

DRUG SHOPPE INC. 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.

A. OUR COMMITMENT TO YOUR PRIVACY - Drug Shoppe, Inc. is dedicated to maintain the privacy of your medical information. In conducting our business, we will create records regarding you and the treatment and services we provide to you. These records are our property. However, we are required by law to maintain the confidentiality of your medical information, to provide you with this notice of our legal duties and privacy practices concerning your medical information, and to follow the terms of our notice of privacy practices in effect at the time.

To summarize, this notice provides you with the following important information: how we may use and disclose your medical information, your privacy rights in your medical information, and our obligations concerning the use and disclosure of your medical information.

Changes To This Notice- The terms of this notice apply to all records containing your medical information that are created or retained by Drug Shoppe, Inc. We reserve the right to revise, change, or amend our notice of privacy practices. Any revision or amendment to this notice will be effective for all of the information that we already have about you, as well as any of your medical information that we may receive, create, or maintain in the future. We will post a copy of our current notice in our pharmacy in a prominent location. You may request a copy of our most current notice during any visit to the pharmacy.

B. HOW WE MAY USE AND DISCLOSE YOUR MEDICAL INFORMATION- The following paragraphs describe the different ways we may use and disclose your medical information. Please note that each particular use or disclosure is not listed below. However, the different ways we are permitted to use and disclose your medical information do fall within one of the categories.

Treatment- Drug Shoppe, Inc. may use and disclose your medical information to treat you. For example, we may use your medical information to dispense prescription medications to you or to advise you of possible side effects of your medications.

We may disclose your medical information to another pharmacist acting on your behalf or to a certified or licensed health care professional responsible for your care when they or we need to obtain or clarify information to provide treatment to you. For example, we may disclose your medical information to another pharmacy where you may be getting prescriptions or to a pharmacy you have contacted requesting transfer of your prescription records. In the course of providing treatment to you, our pharmacy may use your name to reference your prescriptions or other services you receive from us. We may disclose your medical information to another person that you have asked to assist you with obtaining our services, such as a family member, close personal friend, or any other person identified by you. We will limit the information disclosed to that which is directly relevant to the person's involvement with your care. For example, we may disclose minimal information to a person that you have sent to our pharmacy to pick up your prescriptions.

Payment- Drug Shoppe, Inc. may use and disclose your medical information to bill and collect payment for services and items we have provided to you. For example, we may contact your health insurer or the manager of your prescription drug benefit to certify that you are eligible for benefits or the amount of your prescription co-payment. We may use and disclose your medical information to obtain payment from other people who may be responsible to pay for your health care, such as family members. We may use your medical information to bill you directly for services and items. Please note that the information on or provided with the bill may contain information that identifies you and the medications you are taking.

Health Care Operations- Drug Shoppe, Inc. may use and disclose your medical information in the operation of our business. These uses are important to ensure that you receive quality care and our pharmacy operates efficiently. For example, we may use and disclose your medical information to evaluate the performance of the pharmacists providing treatment to you, to conduct cost-management analyses for the services we offer to our patients and for the purposes of business planning.

Additional Ways We May Use/Disclose Your Medical Information: In addition to the ways identified above, Drug Shoppe, Inc. will use/disclose your medical information as follows:

Required by Law- Drug Shoppe, Inc. may use or disclose medical information about you when required to do so by applicable law.

Public Health Activities- Drug Shoppe, Inc. may disclose your medical information to a public health authority that is authorized by law to collect or receive such information for the purpose of preventing or controlling disease, injury or disability; preventing child abuse or neglect; or preventing the spread of communicable diseases. We may also disclose your medical information to a public health authority that is authorized by law to collect or receive information about the quality, safety, or effectiveness of prescription and non-prescription medications and medical devices.

Abuse, Neglect, and Domestic Violence Drug Shoppe, Inc. may disclose your medical information to a government authority that is authorized by law to receive reports of adult victims of abuse, neglect or domestic violence if we suspect that you are a victim of such abuse, neglect or domestic violence. If we make such a disclosure, we will inform you or your personal representative of the report, unless we believe that by informing you or your representative we will be placing you at risk of serious harm.

Health Oversight Activities- Drug Shoppe, Inc. may disclose your medical information to a health oversight agency for oversight activities authorized by law. Such oversight activities include investigations; inspections; audits; surveys; licensure and disciplinary actions; civil, administrative, and criminal procedures or actions; or other activities necessary for the government to monitor government programs, compliance with civil rights, and the health care system in general. The Kentucky Board of Pharmacy and Drug Control Branch of the Kentucky Cabinet for Health Services are examples of some of the health oversight agencies to which we disclose medical information.

Lawsuits and Similar Proceedings- Drug Shoppe, Inc. may use and disclose your medical information in response to a court or administrative order, if you are involved in a lawsuit or similar proceeding.

Law Enforcement- Drug Shoppe, Inc. may disclose your medical information to a federal, state, or municipal law enforcement officer whose duty is to enforce the laws of this state or the United States relating to drugs and who is engaged in specific investigation involving a designated person.

Specialized Government Function- Drug Shoppe, Inc. may disclose your medical information if you are a member of U.S. or foreign military forces (including veterans) and if required by the appropriate military command authorities. In addition, we may disclose your medical information to federal officials for intelligence and national security activities authorized by law. We may disclose your medical information to federal officials in order to protect the President, other officials or foreign heads of state, or to conduct investigations. We may disclose your medical information to correctional institutions or law enforcement officials if you are an inmate or under the custody of a law enforcement official. Disclosure for these purposes would be necessary: (i) for the institution to provide health care services to you, (ii) for the safety and security of the institution, and/or (iii) to protect your health and safety or the health and safety of other individuals.

