

NOTICE OF PRIVACY PRACTICES

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.

Effective Date of Notice: April 14, 2004

This Notice of Privacy Practices ("Notice") is made in compliance with the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Standards") set forth by the U.S. Department of Health and Human Services ("HHS") pursuant to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"). The Neogen Corporation Welfare Benefits Plan (the "Plan") is required by law to take reasonable steps to ensure the privacy of your Protected Health Information ("PHI"), as defined below, and to inform you about:

- (1) The Plan's uses and disclosures of PHI;
- (2) Your privacy rights with respect to your PHI;
- (3) The Plan's duties with respect to your PHI;
- (4) Your right to file a complaint with the Plan and with the Secretary of HHS; and
- (5) The person, or office, to contact for further information about the Plan's privacy practices.

The term "**Protected Health Information**" (PHI) includes all "Individually Identifiable Health Information" transmitted or maintained by the Plan, regardless of form (oral, written or electronic).

The term "**Individually Identifiable Health Information**" means information that:

Is created or received by a health care provider, health plan, employer or health care clearinghouse;

Relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and

Identifies the individual, or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

Section 1. Notice of PHI Uses and Disclosures

1.1 Required PHI Disclosures

Upon your request, the Plan is required to give you access to certain PHI to inspect and copy it and to provide you with an accounting of disclosures of PHI made by the Plan. For further information pertaining to your rights in this regard, see Section 2 of this Notice.

The Plan must disclose your PHI when required by the Secretary of HHS to investigate or determine the Plan's compliance with the Privacy Standards.

1.2 Permitted uses and disclosures to carry out treatment, payment and health care operations

The Plan, its business associates, and their agents/subcontractors (if any) will use or disclose PHI without your consent, authorization or the opportunity to agree or object in order to carry out treatment, payment and health care operations. The Plan will disclose PHI to a business associate only if the Plan receives satisfactory assurance that the business associate will appropriately safeguard the information.

In addition, the Plan may contact you to provide information about treatment alternatives or other health-related benefits and services that may be of interest to you. The Plan will disclose PHI to Neogen Corporation ("Plan Sponsor") for purposes related to treatment, payment and health care operations. The Plan Sponsor has amended its plan documents to protect your PHI as required by the Privacy Standards. The Plan Sponsor will obtain an authorization from you if it intends to use or disclose your PHI for purposes unrelated to treatment, payment and health care operations.

Treatment is the provision, coordination or management of health care and related services by one or more health care providers. It also includes, but is not limited to, consultations and referrals between one or more of your providers.

For example, the Plan may disclose to a treating orthodontist the name of your treating dentist so that the orthodontist may ask for your dental X-rays from the treating dentist.

Payment means activities undertaken by the Plan to obtain premiums or to determine or fulfill its responsibility for coverage and provision of benefits under the Plan, or to obtain or provide reimbursement for the provision of health care. Payment includes, but is not limited to, actions to make eligibility or coverage determinations, billing, claims management, collection activities, subrogation, reviews for medical necessity and appropriateness of care, utilization review and pre-authorizations.

For example, the Plan may tell a doctor whether you are eligible for coverage or what percentage of the bill might be paid by the Plan.

Health care operations means conducting quality assessment and improvement activities, population-based activities relating to improving health or reducing health care costs. Contacting health care providers and patients with information about treatment alternatives, reviewing the competence or qualifications of health care professionals, evaluating health plan performance, underwriting, premium rating and other insurance activities relating to the creation, renewal or replacement of health insurance contracts or health benefits are included. It also includes disease management, case management, conducting or arranging medical reviews, legal services and auditing functions, including fraud and abuse detection and compliance programs, business planning and development, business management and general administrative activities.

For example, the Plan may use information about your claims to refer you to a disease management program, project future benefit costs or to audit the accuracy of its claims processing functions.

1.3 Uses and disclosures that require your written authorization

Your written authorization generally will be obtained before the Plan will use or disclose psychotherapy notes about you from your psychotherapist. Psychotherapy notes are separately filed notes about your conversations with your mental health professional during a counseling session. They do not include summary information about your mental health treatment. The Plan may use and disclose such notes without authorization when needed by the Plan to defend against litigation filed by you.

1.4 Disclosures that require that you be given an opportunity to agree or disagree prior to the disclosure

The Plan may disclose your PHI directly to a family member, another relative, close personal friend or any other person identified by you as is relevant to that person's involvement with your care or payment for your health care. This disclosure will be made when you are present or are otherwise available prior, and you are able to make health care decisions, if:

The Plan obtains your agreement;

The Plan provides you with the opportunity to object to the disclosure and you fail to do so; or

The Plan infers from the circumstances, based upon professional judgment that you do not object to the disclosure.

The Plan may obtain your oral agreement or disagreement to a disclosure.

However, if you are not present, nor have the opportunity to agree or object to the disclosure due to your incapacity or in an emergency circumstance, the Plan may, in the exercise of professional judgement, determine whether the disclosure is in your best interest. If so, the Plan will disclose only the PHI that is directly relevant to that person's involvement with your health care.

