

COMPSYCH CORPORATION
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.

ComPsych Corporation is committed to maintaining the confidentiality of all information it receives. ComPsych is required by law to maintain the privacy of Protected Health Information ("PHI") and to provide all individuals with notice of ComPsych's legal duties and privacy practices with respect to PHI. The purpose of this notice is to inform you of how ComPsych may use and disclose PHI. This notice also describes your patient rights, and informs you of how to contact ComPsych. ComPsych will abide by the terms set forth in this Notice.

Uses and Disclosure of PHI

Your PHI will be used by ComPsych to ensure that you receive the services covered by your benefit plan. ComPsych may use or disclose PHI, other than your "highly confidential information" described below, without your authorization for purposes of treatment, payment or health care operations. The following are examples of how information is used and disclosed for such purposes:

When you contact ComPsych, we may ask you certain questions to determine how we can best help you. Once we gather information, we will identify the service provider(s). In some situations, we may need to contact the provider(s) to discuss your care and coordinate the referral. Once any referrals are made, we may send the provider(s) information including confirmation of your referral.

When a provider bills ComPsych for services, the claim will be evaluated for payment. In the event ComPsych is not responsible for payment, ComPsych will notify the provider of the denial.

Outside auditors and other third parties may gather various information from ComPsych to track the quality and trends of services ComPsych provides.

The following are other circumstances where ComPsych may disclose PHI without your authorization:

1) To comply with applicable law; 2) for specified public health activities and purposes; 3) for health oversight activities; 4) in judicial or administrative proceedings in response to a legal order or other lawful process; 5) to the police or other law enforcement officials as required by law or in compliance with a court order or other process authorized by law; 6) to prevent or lessen a serious and imminent threat to the health or safety of an individual or the public; 7) to units of the government with special functions, such as the U.S. military or the U.S. Department of State; or 8) as necessary to comply with workers' compensation laws.

For any other use or disclosure of PHI, ComPsych must obtain your authorization. In addition, federal and state laws require special privacy protection for certain PHI that is "highly confidential information"; for example, information about mental health and developmental disabilities, alcohol or drug abuse, genetic testing and HIV/AIDS. When required by law, ComPsych will obtain your written authorization before disclosing your highly confidential information for a purpose other than those specified by such laws. If you do provide such authorization, you have the right to revoke such authorization at any time to stop any future uses and/or disclosures.

Your Patient Rights

You have the right to request to inspect and copy your PHI that ComPsych maintains. Under certain circumstances, ComPsych may deny your request. ComPsych may charge a fee for all costs associated with your request.

You have the right to request that ComPsych amend your PHI that ComPsych maintains. Under certain circumstances, ComPsych may deny your request. Your request must include a reason supporting the requested amendment.

You have the right to request an accounting of disclosures. This accounting will not include disclosures that were made for purposes of treatment, payment or health care operations or disclosures made pursuant to your Authorization or disclosures to you. Your request must state the specific time period. An accounting is not available for disclosures made prior to April 14, 2003. The first accounting you request in any 12 month period shall be provided at no cost. For any additional requests, ComPsych may charge a fee.

You have the right to request that ComPsych restrict its use or disclosure of your PHI when carrying out treatment, payments or health care operations. It is important to understand that ComPsych is not required to agree to your request. All requests must specifically state what information you want to limit and to whom the limitation applies.

You have the right to request that ComPsych communicate with you in a specific manner.

You have the right to receive a paper copy of this Notice.

Contact

If you need further information about matters covered by this Notice, you may contact ComPsych at the address given below. Except in emergency situations, all correspondence or requests to ComPsych must be in writing and sent to ComPsych's privacy official: **ComPsych Corporation, 455 N. Cityfront Plaza Drive, 13th Floor, Chicago, IL 60611, Attn: Privacy Official** (312) 660-1076.

If you believe that your privacy rights have been violated, you may contact ComPsych directly or the Secretary of the U.S. Department of Health and Human Services. You will not be retaliated against for reporting a violation of your privacy rights.

ComPsych reserves the right to change its privacy practices at any time and any such change shall apply to all PHI ComPsych maintains, including information created or received by ComPsych prior to issuing a new Notice. If ComPsych materially changes its privacy practices, this Notice shall be amended and disseminated to all individuals.