

LAITRAM, L.L.C.
ORGANIZED HEALTH CARE ARRANGEMENT
NOTICE OF HIPAA PRIVACY PRACTICES

A federal law called “HIPAA” may protect your health information that is developed and maintained by the group health plans maintained by Laitram, L.L.C. Under the law:

- Limitations are placed on the manner in which your protected health information can be stored;
- Limitations are placed on the persons who can have access to your protected health information and the purposes for which your health information can be used and disclosed; and
- You have rights to review your protected health information, to make amendments and corrections to the information, and to receive an accounting about its use.

Please review this notice carefully. If you have any questions or want additional information, use the contact information provided at the end of this notice.

1. What Health Information is Protected?

Protected health information, or “PHI,” is health information that satisfies all of the following conditions:

- The information is created or received by a health care provider (a doctor or hospital), a health plan or your employer;
- The information relates to your physical or mental condition;
- The information identifies you or can be used to identify you in conjunction with other information; and
- The information is in the possession and control of the health plan.

In addition, PHI includes genetic information which includes information about your genetic tests or the genetic tests of your family members or the manifestation of a disease in one of your family members. Examples of PHI include an explanation of benefits, or EOB, information about your enrollment in the plan, an appeal filed to obtain additional benefits or dispute the denial of a claim, or a medical diagnosis of one of your family members.

Not all of your health information is protected. Administration of the Company’s leave and employment policies may require you to furnish medical information, such as a medical certification for leave, a doctor’s certificate to determine eligibility for long term disability or an injury report for workers’ compensation, but the information is not treated as PHI. The Company usually obtains this information directly from you as a condition of receiving the benefit. Although the Company takes reasonable steps to ensure that this type of information is held, used and stored in a confidential manner, it is not precluded from using or disclosing the information in accordance with limitations imposed under applicable law.

2. What are the Company's group health plans that are subject to the new privacy standards?

Your employer presently maintains the following health care arrangements that are subject to the rules:

- The major medical plan, which is a self-insured plan administered by Highmark, Inc.:
- The dental plan, which is fully insured by Cigna Insurance Company;
- Health reimbursement arrangements, which are administered by Highmark, Inc.: and
- Medical reimbursement accounts maintained under the Company's flexible benefits plan.

The dental plan is listed as a member of the OHCA for ease of administration. The dental plan is insured by Cigna Insurance Company. You should refer to communications received from Cigna regarding your privacy rights under the dental plan.

3. How Can the Plan Use My Protected Health Information?

a. Disclosures to You. The plan will always disclose to you your protected health information. The plan will also disclose your protected health information to an individual who has been designated by you as your personal representative or to someone who is deemed to be your representative under state law (such as the parent of a minor).

b. Payment and Health Care Operations. The plan has the right to use and disclose your protected health information, without your consent, for all of its "payment" and "health care operations." For this purpose:

- **Payment** means providing coverage and benefits. For example, the plan may disclose your protected health information when a provider requests information regarding your eligibility for benefits or it may use your information to determine if a treatment that you received was medically necessary.
- **Health Care Operations** means the plan's business functions. These functions commonly include, but are not limited to, the amendment of plan terms, auditing claims payment performance, quality assessment and improvement, and other business planning. For example, the plan may use your protected health information to provide you with information about a disease management program, to respond to a customer service inquiry from you or in connection with fraud and abuse detection.

c. Business Associates. The plan requires its third-party service providers to implement privacy standards similar to those applicable to the plan. These third parties are called "business associates." Under contractual agreements with the plan, business associates can receive, create, maintain, use, and disclose your protected health information, without your consent, but only to assist the plan with its payment and operations or other limited purposes.

d. Workers' Compensation. The plan may disclose your protected health information, without your consent, to comply with workers' compensation laws and other similar programs that provide benefits for work-related injuries or illnesses.

e. Other Health Care Providers. The plan may use or disclose your protected health information, without your consent, to assist other health care providers in connection with their payment

activities or health care operations. For example, the plan may share your PHI with other insurers (such as Medicare) in order to coordinate benefits, if you or your family members have duplicate health insurance.

f. Lawsuits and Other Legal Proceedings. The plan may disclose your protected health information in the course of any judicial or administrative proceeding or in response to an order of a court or administrative tribunal (to the extent such disclosure is expressly authorized). If certain conditions are met, the plan may also disclose your protected health information in response to a subpoena or a discovery request.

g. Other Disclosures Required by Law. The plan may use or disclose your protected health information, without your consent, to the extent required by federal, state, or local law, which include, but are not limited to:

