

NOTICE OF PRIVACY PRACTICES

Sea Crest Home Health Services, Inc.

Effective Date: May 10, 2010

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION
ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU
CAN GET ACCESS TO THIS INFORMATION.**

PLEASE REVIEW THIS NOTICE CAREFULLY!

As a patient receiving health services and care, we understand you may be concerned about how your medical and other health-related information may be handled. That is why we, as an organization, are committed to ensuring patient privacy and confidentiality to you and others that we serve. That is also why we have developed this Notice, made it available to you, and why we, as an organization, are dedicated to abiding by the terms of the Notice, as currently in effect. To the extent you may have any questions or concerns relating to the matters and issues addressed in this Notice, please do not hesitate to contact Jeff Hammond.

1. General

This Notice is drafted and provided to you, consistent with the requirements of the privacy rules ("Privacy Rules") of the Health Insurance Portability and Accountability Act ("HIPAA"). As a health care provider, we are committed to meet the requirements of the law to maintain the privacy of your and other patients' Protected Health Information, and to provide you with this Notice of your legal duties and our privacy practices relating to your Protected Health Information.

As you may already know, the privacy rules of the Health Insurance Portability and Accountability Act ("HIPAA") have come into effect. The HIPAA Privacy Rules mark this nation's first set of comprehensive standards to ensure patient privacy and confidentiality. We, as a health care provider, are subject to the requirements of the HIPAA Privacy Rules. Equally, or perhaps more important, we are committed as an organization to continually strive to act consistently with the underlying purpose and philosophy of the HIPAA Privacy Rules - to properly safeguard and protect from improper disclosure health information that either identifies you or can be reasonably used to ascertain your identity, and which is transferred or maintained to another party in electronic or other form. This information is what this Notice refers to as "Protected Health Information".

2. Uses/Disclosures Related To Treatment, Payment Or Health Care Operations

The law permits us to use and/or disclose Protected Health Information to carry out treatment, payment and other health care operations.

Treatment: An example of when we might use/ disclose your Protected Health Information for treatment/care purposes is when your medical/health information is needed by another health care provider, such as a hospital, to better understand that your medical/health condition, properly diagnose, care and treat you. Another example is when we might disclose certain information about a patient to facilitate a pharmacy's filling of a prescription.

Payment: An example of when we might use/disclose Protected Health Information for payment purposes is when we disclose your Protected Health Information to your insurance company to facilitate our ability to receive reimbursement from that health insurance company. When we disclose information for payment purposes, we will work to only disclose that Protected Health Information which is minimally necessary to ensure proper and timely payment of claims.

Health Care Operations: Best described, the term Health Care Operations means those other functions and activities that we perform, which allow us to best serve you as a health care provider. Some examples of what constitute Health Care Operations are when we use and/or disclose your Protected Health Information for quality assessment and improvement activities-to make us a better health care provider to serve you. Another example may be when we use and/or disclose Protected Health Information to better manage our operations, such as when we share information with a Business Associate to ensure proper accounting and record keeping relating to our services.

3. Uses/ Disclosures When An Authorization Is Not Required

In some cases, the law permits us to use and/or disclose Protected Health Information, without requiring you to sign an Authorization. In many cases, these types of uses and/or disclosures are permitted to promote the government's need to ensure a safe and healthy society. In other cases, the law does not require an Authorization because it would be impracticable to require an Authorization.

The law also permits us to use/disclose Protected Health Information for certain specific purposes, where we are not specifically required to obtain your advance written Authorization. Whenever doing so, we are committed to make sure that we meet the necessary prerequisites before using/disclosing your Protected Health Information for those purposes, and to not use/disclose more of your Protected Health Information than is otherwise required/permitted under the law.

There are several types of areas where the law permits us to use/disclose Protected Health Information in good faith, and consistent with the requirements of the HIPAA Privacy Rules and other laws. Sometimes, emergency circumstances may dictate our need to use and/or disclose Protected Health Information without obtaining an Authorization, to properly treat and care for patients.

