

HIPAA 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.

Phenogen Sciences, Inc. (Phenogen) is required by the Privacy Rule issued by the U.S. Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to maintain the privacy of protected health information (PHI) and to provide individuals with notice of its legal duties and privacy practices with respect to protected health information. This Notice of Privacy Practices 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 the Privacy Rule. It also describes your rights to access and control your protected health information. "Protected health information" is information about you, including demographic information, that may identify you and that relates to your past, present or future physical or mental health or condition and the provision of health care services to you.

Uses and Disclosures of Protected Health Information (PHI) For Which Your Authorization Is Not Required

Treatment: Phenogen is permitted to use and disclose your PHI for your treatment without further notice to you and without your authorization. For example, we are permitted to disclose your laboratory testing results to the physician or other authorized health care professional who ordered the testing and to any other health care professional involved in your treatment.

Payment: Phenogen will also use and disclose your PHI, as needed, to obtain payment for the laboratory testing services performed for you. For example, in order to be reimbursed for our services by a health insurer or other payor, we are required to furnish that payor with specifics regarding the services we provided and diagnosis information about you furnished to us by the health care professional treating you. In certain instances when it becomes necessary for us to use the services of an outside agency to collect our fees, we furnish that agency with the information about the services we provided to the extent necessary for the agency to perform its functions.

Healthcare Operations: We may also use or disclose, as needed, your PHI in order to support the business activities of Phenogen. These activities include, but are not limited to, quality assessment activities, employee review activities, legal and regulatory compliance functions, training of students, licensing and accreditation, and conducting or arranging for legal services and auditing functions. For example, Phenogen may utilize actual patient laboratory samples as part of its Quality Control and Proficiency Testing programs.

Other Permitted or Required Uses and Disclosures: We may also use or disclose your PHI without further notice and without your authorization in the following situations:

- When and to the extent required by law, as in the case of court orders, subpoenas or other legal process in connection with judicial and administrative proceedings or in accordance with the express requirements of statutes and regulations. The Secretary of the U.S. Department of Health and Human Services may, upon request, obtain access to PHI in our possession in connection with the enforcement of the Privacy Rule.

- For public health activities, such as the requirement to report to public authorities positive results of laboratory testing for certain communicable diseases.
- For health oversight activities, such as licensing and governmental audits. For example, Phenogen is required to maintain certain licenses and approvals in order to function as a Clinical Testing Laboratory, and in that connection, is required to submit to inspections and audits by government agencies and regulatory bodies; your PHI may be used or disclosed in the course of, and incident to, such inspections or audits.
- For law enforcement purposes.
- For disclosure to medical examiners, coroners or funeral directors about decedents.
- For certain approved research purposes.
- To avert a serious threat to health or safety.
- To comply with the requirements of workers' compensation laws.

Future Contact with You: Phenogen may contact you in the future regarding health-related services and health care issues that may be of interest to you.

Other Uses and Disclosures

- No other uses and disclosures of your PHI will be made without your written authorization. Any authorization given for these purposes may be revoked at any time in writing, except to the extent that Phenogen has taken action in reliance on the authorization.
- Access to Test Results

Your Individual Rights

Restrictions on Uses and Disclosures: You have the right to request restrictions on certain uses and disclosures of your protected health information. For example, you may request that your protected health information not be disclosed to family members, relatives or close personal friends who may be involved in your care. Under the Privacy Rule, we are not required to agree to any such requested restriction.

Alternative Confidential Communications: You have the right to request that you receive confidential communications of PHI from us by alternative means or at an alternative location. We are only required to accommodate such requests if reasonable.

Amendments to Protected Health Information: You have the right to request that we amend your PHI. We are permitted to deny any such request if your PHI is accurate and complete.

Accounting: You have the right to receive an accounting of certain disclosures of your PHI that we make after April 14, 2003, the date the Privacy Rule went into effect. Under the Privacy Rule, this accounting will not include disclosures made for purposes of treatment, payment or health care operations.

Notice: If you are viewing this Notice on Phenogen's web site, you have the right to request and obtain a paper copy from us. We are required to abide by the terms of this Notice as currently in effect. However, we reserve the right to change the terms of this Notice at any time to reflect changes in our privacy practices and to make the new Notice provisions effective for all PHI that we maintain, regardless of when such information was created or received. Revised Notices will be posted on Phenogen's web site and will be available at Phenogen's facilities upon request.

Complaints and Further Information: If you believe that your privacy rights under the HIPAA Privacy Rule have been violated, you may submit a complaint to Phenogen and to the Secretary of the U.S. Department of Health and Human Services. Phenogen will not retaliate against any individual who submits a complaint.

If you wish to register a complaint with Phenogen or would like further information about matters covered by this notice, you may do so by:

-writing to us at Phenogen Sciences, 9115 Harris Corners Parkway, Suite 320, Charlotte, NC 28269, Attention: Privacy Officer

- or contacting us at Phenogen Sciences 704-926-5701

This Notice becomes effective on April 14, 2003.