

general public.

Lawsuits and Disputes. We may disclose your health information if we are ordered to do so by a court or administrative tribunal that is handling a lawsuit or other dispute and such disclosure is not protected by an applicable health care provider-patient privilege.

Law Enforcement. We may disclose your health information to law enforcement officials for the following reasons:

- To comply with court orders or laws that we are required to follow;
- To assist law enforcement officers with identifying or locating a suspect, fugitive, witness, or missing person;
- If you have been the victim of a crime and we determine that: (1) we have been unable to obtain your agreement because of an emergency or your incapacity; (2) law enforcement officials need this information immediately to carry out their law enforcement duties; and (3) in our professional judgment disclosure to these officers is in your best interests;
- If we suspect that your death resulted from criminal conduct; or
- If necessary to report a crime that occurred on our property.

To Avert a Serious and Imminent Threat to Health or Safety. We may use your health information or share it with others when necessary to prevent a serious and imminent threat to your health or safety, or the health or safety of another person or the public. We may also disclose your health information to law enforcement officers if you tell us that you participated in a violent crime that may have caused serious physical harm to another person (unless you admitted that fact while in counseling), or if we determine that you escaped from lawful custody (such as a prison or mental health institution).

National Security and Intelligence Activities or Protective Services. We may disclose your health information to authorized federal officials who are conducting national security and intelligence activities or providing protective services to the President of the United States or other important officials.

Inmates and Correctional Institutions. If you later become incarcerated at a correctional institution or detained by a law enforcement officer, we may disclose your health information to the prison officers or law enforcement officers, if necessary, to provide you with health care, or to maintain safety, security and good order at the place where you are confined.

Workers' Compensation. We may disclose your health information for workers' compensation or similar programs that provide benefits for work-related injuries.

Coroners, Medical Examiners and Funeral Directors. In the unfortunate event of your death, we may disclose your health information to a coroner or medical examiner. This may be necessary, for example, to determine the cause of death. We may also release this information to funeral directors as necessary to carry out their duties. In some cases, we may seek the consent of your personal representative prior to making these disclosures.

Organ and Tissue Donations. In the unfortunate event of your death, we may disclose your health information to organizations

that procure or store organs, eyes or other tissues so that these organizations may investigate whether donation or transplantation is possible under applicable laws. In some cases, we will make these disclosures only if you have consented previously, or with the consent of your personal representative.

4. Written Authorization Required For Other Uses and Disclosure

Any other uses and disclosures of your health information will be made only with your written authorization. If you provide us with written authorization, you may revoke that written authorization at any time, except to the extent that we have already relied upon it.

YOUR RIGHTS TO ACCESS AND CONTROL YOUR HEALTH INFORMATION

We want you to know that you have the following rights to access and control your health information.

1. Right to Inspect and Copy Records

You have the right to inspect and obtain a copy of any of your health information that may be used to make decisions about you and your treatment for as long as we maintain this information in our record. To inspect or obtain a copy of your health information, please submit your request in writing to the Privacy Liaison in your Administration Department.

2. Right to Amend Records

If you believe that the health information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept in our records. To request an amendment, please write to the Privacy Liaison in your Administration Department. Your request should include the reasons why you think we should make the amendment.

3. Right to an Accounting of Disclosures

You have a right to request an "accounting of disclosures" which identifies certain other persons or organizations to whom we have disclosed your health information in accordance with applicable law and the protections afforded in this Notice of Privacy Practices. An accounting of disclosures does not describe the ways that your health information has been shared within and between the health care facilities at our community, as long as all other protections described in this Notice of Privacy Practices have been followed (such as obtaining the required approvals before sharing your health information with our doctors for research purposes). To request an accounting of disclosures, please write to the Privacy Liaison in your Administration Department.

4. Right to Request Additional Privacy Protections

You have the right to request that we further restrict the way we use and disclose your health information to provide you with treatment or care collect payment for that treatment or care, or run our health care operations. You may also request that we limit how we disclose information about you to family or friends involved in your care. To request restrictions, please write to the Privacy Liaison in your Administration Department. Your request should include (1) what information you want to limit; (2) whether you want to limit how we use the information, how we share it with others, or both;

and (3) to whom you want the limits to apply. We are not required to agree to your request for a restriction, and in some cases the restriction you request may not be permitted under law. However, if we do agree, we will be bound by our agreement unless the information is needed to provide you with emergency treatment or comply with the law.

5. Right to Request Confidential Communications

You have the right to request that we communicate with you or your personal representative about your medical matters in a more confidential way by requesting that we communicate with you by alternative means or at alternative locations. To request more confidential communications, please write to the Privacy Liaison in your Administration Department. We will not ask you the reason for your request, and we will try to accommodate all reasonable requests. Please specify in your request how you or your personal representative wishes to be contacted, and how payment for your health care will be handled if we communicate with your personal representative through this alternative method or location.

