

BUSINESS HEALTH TRUST

HIPAA Privacy & Security Policy

Dear Employer,

This letter will review Business Health Trust's obligations under the HIPAA Privacy and Security regulations.

HIPAA, the Health Insurance Portability and Accountability Act of 1996, was created (and further modified by the American Recovery and Reinvestment Act of 2009) in part to provide protection to individuals with regards to their health information. The regulations are enforced by the Office of Civil Rights and apply to covered entities such health plans, health care clearinghouses, and health care providers.

Under the current privacy and security regulations, the Trust does not have any compliance obligations:

- Ø The Trust is not a "Group Health Plan" covered under HIPAA because it is not a welfare benefit plan under ERISA;
- Ø The Trust does not use, create, transmit or otherwise disclose any Protected Health Information electronically, or otherwise;
- Ø Your Insurance Carriers and other service providers may use or disclose Protected Health Information;
- Ø The Trust is not a "Business Associate" under HIPAA because it is a funding mechanism for securing access to group insurance.

Insurance Carriers and other companies that provide services to your group health plan must comply with the requirements that protect an individual's health information. You and your group health plan may have separate obligations with regards to the privacy and security regulations. The Trust cannot provide you with legal advice about compliance. For advice on the compliance obligations of your group health plan, please contact your legal counsel.

Sincerely,

Business Health Trust