

**HANGER PROSTHETICS & ORTHOTICS, INC.
NOTICE OF PRIVACY PRACTICES**

Effective April 14, 2003

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.

This Notice of Privacy Practices is provided to you as a requirement of the Health Insurance Portability and Accountability Act (HIPAA).

We are strongly committed to protecting your medical information, also referred to as “Protected Health Information”. We create a medical record about your care because we need the record to provide you with appropriate treatment and to comply with various legal requirements. We transmit some medical information about your care in order to obtain payment for the services you receive, and we use certain information in our day-to-day operations. This Notice will let you know about the various ways we use and disclose your Protected Health Information. This Notice describes your rights and our obligations with respect to the use or disclosure of your Protected Health Information.

ACKNOWLEDGEMENT OF RECEIPT OF THIS NOTICE

You will be asked to provide a signed acknowledgement of receipt of this Notice. Our intent is to make you aware of the possible uses and disclosures of your Protected Health Information and your privacy rights. The delivery of our services will in no way be conditioned upon your signed acknowledgement. If you decline to provide a signed acknowledgement, we will continue to provide your treatment, and will use and disclose your Protected Health Information for the purposes described in this Notice.

OUR DUTIES TO YOU REGARDING PROTECTED HEALTH INFORMATION

“Protected health information” is individually identifiable health information. This information relates to your past, present, or future physical or mental health or condition and related health care services; to the past, present or future payment for such health care services; and includes demographic information such as your age, address or e-mail address. Hanger Prosthetics & Orthotics is required by law to do the following:

- Make sure that your Protected Health Information is kept private.
- Give you this Notice of our legal duties and privacy practices related to the use and disclosure of your Protected Health Information.
- Follow the terms of the Notice currently in effect.
- Describe how we will communicate any changes in this Notice to you.

We reserve the right to change this Notice. Its effective date is at the top of the first page and at the bottom of the last page. We reserve the right to make the revised Notice effective for Protected Health Information we already have about you, as well as any Protected Health Information we create or receive in the future. You may obtain another Notice of Privacy Practices by asking your practitioner for a copy at your next appointment, sending a written request for a copy to the Hanger Prosthetics & Orthotics' Privacy Officer at the address listed below, or sending a request for a copy via e-mail to HIPAA@hanger.com.

HOW WE MAY USE OR DISCLOSE YOUR PROTECTED HEALTH INFORMATION

The following categories describe the different types of uses and disclosures of your Protected Health Information that we are permitted or required to make. We have also provided some examples of the types of uses and disclosures that fall within a category. However, not every use or disclosure in a category will be listed.

Uses and Disclosures for Treatment, Payment and Health Care Operations

Treatment We will use and disclose your Protected Health Information to provide, coordinate, or manage your health care and any related treatment. This includes the coordination or management of your health care with a third party. For example, we would disclose your Protected Health Information, as necessary, to the physician that referred you to us. We will also disclose Protected Health Information to other health care providers who may be treating you.

Payment We may use and disclose your Protected Health Information in order to bill and obtain payment for health care services provided to you. This may include certain activities that your health insurance plan may undertake before it approves or pays for the health care services we recommend for you, such as: making a determination of eligibility or coverage for insurance benefits, reviewing services provided to you for medical necessity, and undertaking utilization review activities. We may also tell your health plan about an orthotic or prosthetic device you are going to receive to obtain prior approval or to determine whether your plan will cover the device.

Health Care Operations We may use or disclose your Protected Health Information in connection with our business operations. These operations include, but are not limited to, quality assessment activities, development of clinical guidelines, reviewing the qualifications and performance of practitioners and other health care professionals, training activities, legal services and auditing functions, business planning and development and business management and general administrative activities of our facilities. We may share your Protected Health Information with third party "business associates" that perform various activities (e.g., collections, transcription services) for our facilities. Whenever an arrangement between our facility and our business associate involves the use or disclosure of your Protected Health Information, we will have a written contract that contains terms that will protect the privacy of your Protected Health Information.

