



MARLEY DRUG, INC.

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NOTICE OF PRIVACY PRACTICES

Effective 01/01/2017

**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**

All of us at Marley Drug, Inc. value your relationship with us and we know that respect for your privacy is the foundation of that relationship. We are committed to protecting the privacy of your protected health information (PHI) that is in our possession, and only using and disclosing your PHI as necessary to providing you with health care products and services. PHI is any information that we possess, use, and disclose that identifies you and relates to your past, current, or future physical and mental health condition or illness and the health care products and services that have been provided to you. This "Notice of Privacy Practices" (Notice) has been created to help you understand our legal duties to protect your PHI and how we may use and disclose your PHI. We will mainly use and disclose your PHI in relation to the health care products and services that we provide you, such as dispensing your prescriptions. Specifically, we will use and disclose your PHI as necessary to provide treatment to you, obtaining payment for health care products and services provided to you, and other health care operations and activities as described later in this Notice. This Notice also describes the legal rights that you have related to your PHI that is in our possession. We take the matters described in this Notice very seriously because of our relationship with you and the requirement that we comply with this Notice. Your PHI will only be used and disclosed as described in this Notice. Should a need for use and disclosure of your PHI occur that is not described in this Notice, we will obtain your written authorization before the use and disclosure. At some future time, it may be necessary for us to revise this Notice. If such becomes necessary, we will post the revised Notice in the pharmacy and, if you request, provide a written Notice to you.

Your Rights With Respect To Your PHI

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) provides you with several rights related to your PHI. These rights are summarized below.

1. You have the right to receive this written Notice of Privacy Practices describing how we will protect your PHI and your rights related to PHI. You are entitled to request this written Notice at any time.
2. You have the right to request a limitation on our use and disclosure of your PHI. But please be aware that we may not be able to agree to your requested limitation if it results in our not being able to provide health care products and services to you or if we are required to use and disclose the PHI under federal or state law. All requests for limitation on the use and disclosure of your PHI must be submitted to our Pharmacy Privacy Officer in writing using a form that we will provide to you.
3. You have the right to review or receive photocopies of our records that contain your PHI, to the extent that these records are part of a designated record set as defined by HIPAA. The most common such records are your prescriptions on file with us, our patient profile for you, and our billing records for health care products and services that have been provided to you. We will be pleased to allow you to review such records at no charge during normal business hours. However, we may charge you a reasonable, cost-based fee for photocopies of the records, together with any expenses for mailing, special courier,

faxing, and supplies necessary to fulfilling your request for records. If we are unable to provide our records to you, we will provide you a written explanation of why we are not able to provide the records. Depending on the reason, you may submit a written request for us to reconsider. All requests to review or receive photocopies of our records that contain your PHI must be submitted to our Pharmacy Privacy Officer in writing using a form that we will provide to you.

4. You have the right to request changes in the content of your PHI contained in our records where you believe the content is incomplete, inaccurate, or for some other reason needs to be changed. We may not be able to agree to your requested change if we no longer have the records or if the requested change would cause your PHI to become inaccurate. If we are not able to agree to your requested change, we will notify you in writing as to why we are not able to agree. You will then have the right to submit to us a written statement of disagreement, to which we may elect to further respond in writing to you. All requests for changes to your PHI in our records must be submitted to our Pharmacy Privacy Officer in writing, using a form that we will provide to you.

5. You have the right to request that we communicate with you about your PHI in a confidential manner and only to locations (such as a post office box) or by means (such as personal cellular telephone) specified by you. All requests for confidential communications must be submitted to our Pharmacy Privacy Officer in writing, using a form that we will provide to you.

