

Benefit Analysis, Inc. Privacy Notice

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

If you have any questions about this Notice, please contact the Privacy Officer at Benefit Analysis, Inc.

Jeffrey Orr or Jonathan Orr
Benefit Analysis, Inc.
PO Box 527
Nutley NJ 07110-0527
973-661-2424

This Notice of Privacy Practices ("Notice") applies to Protected Health Information (defined below) associated with Group Health Plans (defined below) provided by Benefit Analysis, Inc. (BAI) to its clients and their employees, employees' dependents and, as applicable, retired employees. This Notice describes how BAI, collectively we, us, or our, may use and disclose Protected Health Information to carry out payment and health care operations, and for other purposes that are permitted or required by law.

IMPORTANT NOTICE

During the course of providing you with health reimbursement account administration, Benefit Analysis, Inc. ("BAI") will have access to information about you that is deemed to be "protected health information" ("PHI"), by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). The procedures outlined in this section have been added to the Plan to ensure that your PHI is treated with the level of protection required by HIPAA. This Privacy Notice is also in compliance with United States Code of Federal Regulations, Title 45: Public Welfare, §164.504, Uses and Disclosures: Organization Requirements. This Notice also describes the medical information practices of the Plan and that of any third party that assists in the administration of Plan claims.

DEFINITIONS

Group Health Plan -- means, for purposes of this Notice, the health reimbursement account that we provide to our client's employees, employee dependents and, as applicable, retired employees.

Protected Health Information ("PHI") -- means individually identifiable health information, as defined by HIPAA, that is created or received by us and that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies

the individual or for which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes information of persons living or deceased.

OUR PLEDGE REGARDING MEDICAL INFORMATION

We understand that medical information about you and your health is personal. We are committed to protecting medical information about you. Below we describe your rights and certain obligations we have regarding the use and disclosure of medical information.

We are required by law to:

- Make sure medical information that identifies you is kept private;
- Give you this Notice of our legal duties and privacy practices with respect to medical information about you;
- notify you if we are unable to agree to a requested restriction;
- accommodate reasonable requests you may have to communicate health information by alternative means or at alternative locations; and
- follow the terms of the Notice that is currently in effect.

Your PHI will be disclosed to certain administrative and managerial employees of BAI. These individuals, BAI's Reimbursement Team Leader, Stefanie Megna, and BAI's privacy officer Jeffrey Orr, may only use your PHI for Plan administration functions including those described below, provided they do not violate the provisions set forth herein. Any employee of BAI who violates the rules for handling PHI established herein will be subject to adverse disciplinary action.

BAI has certified that it will comply with the privacy procedures set forth herein. BAI may not use or disclose your PHI other than as provided herein or as required by law. Any agents or subcontractors who are provided your PHI, must agree to be bound by the restrictions and conditions concerning your PHI found herein or as required by law. Your PHI may not be used by BAI for any employment-related actions or decisions or in connection with any other benefit or employee benefit plan of the BAI. BAI must report to the Plan any uses or disclosures of your PHI of which BAI becomes aware that are inconsistent with the provisions set forth herein. BAI will implement appropriate safeguards to prevent use or disclosure of the information and to prevent the disclosure of the information other than what is provided for by this Notice.

USES AND DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION.

The following categories describe different ways that we use and disclose medical information for purposes of health plan administration. For each category of uses or disclosures, we will explain what we mean and try to provide some examples. Not every use or disclosure in a category will be listed. However, all of the ways we are permitted to use and disclose information will fall within one of the categories.

A - For Payment or Reimbursement (as described in applicable regulations). We may use and disclose medical information about you to determine eligibility for Plan benefits,

to facilitate payment for the treatment and services you receive from health care providers, to determine benefit responsibility under the Plan, or to coordinate Plan coverage. For example, we may tell your health care provider about your medical history to determine whether a particular treatment is experimental, investigational, or medically necessary or to determine whether the Plan will cover the treatment. We may also share medical information with a utilization review or pre-certification service provider. Likewise, we may share medical information with another entity to assist with the adjudication or subrogation of health claims or to another health plan to coordinate benefit payments.

