The information on the bill may include information that identifies you, your diagnosis, and treatment or supplies used in the course of your treatment. In some instances, we may disclose health information about you to an insurance plan before you receive certain health care products or services, to determine whether the insurance plan will pay for the particular product or service. If other treatment providers need medical information about your treatment in order to bill for their services, we may provide it to them.

Health Care Operations. We may use and disclose health information about you for administrative and operational purposes. Risk management or quality improvement personnel may use health information about you to assess the care and outcomes in your case and others like it. The results will be used internally to continually improve the quality of care for all patients. For example, we may combine medical information about many patients to evaluate the need for new products, services, or treatments. We may disclose information to health care professionals, students, and other personnel for review and training purposes. We also may combine health information we have with other sources to see where we can make improvements. We may remove information that identifies you from this set of health information to protect your privacy and to allow others to use the information to study health care without learning the identity of the specific patients.

We may also use and disclose medical information to:

- > evaluate the performance of our staff and your satisfaction with our services;
- learn how to improve our facilities and services;

- determine how to continually improve the quality and effectiveness of the health care we provide; and
- > conduct training programs or review competence of health care professionals.

Individuals Involved in Your Care or Payment for Your Care. We may release health information about you to a family member or friend who is involved in your medical care. We also may give information about you to someone who helps pay for your care. In addition, we may disclose health information about you to an entity assisting in a disaster relief effort (such as the Red Cross) so that your family can be notified about your condition, status, and location. We may also disclose medical information about you to local authorities or utility companies if your home care is considered "life-supporting" and you require immediate attention in the event of an emergency or power outage.

Business Associates. Our "Business Associates" are entities that provide services to us and that require access to certain information in order to provide those services. We provide some services, for instance, through contracts with business associates, including companies that receive phone calls from patients when our offices are closed, companies that store patient files for us, and companies that collect payments for us. In addition, we also contract with accountants, consultants, and attorneys to provide us with services. When such services are contracted, we may disclose health information about you to our business associates so that they can perform the tasks that we have assigned to them. To protect your health information, we require the business associate to appropriately safeguard health information about you in a written agreement.

Reminders. We may use health information about you to provide you with reminders about appointments or the need to refill supplies.

Alternative Treatments. We may use health information about you to provide you with information about alternative treatments or other health-related benefits and services that may be of interest to you.

Future Communications. We may communicate with you via newsletters, mailings, or other means regarding treatment options, health-related information, disease management programs, wellness programs, or other community-based initiatives or activities in which we are participating.

Required by Law. We may use and disclose health information about you as required by federal, state, or local law. For example, we may disclose health information for the following purposes:

- > for judicial administrative proceedings pursuant to legal authority;
- > to report information related to victims of abuse, neglect, or domestic violence; and
- > to assist law enforcement officials in their law enforcement duties.

Public Health: We may use or disclose health information about you for public health activities such as assisting public health authorities or other legal authorities to prevent or control disease, injury, or disability, or for other health oversight activities.

Food and Drug Administration (FDA). We may use or disclose health information for purposes of notifying the FDA of adverse events with respect to medication and product defects, or post marketing surveillance information to enable product recalls, repairs, or replacements.

Health and Safety. We may use or disclose health information about you to avert a serious threat to the health or safety of you or any other person pursuant to applicable law.

Government Functions. We may use or disclose health information about you for specialized government functions, such as protection of public officials, national security and intelligence activities, or reporting to various branches of the armed services.

Medical Examiners and Others. We may use or disclose health information about you to medical examiners, coroners, or funeral directors to allow them to perform their lawful duties. If you are an organ



or tissue donor, we may use or disclose health information about you to organizations that help with organ, eye, and tissue donation and transplantation.

Workers Compensation. We may use or disclose health information about you to comply with laws and regulations related to workers compensation.

Research. We may use or disclose health information about you for research purposes under certain circumstances. For example, we may disclose health information about you to a research organization if an institutional review board or privacy board has reviewed and approved the research proposal, after establishing protocols to ensure the privacy of your health information.

Information Not Personally Identifiable. We may use or disclose health information about you in ways that do not personally identify you or reveal who you are.

Correctional Institutions. If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may use or disclosure health information about you. Such information will be disclosed to the correctional institution or law enforcement official when necessary for the institution to provide you with health care and to protect the health and safety of others.

Other uses and disclosures not described in this Notice will be made only with the individual's written authorization. You may revoke (take back) an authorization that you have provided. In that case, we will cease using or disclosing your information for the purpose that you had authorized. **Some examples of uses or disclosures that require your authorization include:**

Psychotherapy Notes. We do not maintain psychotherapy notes on any of our patients. If we wanted to use or disclose any psychotherapy notes we had possession of, however (for instance, as part of your medical record), we would have to ask for you authorization to do so, unless the use or disclosure was to undertake certain treatment, payment, or health care operation activities as described above.

