

NOTICE OF PRIVACY PRACTICES FOR
AO ORTHOPEDICS, INC.

183 N. Reading Rd.
Ephrata, PA 17522

101 Good Drive
Lancaster, PA 17602

801 Orange St
Lebanon, PA 17422

Effective 9/1/2010

**THIS NOTICE DESCRIBES HOW PROTECTED HEALTH INFORMATION
ABOUT YOU (OR A PATIENT FOR WHOM YOU ARE A PERSONAL
REPRESENTATIVE) MAY BE USED AND DISCLOSED AND PATIENTS
RIGHTS TO ACCESS THIS INFORMATION.
PLEASE READ IT CAREFULLY.**

If you have any questions regarding this notice you may contact our HIPAA privacy officer:

Office Manager
AO Orthopedics, Inc.
101 Good Drive
Lancaster, PA 17603
Ph# (717) 299-3077
Fax# (717) 299-3241

AO Orthopedics, Inc. Commitment Statement

AO Orthopedics, Inc. is committed to complying with all HIPAA Privacy regulations to ensure practice staff never use patient Protected Health Information (PHI) in an unauthorized or illegal manner.

The use and disclosure of all confidential patient information will be secured through the revision and creation of practice privacy policies, procedures and authorization forms.

Internal reviews will be conducted by the AO Orthopedics, Inc. privacy officer to ensure proper adherence to these privacy regulations and address any potential violations.

1. Protected Health Information

AO Orthopedics, Inc. is required by the Health Insurance Portability and Accountability HIPAA law to maintain the privacy of patient health information (protected health information) and to provide patients with notice of our legal duties and privacy practices with respect to their protected health care information. We are required to abide by the terms of this notice currently in effect.

Generally speaking, a patient's protected health information is any information:

- Created or maintained by AO Orthopedics, Inc.
- That relates to the patient's past, present or future physical or mental health condition, the provision of health care to the patient, or payment for health care provided to the patient.
- Individually identifies the patient or reasonably can be used to identify the patient

Patient medical and billing records at our practices are examples of information that usually will be regarded as protected health information.

Employees of AO Orthopedics, Inc. such as; physicians, technicians, scheduling specialists, billing specialists, etc. require routine access to patient protected health information in order to provide treatment, receive payment and conduct healthcare operations.

2. Patient permission to use protected health information – Authorizations

We are required to obtain a patient's permission to internally use or externally disclose the patient's protected health information – with limited exceptions. The permission generally must be in the form of a written authorization.

Authorization

A patient signed authorization from is required to use and disclose protected health information for non-routine purposes. In general, AO Orthopedics, Inc. is required to obtain a patient's authorization for uses and disclosures for purposes other than routine treatment, payment or health care operations.

In addition, certain types of protected health information are subject to specific disclosure rules, even when there is disclosure for treatment, payment, or health care operation purposes. For example, in certain circumstances, an authorization will be required for disclosure of psychotherapy notes or HIV test results and other HIV – related information. Exceptions to the patient authorization requirements are discussed in section 4.

3. Uses and disclosures for treatment, payment, and operations

This section describes treatment, payment, and health care operation purposes. Not every possible use or disclosure for treatment, payment, and health care operation purposes will be listed. Some listed examples fall into more than one category – not just the category under which they are listed.

Treatment

Treatment includes the provision, coordination, or management of health care services to the patient by our practice or one or more other health care providers. Some examples of treatment disclosures include:

- During an office visit, practice physicians and other staff involved in a patient's care review the patient's medical record and share and discuss the patient's medical information with each other.
- We share and discuss a patient's medical information with an outside physician to whom we have referred the patient for care.
- We share and discuss a patient's medical information with an outside physician with whom we are consulting regarding the patient.
- We share and discuss a patient's medical information with an outside laboratory, radiology center, or health care facility where we have referred the patient for testing.
- We share and discuss a patient's medical information with an outside home health agency, durable medical equipment agency or other health care provider to whom we have referred the patient for health care services and procedures.
- We share and discuss a patient's medical information with a hospital or other health care facility where we are admitting or treating the patient.