B - For Health Care Operations (as described in applicable regulations). We may use and disclose medical information about you for other Plan operations. These uses and disclosures are necessary to run the Plan. For example, we may use medical information in connection with conducting quality assessment and improvement activities; underwriting and soliciting bids from potential carriers, premium rating and setting employee contributions, and other activities relating to Plan coverage. We may also use medical information in connection with submitting claims for stop-loss (or excess loss) coverage; conducting or arranging for medical review, legal services, audit services, and fraud and abuse detection programs; business planning and development such as cost management; and business management and general Plan administrative activities.

C - Family and Friends Involved in Your Care – If you are available and do not object, we may disclose your PHI to your family, friends, and others who are involved in your care or payment of a claim. If you are unavailable or incapacitated and we determine that a limited disclosure is in your best interest, we may share limited PHI with such individuals. For example, we may use our professional judgment to disclose PHI to your spouse concerning the processing of a claim.

D - As Required by Law. We will disclose medical information about you when required to do so by federal, state or local law.

E - To Avert a Serious Threat to Health or Safety. We may use and disclose medical information about you when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

F - Business Associates – At times we use outside persons or organizations to help us provide you with the benefits of your Plan. Examples of these outside persons and organizations might include vendors that help us process your claims. At times, it may be necessary for us to provide certain of your PHI to one or more of these outside persons or organizations.

SPECIAL SITUATIONS

Disclosure to Health Plan Sponsor. Information may be disclosed to another health plan maintained by BAI for purposes of facilitating claims payments under

that plan. In addition, medical information may be disclosed to BAI personnel solely for purposes of administering benefits under the Plan.

Military and Veterans. If you are a member of the armed forces, we may release medical information about you as required by military command authorities, if required by law to be provided by an employer. We may also release medical information about foreign military personnel to the appropriate foreign military authority.

Workers' Compensation. We may release medical information about you for workers' compensation or similar programs. These programs provide benefits for work-related injuries or illness.

Public Health Risks. We may disclose medical information about you for public health activities (e.g., to prevent or control disease, injury or disability).

Health Oversight Activities. We may disclose medical information to a health oversight agency for activities authorized by law. These oversight activities include, for example, audits, investigations, inspections, and licensure. The activities are necessary for the government to monitor the health care system, government programs, and compliance with civil rights laws.

Lawsuits and Disputes. If you are involved in a lawsuit or a dispute, we may disclose medical information about you in response to a court or administrative order. We may also disclose medical information about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request or to obtain an order protecting the information requested.

Law Enforcement. We may release medical information if asked to do so by a law enforcement official in response to a court order, subpoena, warrant, summons or similar process.

National Security and Intelligence Activities. We may release medical information about you to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

In the event applicable law, other than HIPAA, prohibits or materially limits our uses and disclosures of Protected Health Information, as described above, we will restrict our uses or disclosure of your Protected Health Information in accordance with the more stringent standard.

YOUR RIGHTS REGARDING MEDICAL INFORMATION ABOUT YOU. You have the following rights regarding medical information we maintain about you:

Right to Inspect and Copy. You have the right to inspect and copy medical information that may be used to make decisions about your Plan benefits. To inspect and copy medical information that may be used to make decisions about you, you must submit your request in writing to our Privacy Officer. BAI must act upon the request for access no later than 30 days after receipt of the request. If you request a copy of the information, we may charge a fee for the costs of copying mailing or other supplies associated with your request.

We may deny your request to inspect and copy in certain very limited circumstances. HIPAA provides several important exceptions to your right to access your PHI. For example, you will not be permitted to access psychotherapy notes or information compiled in anticipation of, for use in, a civil, criminal or administrative action or proceeding. BAI will not allow you to access your PHI if these or any of the exceptions permitted under HIPAA apply. Such a denial shall be made in writing and will include the bases for the denial, a description of your review rights, and how to exercise those rights, and a description of how you may file a complaint with the covered entity pursuant to 45 CFR §164.530(d) or to the Secretary of the Department of Health and Human Resources, as per 45 CFR §160.306. If you are denied access to medical information, you may request that the denial be reviewed by a licensed health care professional designated by the BAI. After review, BAI must then provide or deny access in accordance with the determination of the reviewing official.