OTHER RIGHTS REGARDING THE PRIVACY OF YOUR HEALTH INFORMATION

Right to Obtain a Copy of This Notice. You have the right to a paper copy of this notice. You may request a paper copy at any time, even if you have previously agreed to receive this notice electronically. To do so, please call the Privacy Liaison in your Administration Department. You or your personal representative may also obtain a copy of this notice from our website at www.ericksoncommunities.com/hipaa, or by requesting a copy from our staff.


Right to Request Exclusion From Electronic Transmission or Reception of Your Health Information. Portions of your health information may be transmitted or received electronically using an encrypted channel. By filling out a form, you have the right to request exclusion of your health information from being sent or received in this way. To do so, please call the Privacy Liaison. You or your personal representative may also obtain a copy of this form from our website at www.ericksoncommunities.com/hipaa/ or by requesting a copy from our staff.

Right to Obtain a Copy of Revised Notice. We may change our privacy practices from time to time. If we do, we will revise this notice so you will have an accurate summary of our practices. The revised notice will apply to all of your health information. We will post any revised notice in the reception areas of our health care facilities and medical centers. You or your personal representative will also be able to obtain your own copy of the revised notice by accessing our website at www.ericksoncommunities.com/hipaa or by requesting a copy from our staff. The effective date of the notice will be noted on the first page.

Right to File a Complaint. If you believe your privacy rights have been violated, please contact the Privacy Liaison, located at 800 Audubon Way, Lincolnshire IL 60069 or call the Erickson Values Line at 1-800-340-5877 or visit our website at compliance.erickson.com. No one will retaliate or take action against you for filing a complaint. You also have the right to file a complaint with the Secretary of the Department of Health and Human Services. To file a complaint, please mail your complaint to the Office for Civil Rights, United States Department of Human 233 N. Michigan Ave. - Suite 240, Chicago, IL 60601

NOTICE OF
PRIVACY PRACTICES

SEDGEBROOK®



SEDGEBROOK, INC.
CAMPUS HOME CARE, INC.
ERICKSON HEALTH MEDICAL GROUP
OF ILLINOIS, P.C.
REVISION DATE: JULY 10, 2007



ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF PRIVACY PRACTICES

By signing below, I acknowledge that I have been provided a copy of this Notice of Privacy Practices and have therefore been advised of how health information about me may be used and disclosed by the facilities and persons listed at the beginning of this notice, and how I may obtain access to and control this information.

Signature of Resident/Patient
or Personal Representative

Print Name of Resident/Patient
or Personal Representative

Date

Description of Personal Representative's Authority

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.

We are required by law to protect the privacy of health information that may reveal your identity, and to provide you with a copy of this notice which describes the health information privacy practices of our employees that provide health care services at our health care facilities. A copy of our current notice will always be posted in the reception areas of our health care facilities. You or your personal representative may also obtain a copy of this notice by accessing our website at www.ericksoncommunities.com/hipaa or by requesting a copy from our staff. We are required to abide by the terms of this notice.

If you have any questions about this notice or would like further information, please contact the Privacy Liaison (the Associate Executive Director) in your Administration Department.

WHO WILL FOLLOW THIS NOTICE?

Sedgebrook, Inc., Campus Home Care, Inc. and Erickson Health Medical Group of Illinois, P.C. provide health care to residents and patients (both residents and patients will be referred to as "residents" in this notice) jointly with physicians and other health care professionals and organizations. The privacy practices described in this notice will be followed by all Sedgebrook, Inc., Campus Home Care, Inc. and Erickson Health Medical Group of Illinois, P.C. employees, health care professionals, trainees, students or volunteers who provide health care services to you at the retirement community.

WHAT HEALTH INFORMATION IS PROTECTED

We will protect the privacy of information we gather about you while providing health-related services. Some examples of protected health information are:

- information indicating that you are receiving treatment or other health-related services from our health care facilities;
- information about your health condition (such as a disease you may have);
- information about health care products or services you have received or may receive in the future; and
- information about your health care benefits under an insurance plan (such as whether a prescription is covered).

Special protections apply to certain mental health records, and HIV-AIDS records. Some parts of this general Notice of Privacy Practices may not apply to these types of information.

HOW WE MAY USE AND DISCLOSE YOUR HEALTH INFORMATION

We will protect the privacy of your health information as required by law. However, we may use and disclose your health information in the course of providing you with health care services. We may also use an electronic network (with encryption) to disclose your health information unless otherwise notified by you as set forth under section 5 of this notice. The following is a description of how we may use and disclose your health information.

