

**WORKSMART SYSTEMS**  
**NOTICE OF PRIVACY PRACTICES**

Effective Date: *January 1, 2011*

**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.**

If you have any questions about this Notice, please contact Andrea Meyer, Privacy Officer, at 317-585-7870 for further information.

This Notice of Privacy Practices describes how the WorkSmart Systems employee benefits plans may use and disclose your protected health information to carry out claims payment or health care operations and for other purposes that are permitted or required by law. When this Notice uses the word "Plan," it means the Worksmart Systems Plan, the Worksmart Systems, Inc. Flexible Benefits Plan, or any other employee benefit programs providing medical, dental, and/or vision benefits that may be provided to you through Worksmart Systems. You may also receive a similar notice from the insurance companies and administrators associated with a specific benefit program.

This Notice also describes your rights to access and control your protected health information, as well as certain obligations we have regarding the use and disclosure of your protected health information. "**Protected health information**" ("**PHI**") is medical 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 related health care services.

The Plan is required by law to maintain the privacy of your PHI and to provide you with notice of our legal duties and privacy practices with respect to your PHI. We are also required to abide by the terms of this Notice as currently in effect.

This Notice describes the Plan's privacy practices and that of all departments and units of the Plan, as well as all of the employees, staff and other Plan personnel. This notice also covers our third party "business associates" who perform various activities for us to provide you benefits or to operate the Plan. Before we disclose any of your PHI to one of our business associates, we will enter into a written contract with them that contains terms to protect the privacy of your PHI.

**USES AND DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION:**

This Notice sets forth different reasons for which we may use and disclose your PHI. The Notice does not list every possible use and disclosure; however, all the reasons for which we are permitted to use and disclose your PHI are listed.

**For Treatment.** We will use and disclose your PHI as needed for a medical provider to treat you.

**For Claims Payment.** We will use and disclose your PHI so that the Plan may pay benefits. For example, we will use your PHI to provide reimbursement for health care services you have received. We may also use or disclose your PHI to obtain or pay premiums for your insurance coverage, to determine whether you are eligible for health benefits or other coverage, or to make coverage determinations based upon whether the claims you have incurred were for medically necessary treatment.

**For Health Care Operations.** We may use and disclose your PHI for the Plan's health care operations. These uses and disclosures are necessary to manage the Plan and to make sure that all participants receive

quality health coverage. For example, we may use your PHI, as needed, to evaluate the quality of service our staff has provided to you. In evaluating the services we provide, we may combine your PHI with others to get a practical idea of services we may need to offer, tailor, or eliminate. We may also disclose your PHI to the Plan's staff for learning purposes.

**Health-Related Benefits and Services.** We may use and disclose your PHI to inform you of health-related benefits or services that may be available to you.

**Employer and PEO.** The Plan will not disclose your PHI, to your worksite employer. We will disclose your PHI to Worksmart Systems, Inc., as your PEO employer, to use only as permitted in its capacity as Plan Sponsor and Plan Administrator.

**Individuals Involved in Your Health Care or Payment for Your Health Care.** We may disclose your PHI to a family member or friend who is involved in your medical treatment or care or in the financing of your health care. We will usually only provide payment information to your family members and friends, unless we have your written authorization that we can discuss PHI with the individual. For example, we will require your written authorization before we will disclose your PHI to your spouse or to your parents (in the case of an adult child). In more rare cases, we may inform your family or friends as to your condition, location, or death. If you are present, you will be given the opportunity to object to all of these disclosures. However, if you are not present, only a disclosure that is in your best interest and directly relevant to the inquiring person's involvement in your health care will be made. In addition, we may disclose PHI to a public or private entity assisting in a disaster relief effort so that your family can be notified as to your condition, location, or death, or so that care or rescue efforts can be coordinated.

**As Required By Law.** We will use and disclose your PHI when required to do so by federal, state or local law, to the extent that such use and disclosure is limited to the relevant requirements of such law.

**Judicial and Administrative Proceedings.** If you are involved in a legal proceeding, we may disclose your PHI in response to a court or administrative order. We may also disclose your PHI in response to a subpoena, discovery request, or other lawful process by another person involved in the dispute, but only if we believe that the party seeking the PHI has made reasonable efforts to tell you about the request or to obtain an order protecting the information requested.

**Workers' Compensation.** We may disclose your PHI for workers' compensation or similar programs. These programs provide benefits for work-related injuries or illness.