- **Health Oversight Activities**, which are usually audits, investigations, inspections, licensure or disciplinary actions or civil, administrative, or criminal proceedings.
- **Abuse or Neglect** concerns or domestic violence provide a basis to disclose your protected health information to a governmental entity that is authorized to receive the information.
- **Law Enforcement** is authorized to receive your protected health information for its legitimate purposes.
- **Coroners, Medical Examiners, and Funeral Directors** can receive your protected health information if necessary to identify a deceased person or to determine a cause of death.
- **To Prevent a Serious Threat to Health or Safety**, your information can be disclosed, usually to prevent or lessen a serious and imminent threat to the health or safety of a person or the public.
- **Military** command authorities can obtain your protected health information if you are, or were, in the armed forces.
- **National Security and Protective Services** may receive your protected health information to conduct national security and intelligence activities and for the protection of the President and other authorized persons.
- **U.S. Department of Health and Human Services** is entitled to review your information for the purpose of determining whether the plan is in compliance with HIPAA.

h. Organ and Tissue Donation. The plan may disclose protected health information to organizations that handle organ, eye, or tissue donation and transplantation.

i. Research. The plan may disclose your protected health information to researchers, subject to limitations.

4. What About Disclosures to My Family Members?

If you are an unemancipated minor, the plan may disclose your protected health information to your parents, without your consent.

If you are an adult or an emancipated minor, the plan will not intentionally disclose your protected health information to a spouse or other family member without your consent. If you want to designate your spouse or a family member to receive your health information (for example, it may be prudent to let your parents receive your health information if you are away at school), you must sign an Authorization to Share Health Information. If you do not sign an authorization, your protected health information, such as your claims information, will be addressed in your name, but sent to the mailing address of the Company's employee.

Even if you do not sign an Authorization to Share Health Information, disclosure may sometimes occur when it is apparent under the circumstances that a spouse or family member must act as your personal representative and be involved in your medical treatment.

5. What About Other Uses and Disclosures of My PHI?

Other uses and disclosures of your protected health information can be made only with your written authorization. If you provide an authorization for a specific purpose, you can revoke the authorization by providing written notice. Your revocation will be effective prospectively, for future uses and disclosures of protected health information. Depending upon the circumstances, you may be requested to provide an authorization by your employer, by a health care provider, or by a business associate, such as HM Life Insurance Company.

6. What are My Rights Under HIPAA?

a. Right to Request a Restriction. You have the right to request a restriction on the use of your protected health information, except to the extent the plan uses or discloses PHI for payment of your claims or its health care operations. You also have a right to limit disclosures to family members or friends who are involved in your care or the payment for your care. The plan is not required to agree to any restriction. If the plan agrees to the restriction, it can stop complying with the restriction after providing notice to you.

b. Right to Request Confidential Communications. If you believe that a disclosure of all or part of your PHI may endanger you, you can request that the plan communicate with you in an alternative manner or at an alternative location. For example, you may ask that all communications be sent to your work address, rather than your home address. The plan will accommodate your request, provided it is reasonable.

c. Right to Request Access. You have the right to inspect and copy the PHI that may be used to make decisions about your benefits. If you request copies, the plan may charge you the actual cost it incurs. Note that under federal law, you may not inspect or copy any of 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.

d. Right to Request an Amendment. You have the right to request an amendment of your PHI if you believe that information is incorrect or incomplete. In certain cases, the plan may deny your request for an amendment. If the plan denies your request, you have the right to file a statement of disagreement. Your statement of disagreement will be linked with the disputed information and all future disclosures of the disputed information will include your statement.

e. Right to Request an Accounting. You have the right to request an accounting of certain disclosures the plan has made of your PHI. You can request an accounting of disclosures made up to six years prior to the date of your request, except that the plan is not required to account for disclosures made prior to April 14, 2004. You are entitled to one accounting free of charge during a 12-month period. There may be a charge to cover the plan's costs for additional requests within that 12-month period. The plan will notify you of the cost involved and you may choose to withdraw or modify your request before any costs are incurred.

f. Exercising your Rights. Ordinarily, to exercise one of these rights you provide written notice to the Company's privacy officer. Your notice must be in writing, specify which right you intend to exercise, describe the PHI that is affected, and either describe the limitations you wish to impose upon the use and disclosure of your PHI, the period for which an accounting is requested, the PHI you wish to correct or the circumstances giving rise to a need for confidential communications.

g. Remedies. If you believe the plan has violated your privacy rights, you can complain to the plan or to the Secretary of the U.S. Department of Health and Human Services. Neither the plan nor the plan sponsor will penalize you for filing a complaint. In addition, the plan has designated a privacy official that can assist you if you have a complaint.

7. Can the Plan Change Its Policies?

Consistent with the provisions of HIPAA, the plan reserves the right to change the provisions of this notice and make the new provisions effective for all protected health information that it maintains. If the plan makes a material change to this notice, it will provide a revised notice to you.

8. Who Do I Contact?

The plan has designated a privacy official who administers the requirements of HIPAA. The privacy official receives your written notice when you limit the use of your PHI, request an accounting or make an amendment. You also contact the privacy official to get more information about your rights under HIPAA. The Company's privacy official can be contacted at:

Franck LaBiche, Privacy Official
Laitram, L.L.C.
200 Laitram Lane
Harahan, Louisiana 70123
(504) 733-6000