6. You have the right to obtain a written record of some of our disclosures of your PHI made after April 14, 2003. Some of our disclosures of your PHI are not required by HIPAA to be included in the record. Most notable among these are disclosures for purposes of treatment, obtaining payment, and carrying out health care operations. Other disclosures of your PHI that are not required to be included in the record are disclosures made directly to you or that you have authorized, made to family, friends, and others who assist you with your care (caregivers) and made for other purposes allowed by HIPAA. Please consult with our Pharmacy Privacy Officer for more information on the disclosures not required to be including in the record. The period of time for which we are required to provide the record is the six-year period immediately prior to the date of your request for the record but no earlier than April 14, 2003; however, your request for a record can be for a shorter period of time. You may obtain from us, without charge, one record during a 12-month period. However, if you request additional records during the same 12-month period, we may charge you a reasonable, cost-based fee for printing or photocopying of the record, together with any expenses for mailing, special courier, faxing, and supplies necessary to fulfilling your request for the record. If it becomes necessary for us to charge you for a record, we will notify you in advance and allow you to withdraw or modify your request for the record. All requests for a record of our disclosures of your PHI must be submitted to our Pharmacy Privacy Officer in writing, using a form that we will provide to you.

7. You have the right to file a complaint if you believe that we have violated your rights as described above, and to not fear retaliation or adverse action by us against you for exercising your right. You can file the complaint with us directly, or with the United States Department of Health and Human Services (HHS). Please be assured that we will work with you to resolve any complaint, including

providing you with the address for filing a complaint with HHS.

Ways That We May Use and Disclose Your PHI

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires that this Notice tell you how we may use and disclose your PHI. These uses and disclosures are summarized as follows:

1. Treatment. HIPAA defines treatment as "the provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to a patient; or the referral of a patient for health care from one health care provider to another." We will maintain records that contain your PHI, and we will use and disclose your PHI as necessary to provide health care products and services to carry out and support your treatment. As a pharmacy, we may use and disclose your PHI as necessary to maintain a patient profile on you, which may include information about you; your medical condition, medications, and prescription devices that you use; any allergies that you may have; and other information, such as any health insurance that you may have. We may use and disclose your PHI in dispensing prescription medicines and related products and services, including counseling you and your caregivers about proper use of your medications. We may discuss such problems with your other health care professionals, such as your physician or dentist, and through such discussions we may use and disclose your PHI. Finally, we may use and disclose your PHI to you and your caregivers in our discussions about your treatment.

2. Payment. HIPAA defines payment, in relation to health care providers such as us, as activities to obtain reimbursement for the health care products and services that we provide to you. These activities include primarily billing you directly or someone who pays for your health care, such as a family member or health insurance company, for health care products and services that we provide to you. Activities related to billing may include claims management, collections, and related health care data processing. Depending on who pays for the health care products and services that we provide you, other activities may include determination of eligibility or coverage; review of health care services with respect to medical necessity; coverage under a health plan, appropriateness of care, or justification of charges; utilization review activities, including precertification and preauthorization of services; concurrent and retrospective review of services; and disclosure to consumer reporting agencies of some or all of the following PHI necessary for collection of payment: name and address; date of birth; social security number; payment history; account number or numbers; and name and address of the health care provider and/or health plan. We will use and disclose your PHI to carry out the above activities as necessary to obtain payment for the health care products and services that we provide to you. In relation to this, public and private health care insurance programs that may provide or pay for your health care can conduct audits, inspections, and investigations of us in relation to our activities and your activities. We may be required to disclose your PHI to these programs for purposes of audits, inspections, and

investigations.

3. Health care operations. HIPAA defines health care operations as those activities necessary and related to our providing of health care products and services to you. These activities include, but may not be limited to, the following.

A. Conducting quality assessment and improvement activities, case management and care coordination, and contacting of health care providers and patients with information about treatment alternatives and related functions that do not include treatment.

B. Conducting or arranging for medical review, legal services, and auditing functions, including fraud and abuse detection and compliance programs.

C. Our pharmacy management and general administrative activities, including, but not limited to, activities relating to implementation of and compliance with the requirements of HIPAA.

4. Business associates. The nature of the health care system is such that we may not be able to provide health care products and services to you without the involvement of other businesses or persons. Depending on what these other businesses or persons do for us, they may become “business associates” as defined by HIPAA. In many situations, it will be necessary for us to provide your PHI to these business associates so that they can carry out the activities that we need to have performed in order to provide you health care products and services. One of our most common business associates is a company that processes claims that we submit for payment for health care products and services that we provide to you, if you have health insurance that pays for your prescription medications. Contracts will be submitted to all of our business associates to whom we provide your PHI so that they can carry out their activities on our behalf. Very importantly to you, these contracts require our business associates to give us their assurance that they, like us, will protect the privacy of your PHI.