AO Orthopedics, Inc. requires a written approval by a parent, guardian or power of attorney for treatment of a minor.

Payment

Payment uses and disclosures include activities to obtain or provide reimbursement of health care to the patient. Some examples include:

- Sharing information with the patient's health insurer to determine whether the patient is eligible for coverage or whether proposed treatment is a covered service.
- Submission of a claim form to the patient's health insurer.
- Provision of a bill to a family member or other person designated as responsible for payment for services rendered to the patient.
- Providing medical records and other documentation to the patient's health insurer to support the medical necessity of a health service.
- Allowing a patient's health insurer access to the patient's medical record for a medical necessity or quality review audit
- Providing information to Pennsylvania State health agencies
- Providing information to a collection agency or our attorney for purposes of securing payment of a delinquent account

Health care operation

Health care operation uses and disclosures are activities conducted to operate the practice. Some examples include:

- A patient sign-in sheet in the waiting area
- Paging patients by name in the waiting room when it is time for them to go to an examining room
- Making appointment reminder calls, including leaving messages with other persons who answer the phone or answering machines
- Mailing bills in envelopes with our name and return address
- Sharing medical care provided to a patient with our billing staff so that they can bill for the care
- Internal reviewing and analyzing of medical care provided to our patients for purposes of evaluating the quality of care provided by our practice
- Sharing medical information about a patient with our attorneys to defend a legal action (i.e. malpractice and auto claims)

4. Uses and disclosures without authorization

This section describes ways in which we may use and disclose a patient's protected health information without the patient's permission in the form of an authorization. Not every use or disclosure in a category will be listed. Some listed examples fall into more than one category – not just the category under which they are listed.

Disclosure to the patient or the patient's personal representative

We do not need a patient's authorization to disclose the patient's protected health information to the patient or the patient's personal representative (power of attorney)

Individuals involved in patient's care for payment for patient's care

We may disclose a patient's protected health information to someone involved in a patient's care or payment for a patient's care, such as a spouse, a family member, or close friend. For example, when a patient has had a surgery, we may discuss the patient's physical limitations with a family member assisting in the patient's postoperative care.

In such situations we are required to limit the disclosure to information that is directly relevant to the recipient's involvement with the patient's care or payment of the patient's care. In addition, if the patient is present or otherwise available prior to the disclosure and has the capacity to make health care decisions, we must provide the patient with the opportunity to agree or object to the disclosure and we may not make the disclosure if the patient objects.

Notification purposes

We may disclose a patient's protected health information to notify, or assist in the notification of, a family member, a personal representative, or another person responsible

for the patient's care regarding a patient's location, general condition, or death. For example, if a patient collapses in our office and is taken to the emergency room, we may notify the patient's spouse. In addition, we may disclose a patient's protected health information to a disaster relief entity, such as Red Cross, so that it can notify a family member, a personal representative, or another person involved in the patient's care regarding the patient's location, general condition, or death.

Required by law

We may disclose protected health information when required by federal, state or local law. For example, we may disclose a patient's protected health information to comply with mandatory reporting requirements for births and deaths, child abuse, disease prevention and control, vaccine-related injuries, medical device related deaths and serious injuries, gunshot and other injuries by a deadly weapon or criminal act, diving impairments, and blood alcohol testing. In such situations, we are required to only disclose protected health information to the extent necessary to comply with the legal requirement.

Other public health activities

Earlier, we mentioned some mandatory reporting requirements for public health purposes. In limited situations, we may voluntarily assist in public health activities in other ways that involve the disclosure of a patient's protected health information. These activities include, but are not limited to:

- Adverse event reports regarding drugs and medical devices and assistance with medical product recalls, repairs, and replacements
- Notification to a person who could have been exposed to a communicable disease or is otherwise at risk for contracting or spreading a disease or condition in situations where we are authorized by law to make the notification as part of a public health intervention or investigation. In the case of HIV – related information, we must comply with state law limitations on HIV contact tracing and disclosure

We provide health care to certain patients at the request of their employer and may disclose to the employer findings regarding work – related illness or injury or a work – place related medical surveillance to enable the employer to comply with OSHA and similar requirements. In such a case, we are required to notify the employee at the time of the healthcare or by posting a notice where the health care is provided.