Right to Amend. If you feel that medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by you or for the Plan.

To request an amendment, your request must be made in writing and submitted to the Reimbursement Team Leader at BAI. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- is not part of the medical information kept by or for the Plan;
- was not created by us, unless the person or entity that created the information is no longer available to make the amendment;
- is not part of the information which you would be permitted to inspect and copy; or
- is accurate and complete.

BAI must act on your request for an amendment of your PHI no later than 60 days after receipt of your request. BAI may extend the time for making a decision for no more than 30 days, but we must provide you with a written explanation for the delay. If BAI denies your request, we must provide you with a written explanation for the denial and an explanation of your right to submit a written statement disagreeing with the denial.

Right to an Accounting of Disclosures. You have the right to request an "accounting of disclosures" (other than disclosures you authorized in writing) where such disclosure was made for any purpose other than treatment, payment, or health care operations. To request this list or accounting of disclosures, you must submit your request in writing to the Reimbursement Team Leader at BAI. Your request must state a period, which may not be longer than six years, prior to the date the accounting is requested. Your request should indicate in what form you want the list (for example, on paper, electronically, etc.). The first list you request within a 12-month period will be free. For additional lists, BAI may charge you for the costs of providing the list. BAI will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred. An accounting must include for each disclosure: (1) the date of the disclosure; (2) the name of the entity or person who received the information; (3) a brief description of the information disclosed; and (4) a brief statement of the purpose of the disclosure.

Note that HIPAA provides important exceptions to your right to an accounting of the disclosures of your PHI. BAI will not include in your accounting any of the disclosures for which there is an exception under HIPAA. BAI must act on your request for an accounting of the disclosures of your PHI no later than 60 days after receipt of the request. BAI may extend the time for providing you an accounting by no more than 30 days, but it must provide you with a written explanation for the delay. You may request one accounting in any 12-month period free of charge. BAI will impose a fee for each subsequent request within the 12- month period.

Right to a Paper Copy of This Notice. You have the right to a paper copy of this Notice. You may ask us to give you a copy of this Notice at any time. If you have agreed to receive this Notice electronically, you are still entitled to a paper copy of this Notice and may do so by contacting BAI's Reimbursement Team Leader.

BAI must make its internal practices, books and records related to the use and disclosure of PHI received from the Plan available to the U.S. Secretary of Health and Human Services or designated agent for purposes of determining compliance by the Plan with these privacy protections.

When BAI no longer needs PHI disclosed to it by the Plan, for the purposes for which the PHI was disclosed, BAI must, if feasible, return or destroy the PHI that is no longer needed. If it is not feasible, to return or destroy the PHI, BAI must limit further uses and disclosures of the PHI to those purposes that make the return or destruction of the PHI infeasible.

CHANGES TO THIS NOTICE

We reserve the right to change this Notice. We reserve the right to make the revised or changed Notice effective for medical information we already have about you as well as any information we receive in the future. We will post a copy of the current Notice on BAI's website.

COMPLAINTS

If you believe your privacy rights have been violated, you may file a complaint with the Plan or with the Secretary of the Department of Health and Human Resources. To file a complaint with the Plan, contact the Privacy Officer listed on Page 1 of this Notice. All complaints must be submitted in writing. You will not be penalized for filing a complaint.

OTHER USES OF MEDICAL INFORMATION

Other uses and disclosures of medical information not covered by this Notice or the laws that apply to us will be made only with your written permission. If you provide us permission to use or disclose medical information about you, you may revoke that permission, in writing, at any time. If you revoke your permission, we will no longer use or disclose medical information about you for the reasons covered by your written authorization. You understand that we are unable to take back any disclosures we have already made with your permission, and that we are required to retain our records of the care that we provided to you.

FOR FURTHER INFORMATION

If you have questions or need further assistance regarding this Notice, you may contact Benefit Analysis, Inc. Privacy Office by writing to: Benefit Analysis, Inc. Attn: Privacy Officer, PO Box 527 Nutley NJ 07110-0527 or by calling 973-661-2424.

EFFECTIVE DATE

This Notice is effective January 1, 2013.