5. Disclosures of your PHI not involving treatment, payment, and health care operations. In providing health care products and services to you, we may find it necessary to communicate with businesses and individuals not already described above. Most of these disclosures will be related to providing treatment to you, and to carrying out payment and health care operations as discussed above. In addition to communicating with these businesses and individuals, we may also communicate with you directly, as well as others who assist you with your health care, commonly referred to as caregivers. We will disclose your PHI to these caregivers, or appropriate others, as we believe necessary and appropriate for your health care.

6. Communications with you concerning your health and treatment. We want to do whatever we can to assist you with maintaining your health and obtaining the most benefit from your treatment. We monitor your prescription medications for appropriateness and take other steps to help you use your medication properly. For example, if our records show that a refill of your medication is due, we may contact you to remind you to obtain the refill. We may also call or send you materials regarding products and services that we believe may be of benefit to you. As a final example, in the event of a medication recall, we may contact you, if you are taking the medication subject to the recall.

7. Patient Profile Printouts. If a patient requests prescription usage printouts on a family for the purpose of tax filing, the pharmacists

may, in good faith, allow the heads of household to receive PHI of the family unless notified in writing not to do so.

8. Federal and state government agencies. We may disclose your PHI to federal and state government agencies for a variety of purposes, most of which are directed at monitoring health care quality and safety, and government programs related to health care and our compliance with laws relating to health care. For example, the U.S. Drug Enforcement Administration (DEA) monitors the distribution and usage of controlled substances, while the U.S. Food and Drug Administration (FDA) monitors adverse drug events. We may disclose your PHI to such agencies so that the agency can carry out its required activities. Related to this, some private businesses, such as the manufacturers of medications and medical devices, are legally required to conduct post-marketing surveillance in order to ensure the safety of their products.

9. Federal and state government health care insurance programs. If you apply for and receive benefits from federal and state health care programs, such as Medicare or Medicaid, your PHI may be disclosed to the agency granting these benefits. If you are employed by a business that is required to carry workers’ compensation insurance, and you are injured in such a way that the workers’ compensation plan covers your health care, it may be necessary to disclose your PHI to the workers’ compensation plan. Such plans have a right to conduct audits, inspections, and investigations of our activities and your activities, and where required, we will disclose your PHI for these activities.

10. Matters of public health and safety. There are a number of federal and state laws that require health care providers to report to various government agencies matters related to public health. If your physical or mental health condition and illness is of a nature that federal or state law requires that it be reported, then we will disclose your PHI to the appropriate government agency in order to comply with these laws. We may also disclose your PHI to government agencies in other situations where we are required to submit reports, such as suspected domestic, child or elder abuse, or neglect.

11. Law enforcement activities. A number of federal, state, and local government agencies are charged with enforcing laws in relation to the health care products and services that we may provide to you. In addition, as a state licensed pharmacy, a variety of federal, state, and local health care agencies, such as the state board of pharmacy, regulate our activities. These agencies may engage in a number of activities designed to monitor and improve federal and state health care programs and systems, including conducting of inspections and investigations of our activities and the health care products and services that we provide to our patients. At any time we are required by federal or state laws, or by court order, subpoena or other legal mandate, to disclose your PHI, we will do so as necessary.

12. Legal disputes In the event that you are involved in a lawsuit or other legal proceeding, whether as a plaintiff or a defendant, and without regard to the basis for the lawsuit, such as medical malpractice or divorce, we will disclose your PHI when required to comply with a court order, subpoena, discovery proceeding, such as a deposition, or other legal mandate served upon us.

13. Disclosures for the benefit of you and others. A variety of events could occur where we would use and disclose your PHI for your benefit and to prevent or reduce the risk of harm to you. For example,

if you are in a car accident and are unconscious in a hospital emergency room and the emergency room medical staff calls us with a request for your PHI, we may disclose it for the purpose of assisting in your prompt medical treatment. Finally, we may disclose your PHI where necessary to protect the health and safety of others.