Victims of abuse, neglect or domestic violence

Above, we mentioned our mandatory child abuse and other reporting requirements. When we believe a patient to be the victim of abuse, neglect, or domestic violence, we also may voluntarily disclose protected health information regarding the patient in a report to a government authority authorized to receive such reports, such the department of Aging in the care of an elderly patient or the Department of Public Welfare in the case

of a nursing home patient. In such a case, we must obtain the patient's agreement with limited exceptions.

Health oversight activities

Judicial and administrative proceedings

We may disclose protected health information to a health oversight agency for oversight activities authorized by law. These activities could include audits, inspections, investigations, licensure actions, and legal proceedings.

We may disclose protected health information in the course of any judicial or administrative proceeding pursuant to a court order. In addition, we may disclose protected health information about the patient in response to a subpoena issued in connection with a judicial or administrative proceeding if we either have the patient's permission or we are required by law to respond to the subpoena.

Law enforcement purposes

Earlier, we mentioned our mandatory reporting requirement for gunshot and other injuries by a deadly weapon or criminal act and blood alcohol testing. We also may disclose protected health information for law enforcement purposes when required by law or with the patient's permission.

Coroners and medical examiners

We may disclose protected health information to a coroner or medical examiner for the purpose of identifying a deceased patient, determining a cause of death, or facilitating their performance of other duties required by law.

Funeral directors

We may also disclose protected health information to funeral directors as necessary to carry out their duties. This includes HIV-related information.

Organ and tissue donation

We may use protected health information for the purpose of facilitating donation and transplantation. We may disclose protected health information to organ procurement organizations or other entities engaged in the procurement, banking, or transplantation of cadaveric organs, eyes, or tissue for the purpose of facilitating donation and transplantation.

Protection of others from harm

In limited circumstances, we may disclose protected health information about a patient to protect another person from being harmed. For example, we may warn that a patient has threatened another identifiable person with imminent serious bodily harm if we have reason to believe that the threat is real.

Military activities

National security and intelligence activities

Protective services for the President and others

In certain circumstances, we may disclose protected health information regarding patients in the military at the request of the military command authorities. We may disclose protected health information to federal officials for the conduct of legally authorized intelligence, counterintelligence, and other national security activities or protective services to the President and others.

Correctional institutions and other law enforcement custodial situations

We may disclose protected health information to correctional institution or a law enforcement official having custody of a patient when they request the information for a purpose such as health care, safety, or security.

Workers' compensation and similar programs

We may disclose a patient's protected health information as authorized by and to the extent necessary to comply with laws relating to workers' compensation or similar programs, established by law, that provide benefits for work – related injuries or illness without regard to fault. For example, this would include submitting a claim for payment to a patient's employer's workers' compensation carrier when we treat the patient for a work injury.

Business Associates

Certain functions of the practice are performed by a business associate such as an accounting firm, law firm or agency to copy protected health information and ensure authorizations are complete. We may disclose protected health information to our business associates and allow them to create and receive protected health information on our behalf. Whenever we have a business associate arrangement that involves the use of disclosure of protected health information, we are required to have a written agreement that protects the privacy of the protected health information.

5. Use and disclosure with authorization

In all other situations which do not fall under a category listed under section 3 or 4 AO Orthopedics, Inc. will obtain a written patient authorization to use or disclose protected health information. A patient authorization can be revoked at any time except to the extent that we have relied on the authorization.

6. Patient privacy rights regarding protected health information

Restriction on use or disclosure

Your rights

Patients have the right to request that we restrict the use and disclosure of their protected health information:

- To carry out treatment, payment, or health care operations
- To someone who is involved in their care or the payment for their care
- For notification purposes

Limitations on your rights

We are not required to agree to any request for a restriction. If we do agree, AO Orthopedics, Inc. must comply with the request unless the information is needed for emergency care.