Marketing. We must obtain your authorization before we use or disclose your health information for marketing purposes, unless that marketing relates to certain treatments you are already undergoing (or available alternatives), the marketing is conducted face-to-face, or the marketing involves a promotional gift of nominal value. If we receive any payment for the use of your information for marketing purposes, we will tell you so in the authorization that we ask you to sign.

Sale of Health Information. Your authorization would be required before selling your health information. Due to the nature of its business, American Home Patient will not sell your health information.

Your Health Information Rights

You have the following rights with respect to health information about you. To exercise any of your rights, please obtain the required forms from the manager of the local office that has provided you with service and submit your request in writing to the manager at the local office or to the HIPAA Privacy Officer at the address at the end of this notice.

Right to Inspect and Copy. You have the right to inspect and/or obtain a copy of the health information about you that we maintain in certain groups of records that are used to make decisions about your care. You have the right to an electronic copy of your of your health information if it is maintained electronically. Your request must be in writing. If you request a copy of your health information, we may charge you a fee to cover the costs of copying and mailing the information. If you request a copy of your information electronically on a moveable electronic media (such as a CD or USB drive) we may charge you for the cost of that media.



In certain very limited circumstances, we may deny your request to inspect and copy your health information. If you are denied access to your health information, we will explain our reasons in writing. You have the right to request that the decision be reviewed by another person. We will comply with the outcome of the review.

Right to Amend. If you feel that health information about you that we maintain in certain groups of records is inaccurate or incomplete, you have the right to request that we amend the information. You have the right to request an amendment as long as we maintain the information. Your request must be in writing and include a reason supporting the request.

In certain circumstances, we may deny your request to amend your health information. If your request for an amendment is denied, we will explain our reasons in writing. You have the right to submit a statement explaining why you disagree with our decision to deny your amendment request. We will share your statement when we disclose health information about you that we maintain in certain groups of records.

Right to an Accounting of Disclosures. You have the right to request an accounting or detailed listing of certain disclosures of your health information. The time period covered by the accounting is limited. Your request must be in writing. If you request an accounting more often than once every twelve (12) months, we may charge you a fee to cover the costs of preparing the accounting.

General Right to Request Restrictions. You have the right to request a restriction or limitation on the health information about you that we use or disclose. Your request must be in writing. Please be aware that we are not required to agree to your request for restrictions. If we agree to your request for a restriction, we will comply with it unless the information is needed for emergency treatment.

Right to Restrict Disclosure to a Health Plan. You have the right to request that we not disclose the portion of your health information developed during a treatment that you (or someone else) paid for entirely out-of-pocket to your health plan. Your request must be in writing. We may not refuse this request.

Right to Request Alternative Communications. You have the right to request that we communicate with you about medical matters in a certain way or at a certain location. We will agree to the request to the extent that it is reasonable for us to do so. For example, you may request that we use an alternative address for billing purposes.

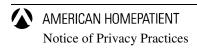
Right to Revoke Authorization. There are occasions when you may give us written authorization to use or disclose your health information. You have the right to revoke your authorization to use or disclose health information, except to the extent that action has been taken in reliance upon your authorization.

Right to be Notified of a Breach. In the event some portion of your health information is lost, stolen, or otherwise improperly accessed, you have the right to be informed. You will be informed in writing, unless you have previously established a preference for electronic communications.

Right to Copy of Notice of Privacy Practices. You have the right to a paper copy of our Notice of Privacy Practices at any time. To obtain a copy of our current Notice of Privacy Practices, please contact your local American HomePatient office or our HIPAA Privacy Officer at the address or phone listed below. You may also obtain a copy of this notice at our web site: www.ahom.com.

Complaints

If you believe your privacy rights have been violated, you may complain to American HomePatient and to the Secretary of the U. S. Department of Health and Human Services. You may make a complaint to us by contacting your local American HomePatient office or American HomePatient's HIPAA Privacy Officer at the address or phone listed below. You will not be retaliated against for filing a complaint.



American HomePatient's Obligations

American HomePatient is required to:

- > maintain the privacy of protected health information;
- provide you with this Notice of our legal duties and privacy practices with respect to your health information;
- ➤ abide by the terms of the Notice of Privacy Practices currently in effect;
- > notify you if we are unable to agree to a requested restriction on how your health information is used or disclosed:
- ➤ accommodate reasonable requests you may make to communicate health information by alternative means or at alternative locations;
- botain your written authorization to use or disclose your health information for reasons other than those identified in this Notice and permitted by law; and
- > comply with your state's laws if they provide you with greater rights over your health information or provide for more restrictions on the use or disclosure of your health information.

American HomePatient reserves the right to change the terms of this Notice, our privacy practices, and to make the new provisions effective for all protected health information we maintain. You may contact your local American HomePatient office or American HomePatient's HIPAA Privacy Officer at the address or phone listed below to obtain a revised Notice of Privacy Practices. You may also obtain a copy of this notice at our web site: www.ahom.com.

Contact Information

If you have any questions or complaints, please contact:

HIPAA Privacy Officer American HomePatient, Inc. 5200 Maryland Way, Suite 400 Brentwood, TN 37027

Phone: 1-800-890-7271, Ext. 8124

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