14. Disclosures for national security and intelligence. We are legally required to disclose your PHI where necessary to national security activities and intelligence and counterintelligence activities. Disclosures related to this may also include those where required in relation to the protection of the President of the United States. Any disclosure for these purposes would be made only to authorized government officials.

15. Disclosures if you are in the military or a veteran. We may disclose your PHI, if you are a member of any branch of the armed services, whether on active or reserve status as required by the U.S. Military. If you are a veteran, we may release your PHI, particularly if you are receiving health care products and services from the Veterans Services. Any disclosure for these purposes would be made only to authorized government officials.

16. Disclosures of a miscellaneous nature. This last category of disclosures includes a variety of disclosures that we may make in accordance with HIPAA. We may be required to disclose your PHI if you are placed into the custody of a federal or state correctional system, if necessary to protect the health and safety of you and others. We may disclose your PHI for purposes of a research project. Finally, given the national need for organ donations, we may disclose your PHI to organizations that manage organ transplantation programs.

North Carolina Board of Pharmacy Laws relating to the availability of private pharmacy records are as follows:

1. Except as provided in subsections (2) and (3) below, written prescription orders on file in a pharmacy or other place where prescriptions are dispensed are not public records and any person having custody of or access to the prescription orders may divulge the contents or provide a copy only to the following persons:

a) An adult patient, or an emancipated minor, for whom the prescription was issued or a person who is legally appointed guardian of that person.;

b) An unemancipated minor patient for whom the prescription was issued when the minor’s consent is sufficient to authorize treatment of the condition for which the prescription was issued.;

c) A parent or person in loco parentis of an unemancipated minor patient for whom the prescription was issued when the minor’s consent is not sufficient to authorize treatment for the condition for which the prescription is issued.;

d) The licensed practitioner who issued the prescription or is treating the patient for whom the prescription was issued.;

e) A pharmacist who is providing pharmacy services to the patient for whom the prescription was issued.;

f) Anyone who presents a written authorization for the release of pharmacy information signed by the patient or his legal representative.;

g) Any person authorized by subpoena, court order or statute.;

h) Any firm, association, business trust, or company charged by

law or contract with the responsibility of providing for or paying for medical care for the patient for whom the prescription was issued.;

i) A member or designated employee of the Board of Pharmacy.;

j) The executor, administrator or spouse of a deceased patient for whom the prescription was issued.;

k) Researchers and surveyors who have approval from the Board if there are adequate safeguards to protect the confidentiality of the information contained in the prescriptions and that the researchers and surveyors will not publicly disclose any PHI; or

l) The person owning the pharmacy or his authorized agent.

2. A pharmacist may disclose any information to any person only when he reasonably determines that the disclosure is necessary to protect the life or health of any person.

3. Records required to be kept by G.5 90-93(d) (Schedule V) are not public records and shall be disclosed only at the pharmacists discretion. (1905, c. 108, s. 1188, 2.1)

Uses and Disclosures Not Contained in this Notice

If a use and disclosure of your PHI is not contained in this Notice, then we will obtain your written authorization before the use and disclosure. You may have the right to refuse to authorize the use and disclosure, or if you grant the authorization, to revoke the authorization at any time. If such authorization is requested, we will provide you with a form that describes the proposed use and disclosure and your rights related to the requested authorization.

In preparing this Notice, we made every effort to comply with the HIPAA requirement. Also, we want to advise you that in addition to the privacy and other rights given to you by HIPAA, our state may from time to time enact laws that also provide you privacy and other rights in relation to your health care and your protected health information. **Please consult our Pharmacy Privacy Officer if you have any questions or want more information concerning your health care and privacy rights under HIPAA or the laws of our state, or our privacy practices.** Also, you should consult our Pharmacy Privacy Officer if you wish to file a complaint about our privacy practices or if you believe we have violated any of your rights as described in this Notice.

HIPAA requires that we give you this “Notice of Privacy Practices” and make a good faith effort to obtain your written acknowledgement upon receipt. You will be asked to sign a document acknowledging that you received this Notice. We appreciate your cooperation in reviewing this Notice and in giving us your written acknowledgement.

Again, thank you for allowing us the privilege of being your pharmacy