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.

Background. This Notice of Privacy Practices applies to the following health care plans maintained by Battelle Memorial Institute (including Battelle Columbus Operations and Battelle Pacific Northwest Division), Battelle Services Company, Inc (BSCI) and Battelle National Biodefense Institute, LLC (BNBI) as of January 1, 2010:

A. **Medical Plan for BMI Active Staff** – includes the following plans administered by Anthem Blue Cross Blue Shield: Network Only Plan, Traditional Plan, Premier PPO Plan, Bargaining PPO Plan and the PPO Plan for Active Staff of PNWD

B. **Medical Plan for BMI Retirees** - includes the Anthem Blue Cross Blue Shield Network Only Plan for Pre-65 Retirees and the Anthem Blue Cross Blue Shield Medicare Complement Plan

C. **CIGNA Dental Plan for Active Staff**

D. **CIGNA Dental Plan for Retirees of BMI**

E. **Other Plans for BMI Active Staff:**

Employee Assistance Program for Staff Members of Battelle Memorial Institute

Employees' Flexible Spending Account Plan of Battelle Memorial Institute (including the Battelle Memorial Institute Medical Reimbursement Plan)

Any reference in this notice to "the Plan" is to each of the foregoing health care plans under which you are covered. All of the health care plans are members of an organized health care arrangement ("OHCA"). All OHCA members will abide by the terms of this Notice.

The Notice describes how the Plan may use and disclose your protected health information. This Notice also sets out the Plan's legal obligations concerning your protected health information and describes your rights to control and access your health information. This Notice has been drafted in accordance with the HIPAA Privacy Rule, contained in the Code of Federal Regulations at 45 CFR Parts 160 and 164. Terms not defined in this Notice have the same meaning as they have in the HIPAA Privacy Rule.

Questions and Further Information. If you have any questions or want additional information about the Notice or the policies and procedures described in the Notice, please contact the Plan using the Contact Information provided at the end of this Notice.

THE PLAN'S RESPONSIBILITIES

The Plan is required by law to maintain the privacy of your protected health information. It is obligated to provide you with a copy of this Notice setting forth the Plan's legal duties and its privacy practices with respect to your protected health information. The Plan must abide by the terms of this Notice.

USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

The following is a description of when the Plan is permitted or required to use or disclose your protected health information.

***Payment and Health Care Operations*.** The Plan has the right to use and disclose your protected health information for all activities that are included within the definitions of "payment" and "health care operations" as defined in the HIPAA Privacy Rule.

Payment. The Plan will use or disclose your protected health information to fulfill its responsibilities for coverage and providing benefits as established under the Plan. For example, the Plan may disclose your protected health information when a provider requests information regarding your eligibility for benefits under the Plan, or it may use your information to determine if a treatment that you received was medically necessary.

Health Care Operations. The Plan will use or disclose your protected health information to support the Plan's business functions. These functions include, but are not limited to: quality assessment and improvement, reviewing provider performance, licensing, business planning, and business development. For example, the Plan may use or disclose your protected health information: (i) to provide you with information about a disease management program; (ii) to respond to a customer service inquiry from you; (iii) in connection with fraud and abuse detection and compliance programs, or (iv) to survey you concerning how effectively the Plan is providing services, among other issues.

***Business Associates*.** The Plan contracts with service providers – called business associates – to perform various functions on its behalf. For example, the Plan may contract with a service provider to perform the administrative functions necessary to pay your medical claims. To perform these functions or to provide the services, business associates will receive, create, maintain, use, or disclose protected health information, but only after the Plan and the business associate agree in writing to contract terms requiring the business associate to appropriately safeguard your information.

***Organized Health Care Arrangement*.** The OHCA members may share your protected health information with each other to carry out payment and health care activities.