If the information is released for emergency treatment to the patient, AO Orthopedics, Inc. must request that the person (s) providing the treatment not further use or disclose the protected health information.

We can terminate our agreement to a requested restriction, if the patient agrees to or requests this action. We also can terminate our agreement without the patient's consent, if AO Orthopedics, Inc. informs the patient that the agreement to restrict protected health information is terminated. Information gathered during the terms of the restriction will continue to be restricted. Information gathered after the termination of the agreement will not be restricted.

How to exercise your rights

To request a restriction, a patient must submit a written request to our privacy officer (the Office Manager). The request must tell us: (a) what information the patient wants restricted; (b) how the patient wants the information restricted; and (c) to whom the patient wants the restriction to apply/

Confidential communication

Your rights

Patients have the right to request that we communicate their protected health information to them by a certain means or at a certain location. For example, the patient might request that we only contact the patient by mail or at work.

Limitations on you rights

We are not required to accommodate a request that is unreasonable.

How to exercise your rights

To make a request for confidential communications, a patient must submit a written request to our privacy officer. The request must tell us how or where the patient wants to be contacted. In addition, if another individual or entity is responsible for payment, the request must explain how payment will be submitted.

A patient is not required to provide us with any explanation of the basis for a request for confidential communications.

Accounting of disclosures

Your rights

Patients have the right to obtain, upon request, an “accounting” of certain disclosures of their protected health information by us (or a business associate for us).

A requested accounting generally will list of each covered disclosure:

- The date of release
- The name and address of the recipient
- A brief description of the disclosed information
- A brief statement of the purpose of the disclosure

Limitations on your rights

A patient’s right to an accounting does not apply to all disclosures. For example, an accounting does not need to list disclosures:

- Provided to the patient or the patient’s personal representative
- To carry out treatment, payment, or health care operations
- Provided to practice employees responsible for the patient’s care
- To someone who is involved in the patient’s care or the payment for the patient’s care
- For National security or intelligence purposes
- To correctional institutions or law enforcement purposes

In addition, a patient's right to an accounting is limited to disclosures that occurred on or after April 14, 2003 and within six years of the request for an accounting.

In certain situations, a patient's right to an accounting of disclosures to a health oversight agency or a law enforcement official can be temporarily suspended.

How to exercise your rights

To request an accounting, a patient must submit a written request to our privacy officer. The request should designate the applicable time period.

Timely action

We generally are required to act on a request for an accounting by providing the information within 60 days after receipt. If we cannot comply with this time period, we must notify the patient in writing of the reason for the delay and when we will comply (request will be completed within a 30 day extension).

Fees

The practice must provide the patient with the first request for a list in any 12 – month period with no charge. The practice may charge the patient a reasonable, cost-based fee for each future request within the 12 – month period. We must notify the patient of the cost involved and the patient may choose to withdraw or modify the request to avoid or reduce the cost. We further reserve the right to require advance payment of any accounting fee.

Inspection and copying

Your rights

As a general rule, patients have the right to inspect and obtain a copy of their protected health information. Usually, patients will have a right of access to their medical and billing records at our practice.

Limitations on your rights

A patient's right of access does not apply to all of the patient's protected health care information. For example, it does not apply to:

- Psychotherapy notes
- Information compiled in reasonable anticipation of, or for use in, a civil, criminal, or administrative action or proceeding

In addition, we may deny patients access to their protected health information in certain circumstances, such as when:

- The information was obtained from someone other than the health care provider under a promise of confidentiality and the requested access would be reasonably likely to reveal the source of information
- A licensed health care professional determines that the requested access would endanger the life or physical safety of the patient or another person
- A licensed health care professional determines that the requested access is reasonably likely to cause substantial harm to a non-health care provider named in the information
- The access is requested by a personal representative and a licensed health care professional determines that the requested access is reasonably likely to cause substantial harm to the patient or another person

How to exercise your rights

To exercise the right of access, a patient must submit a written request to our privacy officer. The request must: (a) describe the health information to which access is requested, (b) state how the patient wants to access information, such as inspection, pick-up of copy, mailing of copy, (c) specify any requested form or format, such as paper copy or an electronic means, and (d) include the mailing address, if applicable.