Workers' Compensation and Other Government Agencies- Drug Shoppe, Inc. may disclose your medical information to Workers' Compensation and other government agencies charged with the responsibility of providing medical care for you, upon written request by and authorized representative of the agency requesting such information.

Treatment Alternatives- Drug Shoppe, Inc. may use your medical information to inform you of health-related benefits and services or alternative treatments, therapies, providers, or settings of care that may be of interest to you. For example, we may contact you to provide refill reminders, to invite you to a health screening or to participate in a program we believe may be beneficial to your health.

Marketing- Drug Shoppe, Inc. may communicate with you about a product or service and encourage you to purchase or use that product or service. These communications must either take place face-to-face with you or concern products or services of nominal value. If you do not want to receive marketing communications please contact the Privacy Officer at the pharmacy.

C. YOUR RIGHTS REGARDING YOUR MEDICAL INFORMATION

Requesting restrictions- You have the right to request a restriction in Drug Shoppe, Inc. use or disclosure of your medical information for treatment, payment, or health care operations. Additionally, you have the right to request that we limit our disclosure of your medical information to individuals involved in your care or the payment for your care, such as family members or friends. We are not required to agree with your request. If we do agree, however, we are bound by our agreement except when otherwise required by law, in emergencies, or when the information is necessary to treat you. In order to request a restriction in our use or disclosure of your medical information, you must make your request in writing to the Privacy Officer at Drug Shoppe, Inc. Pharmacy. Your request must describe in a clear and concise fashion: (i) the information you wish restricted; (ii) whether you are requesting to limit our practice's use, disclosure, or both; and (iii) to whom you want the limits to apply.

Confidential Communications- You have the right to request that Drug Shoppe, Inc. communicate with you about your health and related issues in a particular manner, or at a certain location. For instance, you may ask that we contact you by mail, rather than by telephone, or at home, rather than work. In order to request a type of confidential communication, you must make a written request to the Privacy Officer at Drug Shoppe, Inc. specifying the requested method of contact, or the location where you wish to be contacted. Our pharmacy will accommodate reasonable requests. You do not need to give a reason for your request.

Inspection and Copies- You have the right to inspect and obtain a copy of the information that Drug Shoppe, Inc. may use to make decisions about your care, including prescription records and billing records. You must submit your request in writing to the Privacy Officer at in order to inspect and/or obtain a copy of your records. We may charge a fee for the costs of copying, mailing, labor and supplies associated with your request. We may deny your request to inspect and/or copy in certain limited circumstances. You may, however, request a review of our denial. The review of our denial will be conducted by another licensed health care professional chosen by us, but not by the person that originally denied your request.

Amendment- You may ask Drug Shoppe, Inc. to amend your medical information if you believe it is incorrect or incomplete. You may request an amendment for as long as the information is kept by or for our pharmacy. To request an amendment, your request must be made in writing and submitted to the Privacy Officer at Drug Shoppe, Inc. Pharmacy. You must provide us with a reason that supports your request for amendment. We will deny your request if you fail to submit your request (and the reason supporting your request) in writing. Also, we may deny your request if you ask us to amend information that is accurate and complete; not part of the medical information kept by or for Drug Shoppe, Inc.; not part of the medical information which you would be permitted to inspect and copy; or not created by Drug Shoppe, Inc. unless the individual or entity that created the information is not available to amend the information.

Accounting of Disclosures- You have the right to request accounting of disclosures. An accounting of disclosures is a list of certain disclosures Drug Shoppe, Inc. has made of your medical information. In order to obtain an accounting of disclosures, you must submit your request in writing to the Privacy Officer at Drug Shoppe, Inc. All requests for an accounting of disclosures must state a time period that may not be longer than six years and may not include dates before April 14, 2003. The first request within a 12-month period is free of charge, but we may charge you for additional requests within the same 12-month period. We will notify you of the costs involved with additional requests, and you may withdraw your request before you incur any costs.

Right to a Paper Copy of This Notice- You are entitled to receive a paper copy of our notice of privacy practices. You may ask us to give you a copy of this notice at any time. To obtain a paper copy of this notice, contact the Privacy Officer at Drug Shoppe, Inc.

Right to File a Complaint- If you believe your privacy rights have been violated, you may file a complaint with Drug Shoppe, Inc. or with the Secretary of the Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue SW, Washington, DC 20201. To file a complaint with our organization, contact the Privacy Officer at Drug Shoppe, Inc. All complaints must be submitted in writing. You will not be penalized for filing a complaint.

Right to Provide an Authorization for Other Uses and Disclosures- Drug Shoppe, Inc. will or must obtain a written authorization for uses or disclosures not identified by this notice or not permitted by applicable law. You have the right to revoke any authorization you provide to us regarding the use and disclosure of your medical information at any time. Your revocation must be in writing. Upon receipt of your written revocation, we will no longer use or disclose your medical information for the reasons described in the authorization. Of course, we are unable to take back any disclosures we have already made with your permission. Please also note that we are required to retain records of your care.

D. CONTACT INFORMATION

You may contact the Privacy Officer for Drug Shoppe, Inc. at: Drug Shoppe- 6439 Taylor Mill Rd, Independence, KY 41051 859-356-3121.

Effective Date This Notice is effective April 14, 2003