Treatment Alternatives We may use or disclose your Protected Health Information to provide you with information about treatment alternatives or other health-related products and services that may be of interest to you.



Appointment Reminders We may use or disclose your Protected Health Information to contact you to remind you of your appointment.

Sign In Sheets We may use a sign-in sheet at the registration desk where you will be asked to sign your name. We may also call you by name in the waiting room when your practitioner is ready to see you.

Sale of the Practice If we decide to sell this practice or merge or combine with another practice, we may share your Protected Health Information with prospective buyers or new owners.

Other Permitted or Required Uses and Disclosures Without Written Authorization

Others Involved in Your Health Care Unless you object, or in the event that you are not present or are incapacitated or in an emergency, we may disclose to a member of your family, a relative, a close friend, or any other person that you identify, your Protected Health Information as it directly relates to that person's involvement in your health care, or payment for such care. Additionally, we may use or disclose Protected Health Information to notify or assist in notifying your family member, your personal representative, or any other person responsible for your care, of your general condition, status and location. Finally, we may also use or disclose your Protected Health Information to an entity assisting in disaster relief efforts so that your family member, your personal representative or other person responsible for your care can be notified about your general condition, status and location.

Required By Law We may use or disclose your Protected Health Information to the extent that the use or disclosure is required by Federal, State or local law.

Public Health We may disclose your Protected Health Information for public health activities to public health authorities who are legally authorized to receive such information. These activities include, but are not limited to, preventing or controlling disease, injury or disability; reporting vital events; and conducting public surveillance, public health investigations, and public health interventions, including notifying persons who may have been exposed to a communicable disease or may otherwise be at risk of contracting or spreading a disease or condition.

Health Oversight We may disclose Protected Health Information to a health oversight agency for activities authorized by law, such as audits, investigations, and inspections; licensure and disciplinary actions; and civil, administrative and 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 compliance with the civil rights laws.

Abuse or Neglect We may disclose your Protected Health Information to a public health authority that is authorized by law to receive reports of child abuse or neglect. In addition, if we believe that you have been a victim of abuse, neglect or domestic violence, we may disclose your Protected Health Information to a governmental entity or agency authorized by law to receive



reports of abuse, neglect or domestic violence, including a social service or protective services agency. We will only make this disclosure if you agree or when required or authorized by law.

Food and Drug Administration We may disclose your Protected Health Information to a person or company required by the Food and Drug Administration to report adverse events, product defects or problems or biologic product deviations; to track products; to enable product recalls, repairs or replacements; or to conduct post marketing surveillance, as required.

Legal Proceedings We may disclose Protected Health Information about you in response to an order by a court or administrative tribunal. We may also disclose Protected Health Information about you in response to a subpoena, discovery request or other lawful process by a party to a judicial or administrative proceeding, but only if efforts have been made to notify you about the subpoena, discovery request or lawful process, or to obtain an order from the court or administrative tribunal protecting the information requested.

Law Enforcement We may disclose your Protected Health Information in response to a court order, a court-ordered subpoena, warrant or summons, or similar process authorized by law. Also, in response to a request from a law enforcement official, we may disclose Protected Health Information for the purpose of identifying or locating a suspect, fugitive, material witness or missing person; or pertaining to a known or suspected victim of a crime. Finally, we may disclose Protected Health Information to a law enforcement official: (1) to report a death that we suspect may be the result of criminal conduct; (2) to report criminal conduct on our premises; or (3) in the event of a medical emergency (not on our premises), to report a crime, the location of the crime or victims, or the identity, description or location of the person who committed the crime.

Limited Data Sets We may use or disclose your Protected Health Information as part of a "limited data set". A limited data set contains information regarding all or a portion of our patients, with most individual identifiers, except for dates of birth or dates of service and city, state and zip codes, removed. We may use or disclosure your Protected Health Information as part of a limited data set for the purposes of research, public health, accreditation, or for quality or other health care operations. When we disclose a limited data set to a third party, we will first obtain a written agreement from that party stipulating that it will not re-identify the information or contact the individuals.

