



HIPAA Privacy Policy

Introduction

Wave-EDI develops and supports software products for the Healthcare Industry (the Company). Employees may have access to the individually identifiable health information of medical claims files (1) on behalf of the Company itself; or (2) to support electronic transactions, and for administrative functions of the Company.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations restrict Wave-EDI's ability to use and disclose protected health information (PHI).

Protected Health Information. Protected health information means information that is created or received by Wave-EDI and relates to the past, present, or future physical or mental health or condition of a participant; the provision of health care to a participant; or the past, present, or future payment for the provision of health care to a participant; and that identifies the participant or for which there is a reasonable basis to believe the information can be used to identify the participant. Protected health information includes information of persons living or deceased.

It is Wave-EDI's policy to comply fully with HIPAA's requirements. To that end, all members of the Wave-EDI's workforce who have access to PHI must comply with this Privacy Policy. For purposes of this Policy and Wave-EDI's use and disclosure procedures, the workforce includes individuals who would be considered part of the workforce under HIPAA such as employees, volunteers, trainees, and other persons whose work performance is under the direct control of Wave-EDI, whether or not they are paid by the Wave-EDI. The term "employee" includes all of these types of workers.

No third party rights (including but not limited to rights of Companies employees, beneficiaries, covered dependents, or business associates) are intended to be created by this Policy. The Company reserves the right to amend or change this Policy at any time (and even retroactively) without notice. To the extent this Policy establishes requirements and obligations above and beyond those required by HIPAA, the Policy shall be aspirational and shall not be binding upon the Company. This Policy does not address requirements under other federal laws or under state laws.

Wave-EDI's Responsibilities as Covered Entity

I. Privacy Official and Contact Person

Ryan Jauregui will be the Privacy Official for the Wave-EDI. The Privacy Official will be responsible for the development and implementation of policies and procedures relating to privacy, including but not limited to this Privacy Policy and Wave-EDI's use and disclosure procedures. The Privacy Official will also serve as the contact person for participants who have questions, concerns, or complaints about the privacy of their PHI.

II. Workforce Training

It is Wave-EDI's policy to train all members of its workforce who have access to PHI on its privacy policies and procedures. The Privacy Official is charged with developing training schedules and programs so that all workforce members receive the training necessary and appropriate to permit them to carry out their functions within Wave-EDI.

III. Technical and Physical Safeguards and Firewall

Wave-EDI will establish appropriate technical and physical safeguards to prevent PHI from intentionally or unintentionally being used or disclosed in violation of HIPAA's requirements. Technical safeguards include limiting access to information by creating computer firewalls. Physical safeguards include locking doors or filing cabinets.

Firewalls will ensure that only authorized employees will have access to PHI, that they will have access to only the minimum amount of PHI necessary for Wave-EDI's administrative functions, and that they will not further use or disclose PHI in violation of HIPAA's privacy rules.

IV. Privacy Notice

The Privacy Official is responsible for developing and maintaining a notice of Wave-EDI's privacy practices that describes:

- the uses and disclosures of PHI that may be made by Wave-EDI;
- the individual's rights; and
- Wave-EDI's legal duties with respect to the PHI.

The privacy notice will inform participants that the Company will have access to PHI in connection with its administrative functions. The privacy notice will also provide a description of Wave-EDI's complaint procedures, the name and telephone number of the contact person for further information, and the date of the notice.

The notice of privacy practices will be individually delivered to all participants:

- no later than April 14, 2004

- on an ongoing basis
- within 60 days after a material change to the notice.

Wave-EDI will also provide notice of availability of the privacy notice at least once every three years.

V. Complaints

Ryan Jauregui will be Wave-EDI's contact person for receiving complaints. The Privacy Official is responsible for creating a process for individuals to lodge complaints about Wave-EDI's privacy procedures and for creating a system for handling such complaints. A copy of the complaint procedure shall be provided to any participant upon request.

VI. Sanctions for Violations of Privacy Policy

Sanctions for using or disclosing PHI in violation of this HIPAA Privacy Policy will be imposed in accordance with Wave-EDI's corrective action policy, up to and including termination. The Corrective Action Policy is defined in The Human Resources Handbook for Developers, Support staff, and Executives.

VII. Mitigation of Inadvertent Disclosures of Protected Health Information

Wave-EDI shall mitigate, to the extent possible, any harmful effects that become known to it because of a use or disclosure of an individual's PHI in violation of the policies and procedures set forth in this Policy. As a result, if an employee becomes aware of a disclosure of protected health information, either by an employee of Wave-EDI or an outside consultant/contractor that is not in compliance with this Policy, immediately contact the Privacy Official so that the appropriate steps to mitigate the harm to the participant can be taken.

VIII. No Intimidating or Retaliatory Acts; No Waiver of HIPAA Privacy

No employee may intimidate, threaten, coerce, discriminate against, or take other retaliatory action against individuals for exercising their rights, filing a complaint, participating in an investigation, or opposing any improper practice under HIPAA.

No individual shall be required to waive his or her privacy rights under HIPAA as a condition of treatment, payment, enrollment or eligibility.

IX. PHI Policy

Wave-EDI's PHI policy shall include provisions to describe the permitted and required uses and disclosures of PHI by the Company for administrative purposes. Specifically, the documents shall require the Company to:

- not use or further disclose PHI other than as permitted by Wave-EDI's documents or as required by law;

- ensure that any agents or subcontractors to whom it provides PHI received from Wave-EDI agree to the same restrictions and conditions that apply to the Company;
- report to the Privacy Official any use or disclosure of the information that is inconsistent with the permitted uses or disclosures.

X. Documentation

Wave-EDI's policies and procedures shall be documented and maintained for at least six years. Policies and procedures must be changed as necessary or appropriate to comply with changes in the law, standards, requirements and implementation specifications (including changes and modifications in regulations). Any changes to policies or procedures must be promptly documented.

If a change in law impacts the privacy notice, the privacy policy must promptly be revised and made available. Such change is effective only with respect to PHI created or received after the effective date of the notice.

Wave-EDI shall document certain events and actions (including authorizations, requests for information, sanctions, and complaints) relating to an individual's privacy rights.

The documentation of any policies and procedures, actions, activities and designations may be maintained in either written or electronic form. Covered entities must maintain such documentation for at least six years.

Policies on Use and Disclosure of PHI

I. Use and Disclosure Defined

Wave-EDI will use and disclose PHI only as permitted under HIPAA. The terms "use" and "disclosure" are defined as follows:

- *Use*. The sharing, employment, application, utilization, examination, or analysis of individually identifiable health information by any person working for or within the Headquarters of Wave-EDI, or by a Business Associate (defined below).
- *Disclosure*. For information that is protected health information, disclosure means any release, transfer, provision of access to, or divulging in any other manner of individually identifiable health information to persons not employed by or working with the company headquarters.

II. Workforce Must Comply with Wave-EDI's Policy and Procedures

All members of Wave-EDI's workforce who have access to PHI (described at the beginning of this Policy and referred to herein as "employees") must comply with this Policy and use the disclosure procedures, which are set forth in a separate document.

III. Access to PHI Is Limited to Certain Employees

The following employees "employees with access" have access to PHI:

- Customer Support technicians
- Developers

Employees with access may not disclose PHI to employees (other than employees with access) unless an authorization is in place or the disclosure otherwise is in compliance with this Policy and the use and disclosure procedures.

Questions

If you have questions or suggestions you can contact us at:

Wave-EDI - Privacy Policy

support@wave-edi.com