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**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.**

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**NOTICE OF PRIVACY PRACTICES**

<b>Effective Date:</b>	<b>April 14, 2004</b>
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**THIS PRIVACY NOTICE IS PROVIDED BY Frantz Manufacturing Company Employee Group Health Benefit Plan** (referred to as "the Plan"). This notice covers functions of the Plan to the extent the performance of those functions are in connection with providing medical care, including items and services paid for as medical care, directly or through insurance, reimbursement or otherwise.

The Health Insurance Portability and Accountability Act (HIPAA) is a federal law. The Plan is required by HIPAA to provide you with this notice. This notice provides you with information about your rights and our legal duties and privacy practices with respect to the privacy of protected health information. This notice also discusses the uses and disclosures the Plan will make of your protected health information.

The Plan must follow the privacy practices described in this notice while it is in effect. This notice takes effect on the Effective Date noted above. It will remain in effect until the Plan publishes and issues a new notice.

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**1 THE PLAN'S COMMITMENT TO YOUR PRIVACY**

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The Plan is committed to protecting the confidential nature of your medical information to the fullest extent of the law. In addition to various laws governing your privacy, the Plan has its own privacy policies and procedures in place. These are designed to protect your information. The Plan will continue to make protecting your privacy a priority.

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**2 THE PLAN'S LEGAL DUTIES**

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The Plan is required by applicable federal and state laws to keep certain information about you private. An example of this is your medical information. The Plan treats your medical information that it collects as part of providing your

coverage, as “protected health information”. It is the Plan’s policy to maintain the privacy of protected health information in accordance with HIPAA, except to the extent that applicable state law provides greater privacy protections. This Notice of Privacy Practices was drafted to be consistent with the HIPAA privacy regulation.

“Protected health information” includes any identifiable information that we obtain from you or other covered entities that identifies you and relates to your physical or mental health, the health care you have received, or payment for your health care.

Any terms not defined in this Notice will have the same meaning as they have in the HIPAA privacy regulation.

The HIPAA Privacy Regulations generally do not "preempt" (or take precedence over) state privacy or other applicable laws that provide individuals greater privacy protections. As a result, to the extent state law applies, the privacy laws of a state, or other federal laws, rather than the HIPAA Privacy Regulation, might impose a privacy standard that the Plan is required to follow.

The Plan reserves the right to change the terms of this notice from time to time and to make the revised notice effective for all protected health information it maintains. This includes information that the Plan created or received before it made the changes. Any revised notice will be provided to you by one of the following means: (1) by mail to the participant; or (2) by delivery of the notice to the participant at his or her work location if the participant is an active employee of the plan sponsor.

Anyone may request a copy of the Plan’s notice at any time. For more information about the Plan’s privacy practices, or for additional copies of this notice, please contact the Plan’s Privacy Officer. Contact information is provided at the end of this notice.

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### **3 THE PLAN’S PRIMARY USES AND DISCLOSURES OF YOUR PROTECTED INFORMATION**

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The Plan may use and disclose your protected health information without your specific authorization for the purposes of treatment, payment, and health care operations. To illustrate:

- **Treatment activities.** Activities performed by a health care provider related to the provision, coordination or management of health care, including referrals for health care from one health care provider to another. The Plan does not provide treatment, which is the role of a health care provider (your physician, a hospital or the like). However, the Plan may disclose protected health information to your health care provider in order for that provider to treat you. For example, a provider under the Plan may need to know health care information in Plan files that might assist in treatment.
- **Payment activities.** Activities undertaken to obtain and provide reimbursement for the health care provided to you, including determinations of eligibility or coverage, utilization review activities, billing, claims management, and collection activities. For example, the Plan may use protected health information to determine whether a particular medical service given or to be given to you is covered under the terms of the Plan. The Plan may also disclose protected health information to health care providers or other health plans for their payment activities, such as to coordinate benefits.
- **Health care operation activities.** Activities such as credentialing, business planning and development, quality assessment and improvement, premium rating, enrollment, underwriting, claims processing, customer service, medical management, fraud and abuse detection, obtaining legal and auditing services, and business management. For example, the Plan may use your protected health information for underwriting, premium rating or other activities associated with the creation, renewal or replacement of a contract of health insurance or health benefits. The Plan may also disclose protected health information to other health plans or health care providers for certain health care operation activities of their own as described in the HIPAA privacy regulation.

The Plan may also use your protected health information to give you information about one of its disease/care management programs. The Plan may also give you information about treatment alternatives or other health-related benefits and services that may interest you. The Plan may disclose protected health information to the sponsor of the Plan, provided that the Plan adopts certain protections required by federal law.

When using and disclosing your protected health information in the Plan's payment and health care operation activities, the Plan may only request, use, and disclose the minimum amount of your Protected Information necessary to complete the activity.