***Other Covered Entities*.** The Plan may use or disclose your protected health information to assist health care providers in connection with their treatment or payment activities, or to assist other covered entities in connection with certain health care operations. For example, the Plan may disclose your protected health information to a health care provider when needed by the provider to render treatment to you, and the Plan may disclose protected health information to another covered entity to conduct health care operations in the areas of quality assurance and improvement activities, or accreditation, certification, licensing, or credentialing. This also means that the Plan may disclose or share your protected health information with other health care programs or insurance carriers (such as Medicare, Prudential, *etc*.) in order to coordinate benefits, if you or your family members have other health insurance or coverage.

***Required by Law*.** The Plan may use or disclose your protected health information to the extent required by federal, state, or local law.

***Public Health Activities*.** The Plan may use or disclose your protected health information for public health activities that are permitted or required by law. For example, it may use or disclose information for the purpose of preventing or controlling disease, injury, or disability, or it may disclose such information to a public health authority authorized to receive reports of child abuse or neglect. The Plan also may disclose protected health information, if directed by a public health authority, to a foreign government agency that is collaborating with the public health authority.

Health Oversight Activities. The Plan may disclose your protected health information to a health oversight agency for activities authorized by law. For example, these oversight activities may include audits; investigations; inspections; licensure or disciplinary actions; or civil, administrative, or criminal proceedings or actions. Oversight agencies seeking this information include government agencies that oversee the health care system, government benefit programs, other government regulatory programs, and government agencies that ensure compliance with civil rights laws.

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, a discovery request, or other lawful process.

Abuse or Neglect. The Plan may disclose your protected health information to a government authority that is authorized by law to receive reports of abuse, neglect, or domestic violence. Additionally, as required by law, if the Plan believes you have been a victim of abuse, neglect, or domestic violence, it may disclose your protected health information to a governmental entity authorized to receive such information.

Law Enforcement. Under certain conditions, the Plan also may disclose your protected health information to law enforcement officials for law enforcement purposes. These law enforcement purposes include, by way of example, (1) responding to a court order or similar process; (2) as necessary to locate or identify a suspect, fugitive, material witness, or missing person; or (3) as relating to the victim of a crime.

To Prevent a Serious Threat to Health or Safety. Consistent with applicable laws, the Plan may disclose your protected health information if disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public. It also may disclose protected health information if it is necessary for law enforcement authorities to identify or apprehend an individual.

Military. Under certain conditions, the Plan may disclose your protected health information if you are, or were, Armed Forces personnel for activities deemed necessary by appropriate military command authorities. If you are a member of foreign military service, the Plan may disclose, in certain circumstances, your information to the foreign military authority.

National Security and Protective Services. The Plan may disclose your protected health information to authorized federal officials for conducting national security and intelligence activities, and for the protection of the President, other authorized persons, or heads of state.

Workers' Compensation. The Plan may disclose your protected health information to comply with workers' compensation laws and other similar programs that provide benefits for work-related injuries or illnesses.

Disclosures to the Plan Sponsor. The Plan (or its health insurance issuers or HMOs) may disclose your protected health information to the Battelle Corporate Benefits and Benefits Administration Personnel. The plan sponsor has amended the relevant plan documents as required by the HIPAA Privacy Rule in order to receive your protected health information from the Plan.

Others Involved in Your Health Care. The Plan may disclose your protected health information to a friend or family member that is involved in your health care. The Plan also may disclose your information to an entity assisting in a disaster relief effort so that your family can be notified about your condition, status, and location. If you are not present or able to agree to these disclosures of your protected health information, then, using professional judgment, the Plan may determine whether the disclosure is in your best interest.

Disclosures to the Secretary of the U.S. Department of Health and Human Services. The Plan is required to disclose your protected health information to the Secretary of the U.S. Department of Health and

Human Services when the Secretary is investigating or determining the Plan's compliance with the HIPAA Privacy Rule.