Timely action

We generally are required to act on a request for access by providing the information (or a written notice of denial) within 30 days after receipt of the request. If the information is not maintained on the practice site, the information will be provided within 60 days after receipt of the request. If we cannot comply within these time periods, we must notify the patient in writing of the reason for the delay and when we will comply (request will be completed within a 30 day extension).

Provision of access

In the case of access by inspection or pick-up, we will arrange a convenient time and place with the patient. We are only required to comply with a form or format specified by the patient if the covered protected health information is readily producible in that form. Otherwise, we only need to provide the information in a readable hard copy form or other form as a mutually agreed

The practice may provide the patient with a summary of the requested protected health information instead of the actual information providing the patient agrees in advance.

Fees

We reserve the right to charge patients a reasonable cost – based fee for copying their health information. Patients can ascertain our current copying rates by contacting our privacy officer.

We reserve the right to charge patients for a summary of requested protected health information, but will advise them of any fees in advance of their agreement.

We reserve the right to charge patients a reasonable fee for providing the information if the fee is for the costs of copying the material, labor, supplies, postage or preparing a summary of information if requested.

We reserve the right to require advance payment of any copying or mailing charges.

Right to request amendment

Your rights

Upon review of their protected health information, patients have the right to request changes to their information. If patients believe that protected health information, which the practice maintains, is incorrect or incomplete they may request that we amend the information. Patients have a right to request an amendment for as long as we maintain the information.

Limitations on your rights

We may deny a request for an amendment if the request asks that we amend information that:

- Was not created by the practice
- Was created by an individual who is no longer an employee of the practice
- Is not part of the health information maintained by us
- Is not part of the health information that the patient would be permitted to inspect and copy
- Is not related to the patient's current diagnosis
- Is accurate and complete

How to exercise your rights

To request an amendment, patients must submit a written request to our privacy officer. The request must specify each change that the patient wants and provide a reason to support each requested change.

Timely action

We generally are required to act on a request for an amendment by making the amendment (or providing a written denial) within 60 days after receipt. If we cannot comply with this time period, we must notify the patient in writing of the reason for the delay and when we will comply (request will be completed within a 30 day extension).

Paper copy of your Privacy Notice

Your rights

Patients have a right to receive, upon request, an additional paper copy of our Notice of Privacy Practices. Patients may ask for a paper copy of the current notice at anytime.

How to exercise your rights

To obtain a paper copy, contact our privacy officer.

7. Minors, incompetent, and deceased patients

In the case of minors who lack legal capacity to make their own health care decisions, a parent, legal guardian, or other personal representative must provide any requested consent, authorization, or other permission to use and disclose the patient's protected health care information and exercises the patient's privacy rights.

8. Changes to this notice

We reserve the right to change this notice at any time. We further reserve the right to make any change effective for all protected health information that we maintain at the time of the change – including information that we created or received prior to the effective date of the change. We will post a copy of our current notice in the waiting room of each practice location. At any time, patients may request a copy of the current notice by contacting any member of our staff.

9. Complaints

It is the policy of AO Orthopedics, Inc. to address all complaints with regard to protecting the privacy of confidential patient information. If patients believe that we have violated their privacy rights, they may submit a complaint to the Practice or the Office of Civil Rights. To file a complaint with AO Orthopedics, Inc., please submit the complaint in writing to our privacy officer (Office Manager). The Practice will not retaliate against patients for filing a complaint.

10. Legal effect of this notice

This notice is not intended to create contractual or other rights independent of the Standards for Privacy of Individually Identifiable Health Information ("privacy rule") issued by the Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").