The Plan may contract with others to assist it with treatment, payment or health care operation activities that involve the use of your protected health information. Such third parties are referred to as the Plan's business associates. The Plan requires business associates to agree, in writing, to

certain contract terms. These terms are specifically designed to safeguard protected health information before it is shared with them. The Plan may also have business associates assist in the activities described in the following section that involves permitted uses and disclosures.

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#### **4 OTHER USES AND DISCLOSURES OF YOUR PROTECTED INFORMATION**

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**You and Your Authorization.** The Plan must disclose your protected health information to you. This is described in the Individual Rights section of this notice, below.

The Plan may disclose your protected health information to your family or friends or any other individual identified by you when they are involved in your care or the payment for your care.

The Plan will only disclose the protected health information directly relevant to their involvement in your care or payment. The Plan may also use or disclose your protected health information to notify, or assist in the notification of, a family member, a personal representative, or another person responsible for your care of your locations, general condition, or death. If you are available, the Plan will give you an opportunity to object to these disclosures, and the Plan will not make these disclosures if you object. If you are not available, the Plan will determine whether a disclosure to your family or friends is in your best interest, and the Plan will disclose only the protected health information that is directly relevant to their involvement in your care or payment for such care. When permitted by law, the Plan may coordinate its uses and disclosures of protected health information with public or private entities authorized by law or by charter to assist in disaster relief efforts.

Except for the situations set forth below, the Plan will not use or disclose your protected health information for any other purpose unless you provide written authorization.

You have the right to revoke the authorization for use and disclosure of protected health information authorization at any time, provided that the revocation is in writing, except to the extent the Plan already had taken action in reliance on your authorization. Your revocation will not affect any use or disclosure permitted by your authorization while it was in effect.

The following is a description of other possible ways the Plan may (and are permitted by law to) use and/or disclose your protected health information without your specific authorization.

- **Coroner, Medical Examiners and Funeral Directors.** The Plan may release medical information to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or determine the cause of death. The Plan may also release medical information about patients to funeral directors as necessary to carry out their duties.
- **Health Oversight Activities.** The Plan may disclose medical information to federal or state agencies that oversee our activities. These activities are necessary for the government to monitor the health care system, government programs, and compliance with civil rights laws. The Plan may disclose protected health information to persons under the Food and Drug Administration's jurisdiction to track products or to conduct post-marketing surveillance.
- **Inmates.** If you become an inmate of a correctional institution or fall under the custody of a law enforcement official, the Plan may release medical information about you to the correctional institution or law enforcement official. This release would be necessary for the institution to provide you with health care; to protect your health and safety or the health and safety of others; or for the safety and security of the correctional institution.
- **Law Enforcement.** The Plan may release medical information; if asked to do so by a law enforcement official in response to a court order, subpoena, warrant, summons or similar process; to identify or locate a suspect, fugitive, material witness, or missing person; about the victim of a crime if, under certain limited circumstances, the Plan is unable to obtain the person's agreement; about a death the Plan believes may be the result of criminal conduct; about criminal conduct on plan sponsor's premises; and in emergency circumstances to report a crime; the location of the crime or victims or the identity, description or location of the person who committed the crime.
- **Lawsuits and Disputes.** If you are involved in a lawsuit or a dispute, the Plan may disclose medical information about you in response to a court or administrative order. The Plan may also disclose medical information about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request or to obtain an order protecting the information requested.
- **Military and Veterans.** If you are a member of the armed forces, the Plan may release medical information about you as required by military command authorities. The Plan may also release medical information about foreign military personnel to the appropriate foreign military authority.

- **National Security and Intelligence Activities.** The Plan may release medical information about you to authorized federal officials for intelligence, counterintelligence, or other national security activities authorized by law.
- **Organ and Tissue Donation.** If you are an organ donor, the Plan may release medical information to organizations that handle organ procurement or organ, eye or tissue transplantation or to an organ donation bank, as necessary to facilitate organ or tissue donation and transplantation.
- **Protective Services for the President and Others.** The Plan may disclose medical information about you to authorized federal officials so they may provide protection to the President, other authorized persons or foreign heads of state or conduct special investigations.
- **Public Health Risks.** The Plan may disclose medical information about you for public health activities. These activities generally include the following: to prevent or control disease, injury or disability; to report births and deaths; to report child abuse or neglect; to report reactions to medications or problems with products; to notify people of product, recalls, repairs or replacements; to notify a person who may have been exposed to a disease or may be at risk for contracting or spreading a disease or condition; to notify the appropriate government authority if the Plan believes a patient has been the victim of abuse, neglect or domestic violence. The Plan will only make this disclosure if you agree or when required or authorized by law.
- **Serious Threats.** As permitted by applicable law and standards of ethical conduct, the Plan may use and disclose protected health information if the Plan, in good faith, believes 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.
- **Workers' Compensation.** The Plan may release medical information about you for programs that provide benefits for work-related injuries or illness.