In other cases, the law emphasizes society's need for disclosing Protected Health Information, without first requiring patients to enter into an Authorization. These types of uses/disclosures of Protected Health Information include those: to avert communicable or spreading diseases; for public health activities; for federal intelligence, counter-intelligence and national security purposes; to properly assist law enforcement to carry out their duties; when a judge or administrative tribunal order the release of such Protected Health Information; for cadaveric organ, eye and tissue donations (where appropriate); to help apprehend criminals; to assist armed forces personnel and operations; for military service, veterans affairs separation/discharge matters; for coroner/medical examiner purposes; for health oversight purposes (such as when the government requests certain information from us); to assist victims of abuse, neglect or domestic violence; to address work-related illness/workplace injuries and for workers' compensation purposes; for funeral/funeral director purposes; to help determine veterans eligibility status; to protect Presidential and other high-ranking officials; to correctional institutions/ law enforcement officials acting in a custodian capacity.

In addition, the law recognizes that there are certain instances where using and/or disclosing Protected Health Information, without first requiring an Authorization, would not unduly intrude upon a patient's rights to privacy and confidentiality, and where it would be too administratively burdensome to require an Authorization. An

immediate example is when the use and/or disclosure of the Protected Health Information is made to the patient, him/herself, or to a personal representative of the patient who the law requires to be treated as the patient. Other types of uses/disclosures include those made to prepare and maintain facility directories; to notify family members and close others about a patient's condition and/or location; or for disaster relief purposes. In those cases, although an Authorization is not required, we will attempt to provide you with the opportunity to verbally or otherwise agree/object to the use/disclosure, to the extent required by the HIPAA Privacy Rules.

4. Uses/Disclosures Where An Authorization Is Required

For other types of uses and/or disclosures of Protected Health Information, the law requires us to obtain what is known as an Authorization.

An Authorization can be revoked by you at any time, as long as we have not already reasonably relied on it to make a particular use and/or disclosure.

Some examples of where the Authorization form would be required include when the uses/ disclosures are made to a patient's employer for disability, fitness for duty or drug testing purposes. Other examples include certain types of marketing activities.

5. Appointment Reminders And Information On Treatment Alternatives

We may use and/or disclose your Protected Health Information, as appropriate, for appointment reminders and to provide you with information on potential treatment alternatives

From time to time, we may need to use and/or disclose your Protected Health Information to provide you with appointment reminders or to provide you with information about treatment alternatives or other health-related benefits and services.

6. Uses/Disclosures For Fundraising Purposes

To the extent permitted by the HIPAA Privacy Rules, we may use and/disclose your Protected Health Information for fundraising purposes.

From time to time, we - consistent with the limits posed by the HIPAA Privacy Rules - may use and/or disclose your Protected Health Information. In doing so, we are committed to meeting the requirements of the HIPAA Privacy Rules to best ensure patient privacy and confidentiality. In some instances, you may have the right under the HIPAA Privacy Rules to opt out of such communications.

7. Your Right To Request Additional Restrictions On The Use/Disclosure Of Protected Health Information

You have the right to request additional restrictions relating to the use and/or disclosure of your Protected Health Information. Although we are not legally required to grant such additional restrictions, it is your right to make such a request.

As an organization committed to recognizing patient privacy and confidentiality, we recognize and respect your right as a patient to request additional restrictions on how you are otherwise permitted to use and/or disclose Protected Health Information, beyond those otherwise required under the HIPAA Privacy Rules. This includes your right to request confidential communications when their Protected Health Information is involved. Please note, however, that we are not legally required under the HIPAA Privacy Rules to agree to the requested restriction.

8. Your Right To Obtain Access To Protected Health Information

You have the right to obtain access to your Protected Health Information, consistent with the provisions of the HIPAA Privacy Rules.

You have the right to request and obtain access to your Protected Health Information, to the extent required by and consistent with the HIP AA Privacy Rules. We reserve the right to deny access to Protected Health Information that is not otherwise required to be given under the HIPAA Privacy Rules or other applicable law.

We reserve the right to charge you a reasonable, cost-based fee for copying (including the cost of supplies and labor) any Protected Health Information required to be copied to adequately respond to your access request, as well as any postage costs associated with preparing an explanation or summary of the Protected Health Information necessary to adequately respond to your access request (unless otherwise precluded by applicable State or other law).

9. Your Right To Amend Protected Health Information

You have the right to amend your Protected Health Information, to the extent permitted and consistent with the provisions of the HIPAA Privacy Rules.