Research Under certain circumstances, we may disclose your Protected Health Information to researchers when their research has been approved by an Institutional Review Board or a privacy board that has reviewed the research proposal and established protocols to ensure the privacy of your Protected Health Information. We may also disclose your Protected Health Information to persons who are preparing to conduct a research project provided that they do not remove such information from our premises.

Serious Threat to Health or Safety We may use and disclose your Protected Health Information if we believe that the use or disclosure is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public. Under certain circumstances, we may also disclose Protected Health Information if it is necessary for law enforcement authorities to identify or apprehend an individual.



Military Activity and National Security If you are a member of the armed forces, we may release Protected Health Information about you as required by military command authorities. We may also release Protected Health Information about foreign military personnel to the appropriate foreign military authority. Finally, we may release Protected Health Information about you to authorized federal officials so that they may: (1) conduct intelligence, counter-intelligence, and other national security activities authorized by law; or (2) provide protection to the President, other authorized persons or foreign heads of state, or conduct special investigations.

Workers' Compensation We may disclose your Protected Health Information as authorized to comply with workers' compensation laws and other similar legally established programs that provide benefits for work-related illnesses and injuries.

Inmates If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may release Protected Health Information about you to the correctional institution or law enforcement official if necessary: (1) for provision of health care to you; (2) to protect your health and safety or the health and safety of others; (3) for law enforcement on the premises of the correctional institution; or (4) for the administration and maintenance of the safety and security of the correctional institution.

Parental Access Some state laws concerning minors permit or require disclosure of Protected Health Information to parents, guardians, and persons acting in a similar legal status. We will comply with the applicable law of the state where the treatment is provided and will make disclosures in accordance with such law.

Uses and Disclosures Upon Written Authorization

All other uses and disclosures of your Protected Health Information that are not described above will be made only with your written authorization. You may revoke your authorization, at any time, in writing. You understand that we cannot take back any use or disclosure we may have made under the authorization before we received your written revocation, and that we are required to maintain a record of the medical care that has been provided to you. The authorization is a separate document, and you will have the opportunity to review any authorization before you sign it. With the exception of research-related treatment, we will not condition your treatment on whether or not you sign any authorization.

YOUR RIGHTS REGARDING YOUR PROTECTED HEALTH INFORMATION

Following is a statement of your rights with respect to your Protected Health Information and a brief description of how you may exercise these rights.

You Have the Right to Inspect and Copy

You may inspect and obtain a copy of your Protected Health Information contained in your medical and billing records and any other records that Hanger Prosthetics & Orthotics uses for making decisions about you, for as long as we maintain the Protected Health Information.



To inspect and copy your medical information, you must submit a written request to the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below. If you request a copy of your information, we may charge you a fee for the costs of copying, mailing or other costs incurred by us in complying with your request.

We may deny your request in limited situations. For example, you may not inspect or copy psychotherapy notes; or information compiled in reasonable anticipation of, or use in, a civil, criminal, or administrative action or proceeding; and certain other specified Protected Health Information defined by law. In some circumstances, you may have a right to have this decision reviewed by a licensed health care professional. The person conducting the review will not be the person who initially denied your request. We will comply with the decision in any review. Please contact the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below if you have questions about access to your Protected Health Information.

Right to Request Restrictions

You may ask us not to use or disclose any part of your Protected Health Information for the purposes of treatment, payment or health care operations. You may also request that any part of your Protected Health Information not be disclosed to family members, relatives, friends or other persons who may be involved in your care, or for notification or disaster relief efforts, as described in this Notice. Your request must state the specific restriction requested and to whom you want the restriction to apply.

Hanger Prosthetics & Orthotics is not required to agree to a restriction that you may request. If we do agree to the requested restriction, we may not use or disclose your Protected Health Information in violation of that restriction unless it is needed to provide emergency treatment. You may request a restriction by submitting a written request to the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below.