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## 5 INDIVIDUAL RIGHTS

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- You have the right to request restrictions on the Plan's uses and disclosures of protected health information for treatment, payment and health care operations. You also have the right to request that the Plan restrict disclosures to relatives, friends, or other individuals that may be involved in

your care or payment for your health care. The Plan is not required to agree to such a request for restriction. To request a restriction, you must direct your request to the contact office listed at the end of this notice.

- You may believe that you will be in danger if the Plan communicates protected health information to you to your address of record. If so, you have the right to request that the Plan communicate with you about your Protected Information at an alternative location or by alternate means. The Plan will make reasonable efforts to accommodate your request if you specify an alternate address. To request a confidential communication, you must direct your request to the contact office listed at the end of this notice.
- You have the right to inspect and obtain copies of your protected health information contained in the plan's records, except for 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 circumstances, you may have a right to have this decision reviewed.
- You have the right to request a correction to your protected health information, but the Plan may deny your request for correction. Any agreed upon correction will be included as an addition to, and not a replacement of, already existing records.

A request for correction to your protected health information must be done in writing. You may obtain a form to request a correction by using the contact information listed at the end of this notice. The Plan will respond to your request within 60 days of receiving the request.

If the Plan accepts your request to correct protected health information, it will notify you. The Plan will make reasonable efforts to inform other persons, including those identified by you as having received your protected health information and needing the correction. The Plan will also include the changes in any future disclosure of that information. If the Plan denies your request for reasons permitted by the HIPAA privacy regulations, its notice to you will explain any appeal rights you may have with respect to that decision.

Notwithstanding the formal process for your right to correct your protected health information, certain information related to enrollment and claims processing may be corrected by contacting the Plan's claims administrator. This is part of its normal customer service function. You should contact the claims administrator first to see if your request can be satisfied as a customer service request.

- You have the right to receive an accounting of disclosures of protected health information made by the Plan to individuals or entities other than to you, except for disclosures to carry out treatment, payment and health care operations as provided above; to persons involved in your care or for other notification purposes as provided by law; for national security or intelligence purposes as provided by law; to correctional institutions or law enforcement officials as provided by law; or that occurred prior to April 14, 2004.

To request an accounting of disclosures, you must send a written request to the contact office listed at the end of this notice. You may request one such accounting at no charge every 12 months. You may request that the accounting cover up to a 6-year period of reportable disclosures from the date of your request. The Plan will respond within 60 days of your request. It reserves the right to impose a reasonable charge for requests made more than once per year.

- You have the right to request and receive a paper copy of this notice from the Plan.

Any request to exercise your individual right of access to your Protected Information must be in writing. You may obtain a form to request access by using the contact information listed at the end of this notice. The Plan will respond to your request for access within 30 days of receiving the request. If all or any part of your request is denied, the Plan's response will detail any appeal rights you may have with respect to that decision.

Notwithstanding the formal process for your right of access, certain information related to enrollment and claims processing may be available to you by contacting the Plan's claims administrator as part of its normal customer service function. You should contact the claims administrator first to see if your request can be satisfied as a customer service request.

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## **6 CONTACTING THE PLAN**

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Please contact the Plan at the address below.

- If you want a printed copy of the Plan's current notice
- If you want to access your Protected Information
- If you want to request an amendment to your Protected Information
- If you want to request an accounting of the Plan's disclosures of your Protected Information
- If you want to request a restriction on the Plan's use and disclosure of your Protected Information
- If you want the Plan to communicate with you at an alternative address or by alternate means because you believe that you are endangered

- If you believe that your privacy rights have been violated
- If you have questions, concerns, or complaints about this notice or the Plan's privacy practices

Privacy Officer

**Frantz Manufacturing Company**

**P.O. Box 497**

**Sterling, IL 61081**

**(815) 625-7063**

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As described in section 5 of this notice, you may also be able to access or amend certain information in enrollment, billing, or claims systems by contacting the claims administrator using the contact information on your ID card.

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## **7 CONTACTING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**

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You may also submit a written complaint to the Department of Health and Human Services if you believe your privacy rights have been violated.

**THE PLAN MAINTAINS AND ENFORCES A POLICY OF NON-RETALIATION AGAINST THE PLAN'S MEMBERS, MEMBERS OF THE PLAN'S WORKFORCE, OR MEMBERS OF THE PUBLIC WHO BRING BREACHES (OR POTENTIAL BREACHES) OF THIS NOTICE TO THE ATTENTION OF THE PLAN'S PRIVACY OFFICER OR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.**