You have the right to request that we amend your Protected Health Information, to the extent of and consistent with the HIPAA Privacy Rules. Please note that we reserve the right to, among other things, deny requests for amendments that are not required to be granted under the HIPAA Privacy Rules, including when the Protected Health Information at issue is accurate and complete.

10. Your Right To An Accounting Of Disclosures Of Protected Health Information

You have the right to an accounting of disclosures of your Protected Health Information, to the extent permitted and consistent with the provisions of the HIPAA Privacy Rules.

You have the right to request and obtain a proper accounting of disclosures we have made of your Protected Health Information, consistent with the requirements of the HIPAA Privacy Rules. Please note that, under this section, we reserve the right to, among other things, limit any such accountings to disclosures made after the compliance date of the HIPAA Privacy Rules, as well as deny accounting requests that are otherwise-not required under the HIP AA Privacy Rules.

11. Your Right To Obtain A Paper Copy Of This Notice

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

You have the right to obtain a paper copy of this notice. If you do not already have a paper copy of this Notice, please do not hesitate to contact Jeff Hammond in order to receive one. In addition to providing you the right to obtain a paper copy of this Notice, we may also provide copies of our Notice via e-mail and/or Website, to the extent applicable and as permitted by the HIPAA Privacy Rules. This, however, does not alleviate our duty to provide you with a paper copy of the Notice upon request.

12. Your Right To Complain About How Your Protected Health Information Is Handled

We recognize and respect your right to file a complaint against us, if you believe in good faith that we have violated your privacy rights, including under the HIPAA Privacy Rules. We do not retaliate against persons who file such complaints either with us or with the United States Department of Health and Human Services Office of Civil Rights.

You have the right to complain to us about how we handle your Protected Health Information, including if you believe in good faith that we may have violated your privacy rights under the law. To register a complaint with us, you may write, call or request to see Jeff Hammond.

We do not have a rigid set of requirements for you to file a complaint. Rather, we simply ask that you provide us with the necessary information to properly and timely follow-up on your concern/complaint, so that we may be able to address it in the most proactive and effective manner.

In addition, if you believe we have not been attentive and have violated your privacy rights, you also have the right to contact the United States Department of Health and Human Services ("HHS") about us. The office within HHS responsible for processing and reviewing complaints relating to the HIPAA Privacy Rules, and for enforcing the HIPAA Privacy Rules is the HHS Office of Civil Rights ("OCR").

You may contact the HHS OCR about any complaints you have, as follows: Medical Privacy, Complaint Division, Office of Civil Rights, United States Department of Health and Human Services, 200 Independence Avenue, S.W., Room 509F, HHH Building, Washington, D.C., 20201; Voice Hotline Number (800) 368-1019; Internet Address www.hhs.gov/ocr.

We again emphasize that it is against our policies and procedures to retaliate against any patient who has filed a privacy complaint, either with us or the HHS OCR. Should you believe that we might have retaliated against you in any way upon your filing a complaint with us or the HHS OCR, please immediately contact Jeff Hammond, so that we may properly address that issue for you.

13. Changes to the term of our Notice of Privacy Practices

We reserve the right to change the terms of our notice of privacy practice at any time and to make the new notice provisions effective for all protected health information that we maintain. If there is a change, we will notify you as soon as possible by mail or hand delivery.

14. Contact Information

Should you have any questions, concerns, or issues relating to the topics covered in this Notice, we have established a specific contact person/office for you to contact. In addition, we have also designated a person/office to receive and properly handle any privacy complaints you have, including did you in good faith believe that we have violated your privacy rights under the HIPAA Privacy Rules.

We have designated the following person/office for you to contact in the event you may have any questions, concerns, or issues relating to the matters addressed in this Notice or to file any complaints you may have on how we handle your Protected Health Information, including if you believe in good faith that we might have violated your privacy rights under the HIPAA Privacy Rules. The person/office we have designated to assist you is as follows:

Jeff Hammond, Privacy Officer
Sea Crest Home Health Services, Inc.
2755 Bristol St., Suite 275, Costa Mesa, CA 92626
Telephone: (714) 975-8011 Fax: (714) 975-8023