1.5 Uses and disclosures for which authorization or opportunity to agree or object is not required

Use and disclosure of your PHI is allowed without your authorization or opportunity to agree or object under the following circumstances:

(a) When required by law, provided that the use or disclosure complies with and is limited to the relevant requirements of such law.

(b) When permitted for purposes of public health activities, including disclosures to:

A public health authority or other appropriate government authority sanctioned by law to receive reports of child abuse or neglect and,

A person subject to the jurisdiction of the Food and Drug Administration (FDA) regarding a FDA-regulated product or action for the purpose of activities related to the quality, safety or effectiveness of such FDA-regulated product or activity. This includes reporting product defects, permitting product recalls and conducting post-marketing surveillance.

PHI also may be disclosed to a person who may have been exposed to a communicable disease or may otherwise be at risk of contracting or spreading a disease or condition, as authorized by law.

(c) With the exception of reports of child abuse or neglect, permitted by part (b) above (iii below), the Plan may disclose your PHI to a government authority if the Plan reasonably believes you to be a victim of abuse, neglect or domestic violence. These government authorities could include a social service or protective service agency, and will occur when either required by law or with your agreement. In such a case, the Plan will promptly inform you or your personal representative that the disclosure either has been or will be made unless the Plan believes that:

Informing you would place you at risk of serious harm.

Informing your personal representative is responsible for the abuse, neglect or other injury, therefore, informing that person would not be in your best interest.

For the purposes of reporting child abuse or neglect, it is not necessary to inform the minor that such a disclosure has been or will be made. Disclosure, generally, may be made to the minor's parents or other representatives, although there may be circumstances, under state or federal law, in which the parents or other representatives may not be given access to the minor's PHI.

(d) The Plan may disclose your PHI to a health oversight agency for oversight activities authorized by law. This activity could include civil, administrative or criminal investigations, inspections, licensure or disciplinary actions (i.e. an investigation of complaints against providers). These and other activities may be instigated for appropriate oversight of:

The health care system

Government benefit programs for which health information is relevant to beneficiary eligibility.

Entities subject to government regulatory programs for which health information is needed to determine compliance with program standards.

Entities subject to civil rights laws for which health information is needed to determine compliance.

(e.) The Plan may disclose your PHI in the course of a judicial or administrative proceeding in response to an order of a court or administrative tribunal, provided that the Plan discloses only the PHI expressly authorized by such order. This may also be done in response to a subpoena, discovery request, or other lawful process that is not, however, accompanied by a court order or administrative tribunal, but only if certain conditions are met. One of those conditions is that satisfactory assurances must be given to the Plan that the requesting party has made a good faith attempt to provide written notice to you, and that the notice provided sufficient information about the proceeding to permit you to raise an objection. It must also be that the time allotted you to object has expired, and either no objections were raised or were resolved in favor of disclosure by the court or tribunal.

(f) The Plan may disclose your PHI to a law enforcement official when required for law enforcement purposes. The Plan may disclose PHI as required by law, including laws that require the reporting of certain types of wounds. Also, the Plan may disclose PHI in compliance with;

A court order, court-ordered warrant, or a subpoena or summons issued by a judicial officer,

A grand jury subpoena, or

An administrative request, including an administrative subpoena or summons, a civil or authorized investigative demand, provided certain conditions are satisfied.

PHI may be disclosed for law enforcement purposes, including the purpose of identifying or locating a suspect, fugitive, material witness or missing person. Under certain circumstances, the Plan may disclose your PHI in response to law enforcement official's request if you are, or are suspected to be, a victim of a crime. Further, the Plan may disclose your PHI if it believes in good faith that the PHI constitutes evidence of criminal conduct that occurred on the Plan's premises.

(g) The Plan may disclose PHI to a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death or other duties as authorized by law. Also, disclosure is permitted to funeral directors, consistent with applicable law, as necessary to carry out their duties with respect to the decedent.

(h) The Plan may use or disclose PHI for research, subject to certain conditions.

(i) When consistent with applicable law and standards of ethical conduct, the Plan may use or disclose PHI if the Plan believes, in good faith, that the use or disclosure is:

Necessary to prevent or lessen a serious and imminent threat to health or safety of a person or the public, and is able to prevent or lessen the threat, including the target of the threat, or

Needed for law enforcement authorities to identify or apprehend an individual, provided certain requirements are met.

(j) The Plan may disclose PHI when authorized by, and to the extent necessary, to comply with workers' compensation or other similar programs established by law.

Except as otherwise indicated in the Notice, uses and disclosures will be made only with your written authorization, subject to your right to revoke such authorization. You may revoke an authorization at any time, provided your revocation is done in writing, except to the extent that the Plan has taken action in reliance upon the authorization, or if the authorization was obtained as a condition of obtaining insurance coverage. Other law(s) provide the insurer with the right to contest a claim under the policy or the policy itself.