**Other Uses and Disclosures Of Your Protected Health Information.** Other uses and disclosures of your protected health information not covered by this Notice or the laws that apply to us will be made only with your written authorization. If you have given us your authorization, you may revoke that authorization, in writing, at any time. If you revoke your authorization, we will no longer use or disclose the PHI for the reasons covered by your written authorization, except to the extent that we have taken action in reliance on your authorization. Please note that we are unable to withdraw any disclosures we have already made with your written authorization and that we are required by law to maintain our records as to the health care that we have provided to you.

## **YOUR RIGHTS REGARDING YOUR PROTECTED HEALTH INFORMATION**

You have the following rights regarding your PHI which we maintain, as required by law:

**Right to Request Restrictions.** You have the right to request a restriction or limitation on the use or disclosure of your PHI for purposes of the Plan's payment activities or health care operations. You also have the right to request that we restrict the disclosure of your PHI from those involved in your health care or the payment for your health care, such as with a family member or friend. For example, you may request that we not use or disclose your PHI relating to a procedure you may have had. We are not

required to agree with your request for restrictions, except if your requested restriction is to prevent disclosure of PHI to a health plan for purposes of carrying out payment or health care operations (and not for treatment) and the PHI pertains solely to a health care item or service for which you have already paid a health care provider out-of-pocket in full. If we do agree to your request for restrictions, we will comply with your request unless the information is needed to provide you with emergency treatment.

**Right to Request Confidential Communications.** You have the right to request that we communicate with you about your personal health matters in a particular way or at a particular location. For example, you can request that we only contact you at work or at a friend's house.

**Right to Inspect and Copy.** You have the right to inspect and copy your PHI, which is kept in a designated record set. This may include medical and billing records, but does not include: (1) psychotherapy notes; (2) information compiled in anticipation of or for use in legal actions or proceedings; or (3) protected health information that is maintained by the Plan to which access is prohibited by law.

If the Plan uses or maintains an electronic health record with respect to your PHI, you have a right to obtain a copy of such information in an electronic format and, if you so choose, direct the covered entity to transmit such copy directly to another entity or person.

We may deny your request to inspect and copy in certain limited circumstances. In some circumstances, you may request that the denial be reviewed.

**Right to Amend.** You have the right to request that we amend your PHI that the Plan has created if it is incorrect or incomplete. We may deny your request for an amendment if the request does not include a reason to support the request for an amendment and in certain other circumstances.

**Right to an Accounting of Disclosures of PHI.** You have the right to request an accounting of certain disclosures of your PHI made by the Plan within the past six years from the date of your request. You will not receive an accounting of: disclosures the Plan has made to you; disclosures that have been made to carry out the Plan's payment activities or health care operations, if the disclosure was not made through an electronic health record; uses or disclosures permitted or required by law; disclosures made pursuant to an authorization from you; disclosures made as part of a limited data set; or any disclosures made prior to April 14, 2003. Beginning January 1, 2011, you have the right to request an accounting of disclosures of your PHI through an electronic health record made by the Plan to carry out the Plan's payment activities or health care operations within the past three years from the date of your request. In response to your request, the Plan will also provide you with a list of all business associates, with contact information, acting on behalf of the Plan.

**How to Exercise Your Rights.** To exercise any of your rights discussed in this notice contact the Plan's Privacy Officer, Andrea Meyer, WorkSmart Systems, 9957 Crosspoint Boulevard, Indianapolis, IN 46256, telephone number 317-585-7870, to obtain a form to submit your request in writing. You may also obtain the applicable forms from the Plan's website, <http://www.WorkSmartPEO.com>.

**Right to a Paper Copy of this Notice.** You have the right to receive a paper copy of this Notice. You may request that we give you a copy of this Notice at any time. You may obtain a copy of this Notice at our website, <http://www.WorkSmartPEO.com>. In the alternative, to obtain a paper copy of this Notice, please contact Andrea Meyer, Privacy Officer, WorkSmart Systems, 9957 Crosspoint Boulevard, Indianapolis, IN 46256, telephone number 317-585-7870.

#### **CHANGES TO THIS NOTICE**

We reserve the right to change the terms of this Notice. We reserve the right to make the new Notice provisions effective for all PHI we currently maintain, as well as any information we receive in the future. We will post a copy of the current Notice at WorkSmart Systems, 9957 Crosspoint Boulevard,

Indianapolis, IN 46256. Please note, on the first page, in the top right-hand corner of the Notice, you will find the effective date. A Notice with a more recent date supercedes a Notice with an older date.

**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 Services. You will not be retaliated against or penalized for filing the complaint. To file a complaint with WorkSmart Systems, contact Andrea Meyer, Privacy Officer, at WorkSmart Systems, 9957 Crosspoint Boulevard, Indianapolis, IN 46256, telephone number 317-585-7870. All complaints must be submitted in writing.