1. Treatment, Payment, and Health Care Operations

Treatment. We may use your health information or share it with various health care providers who are involved in taking care of you, and they may in turn use that information to diagnose or treat you. For example, a nurse at our skilled nursing facility may share your health information with a doctor or other ancillary health care providers to whom you have been referred for further health care.

Payment. We may use your health information or share it with others so that we may obtain payment for your health care services. For example, we may share information about you with your health insurance company in order to obtain reimbursement for treatment or care we have provided to you, or to determine whether it will cover your future treatment or care.

Health Care Operations. We may use your health information or share it with others in order to conduct certain health care operations. For example, we may use your health information to evaluate the performance of our staff in caring for you, or to educate our staff on how to improve the care they provide for you. We may share your health information (1) to persons for the evaluation and management of our health care delivery system, if such persons sign an acknowledgement of the duty not to disclose any patient identifying information; (2) to persons for the accreditation from professional standard setting entities, if such persons sign an acknowledgement of that duty not to disclose any patient identifying information; or (3) to our legal counsel, regarding only the information in the medical record that relates to the subject matter of the representation. We may also provide your health information to other third parties with whom we do business, such as medical record transcription services. However, you should know that in these situations, we require these third parties to provide us with assurances that they will safeguard your information.

Treatment Alternatives, Benefits and Services. In the course of providing treatment to you, we may use your health information to provide you with appointment reminders or information about possible treatment alternatives or health-related benefits and services that may be of interest to you.

2. Other Routine Uses and Disclosures

Facility Directory. If you consent, we may use your health information in, and disclose it from, a facility directory. We will give you an opportunity to consent unless you are incapacitated when you first arrive at one of our health care facilities (in which case we will discuss your preferences with you as soon as you regain capacity). We will follow your wishes unless we are required by law to do otherwise.

Family And Friends Involved In Your Care. If you consent, we may use or disclose your health information to notify a family member, personal representative, or another person responsible for your care about your location and general condition, or about the unfortunate event of your death.

De-identified Information. We may use and disclose your health information if we have removed any information that has the potential to identify you so that the health information is "completely de-identified." We may also use and disclose "partially de-identified" health information about you for public health and research purposes or for health care operations, if the person who will receive the information signs an agreement to protect the privacy of the information as required by federal and

state law. Partially de-identified health information will not contain any information that would identify you directly (such as your name, street address, social security number, phone number, fax number, electronic mail address, website address, or license number).

Research. We will generally ask for your written authorization before using your health information or sharing it with others in order to conduct research. Under some circumstances, we may use and disclose your health information without your written authorization if we obtain approval through a special process to ensure that research without your written authorization poses minimal risk to your privacy and if those recipients of information sign an acknowledgement of the duty not to disclose any patient identifying information.

Incidental Disclosures. While we will take reasonable steps to safeguard the privacy of your health information, certain disclosures of your health information may occur during or as an unavoidable result of our otherwise permissible uses or disclosures of your health information. Your privacy is important to us. If you have any concerns about potential incidental disclosures, please share them with us so that we can take additional reasonable steps to try and better protect the privacy of your health information.

3. Public Need

As Required By Law. We may use or disclose your health information if we are required by law to do so. We also will notify you of these uses and disclosures if notice is required by law.

Public Health Activities. We may disclose your health information to authorized public health officials (or a foreign government agency collaborating with such officials) so they may carry out their public health activities. For example, we may share your health information with government officials that are responsible for controlling disease, injury or disability. We may also disclose your health information to a person who may have been exposed to a communicable disease or health risk for contracting or spreading the disease if a law permits us to do so. We also may disclose your partially de-identified health information for public health purposes.

Victims of Abuse, Neglect or Domestic Violence. We may release your health information to a public health authority that is authorized to receive reports of abuse, neglect or domestic violence. We will try to obtain your permission before releasing this information, but in some cases we may be required or authorized to act without your permission.

Health Oversight Activities. We may release your health information to government agencies authorized to conduct audits, investigations, and inspections of our facility. These government agencies monitor the operation of the health care system, government benefit programs such as Medicare and Medicaid, and compliance with government regulatory programs and civil rights laws. In some cases, we may ask for your consent prior to release to a government agency, or we may remove identifying information before responding.

Product Monitoring, Repair and Recall. We may disclose your health information to a person or company that is regulated by the Food and Drug Administration for the purpose of: (1) reporting or tracking product defects or problems; (2) repairing, replacing, or recalling defective or dangerous products; or (3) monitoring the performance of a product after it has been approved for use by the