Disclosures to You. The Plan is required to disclose to you or your personal representative most of your protected health information when you request access to this information. The Plan will disclose your protected health information to an individual who has been designated by you as your personal representative and who has qualified for such designation in accordance with relevant law. Prior to such a disclosure, however, the Plan must be given written documentation that supports and establishes the basis for the personal representation. The Plan may elect not to treat the person as your personal representative if it has a reasonable belief that you have been, or may be, subjected to domestic violence, abuse, or neglect by such person; treating such person as your personal representative could endanger you; or the Plan determines, in the exercise of its professional judgment, that it is not in your best interest to treat the person as your personal representative.

OTHER USES AND DISCLOSURES OF YOUR PROTECTED HEALTH INFORMATION

Other uses and disclosures of your protected health information that are not described above will be made only with your written authorization. If you provide the Plan with an authorization, you may revoke the authorization in writing, and this revocation will be effective for future uses and disclosures of protected health information. However, the revocation will not be effective for information that the Plan has used or disclosed in reliance on the authorization.

CONTACTING YOU

The Plan (or its health insurance issuers, HMOs, or third-party administrators) may contact you about treatment alternatives or other health benefits or services that might be of interest you.

YOUR RIGHTS

The following is a description of your rights with respect to your protected health information.

Right to Request a Restriction. The HIPAA Privacy Rule provides that you may request a restriction on the protected health information the Plan uses or discloses about you for payment or health care operations. It also provides that you have a right to request a limit on disclosures of your protected health information 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 such restrictions that you request, and currently it is the policy of the Plan not to agree to any such restrictions.

Right to Request Confidential Communications. If you believe that a disclosure of all or part of your protected health information may endanger you, you may 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. You may request a confidential communication using the Contact Information at the end of this Notice. Your request must specify the alternative means or location for communication with you. It also must state that the disclosure of all or part of the protected health information in a manner inconsistent with your instructions would put you in danger. The Plan will accommodate a request for confidential communications that is reasonable and that states that the disclosure of all or part of your protected health information could endanger you.

Right to Request Access. You have the right to inspect and copy protected health information that may be used to make decisions about your benefits. You must submit your request in writing. For your convenience, you may request a form using the Contact Information at the end of this Notice. If you request copies, the Plan may impose reasonable copy charges (which may include a labor charge), as well as postage if you request copies be mailed to you.

Note that under federal law, you may not inspect or copy 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 to protected health information. Depending on the circumstances, a decision to deny access may be reviewable. In some, but not all, circumstances, you may have a right to have this decision reviewed.

***Right to Request an Amendment*.** You have the right to request an amendment of your protected health information held by the Plan if you believe that information is incorrect or incomplete. If you request an amendment of your protected health information, your request must be submitted in writing using the Contact Information at the end of this Notice and must set forth a reason(s) in support of the proposed amendment.

In certain cases, the Plan may deny your request for an amendment. For example, the Plan may deny your request if the information you want to amend is accurate and complete or was not created by the Plan. 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.

***Right to Request an Accounting*.** You have the right to request an accounting of certain disclosures the Plan has made of your protected health information. You may request an accounting using the Contact Information at the end of this Notice. 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, 2003. You are entitled to one accounting free of charge during a twelve-month period. There will be a charge to cover the Plan's costs for additional requests within that twelve-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.

***Right to a Paper Copy of This Notice*.** You have the right to a paper copy of this Notice, even if you have agreed to accept this Notice electronically. To obtain such a copy, please contact the Plan using the Contact Information at the end of this Notice.

COMPLAINTS

If you believe the Plan has violated your privacy rights, you may complain to the Plan or to the Secretary of the U.S. Department of Health and Human Services. You may file a complaint with the Plan using the Contact Information at the end of this Notice. The Plan will not penalize you for filing a complaint.

CHANGES TO THIS NOTICE

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 at the address that the Plan has on record for the participant enrolled in the Plan.

EFFECTIVE DATE

This Notice of Privacy Practices is effective January 1, 2010.

CONTACT INFORMATION

To exercise any of the rights described in this Notice, for more information, or to file a complaint, please contact the HIPAA Privacy Contact at (614) 424-7712.