HIPAA NOTICE OF PRIVACY PRACTICES

PLEASE REVIEW THIS NOTICE CAREFULLY. THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED BY HEARTLAND INDUSTRIES, INC., HEARTH RESIDENTIAL HOMES, INC., ADULT LIFE PROGRAMS AND MONTANA ACHIEVEMENT PROJECT (ALL LISTED COMPANIES WILL BE COLLECTIVELY KNOWN AS THE "COMPANY".) AND HOW TO OBTAIN ACCESS TO THIS INFORMATION.

We care about your privacy

Your privacy is a high priority for us and it will be treated with the highest degree of confidentiality. In order for us to be able to provide you with health insurance products and services, we need to collect certain information from you. However, we want to emphasize that we are committed to maintaining the privacy of this information in accordance with Law. All individuals with access to Protected Health information (PHI) about our customers are required to follow this policy.

Statement of the Company's duties under HIPAA We are required by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") to maintain the privacy of your PHI and to provide you with this notice of our privacy practices and legal duties. We are required to abide by the terms of this notice. We reserve the right to change the terms of this notice and to make any new provisions applicable to the entire PHI that we maintain about you. If we make a material revision to this notice, we will provide you with a revised notice within 60 days of a material revision to the notice.

Statement of your rights under HIPAA

You have a right to know how we may use or disclose your PHI. This notice informs you of those uses and disclosures. There are certain uses and disclosures of your PHI that we are permitted or required to make by law without your permission. For all other uses and disclosures, we must first obtain your permission. In addition, you have the following rights so long as you request them in writing. All written requests can be sent to the HIPAA Privacy Contact listed at the end of this notice.

- **Restrictions.** The right to request that we place additional restrictions on our uses and disclosures of your PHI (beyond what the law requires), but we are not obligated to agree to any such additional restrictions.
- **Access, inspect, and copy.**

The rights to access, inspect, and copy the PHI pertaining to you, that we maintain in our files about you, and the right to have us correct or amend any information that we created in error. We have the right to charge a reasonable fee for our cost of providing this information for you. This cost includes the cost of supplies, postage, and our labor costs.

Accounting of disclosures.

The right to receive an accounting of the disclosures of your PHI that we make except for

(1) Disclosures related to your health care treatment, our healthcare payment functions or other healthcare operations; (2) disclosures to you; (3) disclosures for national security purposes; (4) disclosures to correctional institutions or law enforcement officials; (5) disclosures made prior to April 14, 2003; and (6) disclosures made more than six years prior to your request for this accounting. We have the right to charge a reasonable, cost-based fee for providing this accounting to you if you make this request more than once in each calendar year.

Confidential Communications.

The right to request that you receive communications of PHI in a confidential manner. For example, you may request that we contact you at home, rather than work. In order to request a type of confidential communication, you must make a written request specifying the requested method of contact, or the location where you wish to be contacted.

File a complaint.

The right to complain about misuse of PHI. You may complain either directly to the Company or to the Secretary of the U.S. Department of Health and Human Services if you believe that your rights with respect to our protection of your PHI have been violated. Secretary of the US Department of Health and Human Services Department, Office of Civil Rights, 200 Independence Avenue SW, Washington D.C. 20201. To file a complaint with us, you may submit a complaint in writing to the Company at the address listed at the end of this notice. The complaint should include as many details as possible. You will not be retaliated against in any way for filing a complaint.

Mailing Address:

Heartland Industries, Inc./Hearth Residential Homes Inc., PO Box 849 Alexandria, MN 56308. Ph: 320-231-3337

Email: barbh@heartland-industries.org Effective Date: 4-13-2003

Client/Guardian/Employee Signature: _____

Date: _____