Right to Request Confidential Communications

You may request that we communicate with you using alternative means or at an alternative location. We will not ask you the reason for your request. We will accommodate reasonable requests, when possible. You may make this request by submitting a written request to the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below.

Right to Request Amendment

You may request an amendment of your Protected Health Information contained in your medical and billing records and any other records that Hanger Prosthetics & Orthotics uses for making decisions about you, for as long as we maintain the Protected Health Information. You must make your request for amendment in writing to the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below, and provide the reason or reasons that support your request.

We may deny any request that is not in writing or does not state a reason supporting the request.



We may deny your request for an amendment of any information that:

1. Was not created by us, unless the person that created the information is no longer available to amend the information;
2. Is not part of the Protected Health Information kept by or for us;
3. Is not part of the information you would be permitted to inspect or copy; or
4. Is accurate and complete.

If we deny your request for amendment, we will do so in writing and explain the basis for the denial. You have the right to file a written statement of disagreement with us. We may prepare a rebuttal to your statement and will provide you with a copy of any such rebuttal. Please contact the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below.

Right to an Accounting of Disclosures

This right only applies to disclosures for purposes other than treatment, payment or health care operations as described in this Notice of Privacy Practices. It also excludes disclosures: (1) to you; (2) to your family members, relatives, friends or other persons who may be involved in your care, or for notification or disaster relief efforts; (3) for national security or intelligence purposes; (4) to correctional institutions or law enforcement officials; (5) that occurred prior to April 13, 2002; (6) made incident to a permitted or required use or disclosure, as described in this Notice; and (7) made pursuant to an authorization. The right to receive an accounting of disclosures is subject to certain other exceptions, restrictions and limitations. You must submit a written request for disclosures in writing to the Privacy Official at the office(s) where we have provided you with health care services, or to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below. You must specify a time period, which may not be longer than six years from the date of the request and cannot include any date before April 14, 2003. You may request a shorter timeframe. Your request should indicate the form in which you want the list (i.e., on paper, etc). You have the right to one free request within any 12-month period, but we may charge you for any additional requests in the same 12-month period. We will notify you about the charges you will be required to pay, and you are free to withdraw or modify your request in writing before any charges are incurred.

Right to Obtain a Paper Copy of this Notice

You have the right to a paper copy of this Notice. Even if you have agreed to receive this Notice electronically, you are still entitled to a paper copy of this Notice. You may obtain a paper copy of this Notice by asking your practitioner for a copy at your next appointment, sending a written request for a paper copy to the Hanger Prosthetics & Orthotics Privacy Officer at the address listed below, or sending a request for a paper copy via e-mail to HIPAA@hanger.com.

COMPLAINTS

You may complain to us or to the Secretary of the U. S. Department of Health and Human Services if you believe your privacy rights have been violated by us.



You may file a complaint with us by writing or phoning the Hanger Prosthetics & Orthotics Privacy Officer.



Hanger Prosthetics & Orthotics, Inc.
Attn: HIPAA Privacy Officer
2 Bethesda Metro Center, Suite 1200
Bethesda, MD 20814
Toll-Free Phone: 1-800-506-4264
TTY Line: 1-800-226-0262
E-mail: HIPAA@hanger.com

You may contact the Hanger Prosthetics & Orthotics Privacy Officer for further information about the complaint process or for additional information about any of the other matters identified in this Notice.

We will not retaliate against you in any way for filing a complaint, either with us or with the Secretary.

This Notice is effective in its entirety as of April 14, 2003.



**ACKNOWLEDGEMENT OF RECEIPT
NOTICE OF PRIVACY PRACTICES**

By signing below, I acknowledge receiving a copy of Hanger Prosthetics & Orthotics, Inc.'s Notice of Privacy Practices, dated April 14, 2003.

Signature of Patient or Personal Representative

Printed Name of Patient or Personal Representative

Date

Description of Personal Representative's Authority to Act on Behalf of the Patient