Section 2: Rights of Individuals

2.1.1 Right to Request Restrictions of PHI Uses and Disclosures

You may request the Plan to restrict uses and disclosures of your PHI to carry out treatment, payment or health care operations, or to restrict disclosures to family members, relatives, friends or other persons identified by you who are involved in your care or payment for your care. However, the Plan is not required to agree to your requested restriction.

If the Plan agrees to a requested restriction, the Plan may not use or disclose PHI in violation of such restriction, unless you are later in need of emergency treatment and the restricted PHI is needed to provide the emergency treatment. The Plan may then use the restricted PHI, or disclose such information to a health care provider, to deliver such treatment to you. If restricted PHI is disclosed to a health care provider for emergency treatment, the Plan must request that such health care provider not further use or disclose the information.

A restriction agreed to by the Plan is not effective to prevent uses or disclosures when required by the Secretary of HHS to investigate or determine the Plan's compliance with the Privacy Standards or uses or disclosures that are otherwise required by law.

The Plan may terminate its agreement to a restriction, if:

You agree to or request the termination in writing;

You orally agree to the termination and the oral agreement is documented; or

The Plan informs you that it is terminating its agreement to a restriction. Such termination is only effective with respect to PHI created or received after the Plan has informed you of the termination.

If the Plan agrees to a restriction, it will document the restriction by maintaining a written or electronic record of the restriction. The record of the restriction will be retained for six years from the date of its creation or the date when it last was in effect, whichever is later.

You or your personal representative will be required to request restrictions on uses and disclosures of your PHI in writing. Such requests should be addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Lesher Place, Lansing, MI 48912.

2.2 Right to Request Confidential Communications of PHI

You may request to receive communications of PHI from the Plan by alternative means or at alternative locations if you clearly state that the disclosure of all or part of the information to which the request pertains could endanger you. The Plan will accommodate all such reasonable requests. However, the Plan may condition the provision of a reasonable accommodation on:

Information pertaining to the arrangement of payment, when appropriate, will be handled; and
Specification by you of an alternative address or other method of contact.

You or your personal representative will be required to request confidential communications of PHI in writing. Such requests should be addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Lesher Place, Lansing, MI 48912

2.3 Right to Inspect and Copy PHI

You have a right to inspect and obtain a copy of your PHI contained in a "designated record set," for as long as the Plan maintains PHI in the designated record set.

"Designated Record Set": A group of records maintained by, or for, a health plan. Specifically, it is enrollment, payment, claims adjudication and case or medical management record systems to be used in whole or in part by or for the health plan to make decisions about individuals. Information used for quality control or peer review analyses and not used to make decisions about individuals is not in the designated record set.

The Plan will act on a request for access no later than 30 days after receipt of the request. However, if the request for access is for PHI that is not maintained or accessible to the Plan on-site, the Plan must take action no later than 60 days from the receipt of such request. The Plan must take action as follows: if the Plan grants the request, in whole or in part, the Plan must inform you of the acceptance and provide the access requested. However, if the Plan denies the request, in whole or in part, the Plan must provide you with a written denial. If the Plan cannot take action within the required time, the Plan may extend the time for such action by no more than 30 days. However, the Plan must provide you with a written statement, within the applicable time limit, of the reasons for the delay and the date by which it will complete its action on the request.

If the Plan provides access to PHI, it will provide the access requested, including inspection or obtaining a copy or both, of your PHI in a designated record set. The Plan will provide you with access to the PHI in the form or format requested if it is readily producible in such form or format. If it is not, the Plan will provide you with a readable hard copy form or such other form or format as agreed to between you and the Plan. The Plan may provide you with a summary of the PHI request, in lieu of providing access to the PHI or may provide an explanation of the PHI to which access has been provided in certain

circumstances. The Plan will arrange with you for a convenient time and place to inspect or obtain a copy of the PHI, or mail a copy of the PHI at your request. If you request a copy of PHI or agree to a summary or explanation of PHI, the Plan may impose a reasonable, cost-based fee.

If the Plan denies access to PHI in whole or in part, the Plan will, to the extent possible, give you access to any other PHI requested, after excluding PHI as to which the Plan has grounds to deny access. If access is denied, you or your personal representative will be provided with a written denial setting forth the basis for the denial. If applicable, a statement of your review rights, including a description of how you may exercise those review rights and a description of how you may file a complaint to the Plan or to the Secretary of the HHS, will be included. If you request a review of a decision to deny access, the Plan will refer the request to a designated licensed health care professional for review. The reviewing official will then determine whether to deny the access requested within a reasonable period of time. The Plan will promptly provide you with written notice of that determination.

If the Plan does not maintain the PHI that is the subject of your request for access, and the Plan knows where the requested information is maintained, the Plan will inform you where to direct the request for access.

You or your personal representative will be required to request access to your PHI in writing. Such requests should be addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912.

2.4 Right to Amend PHI

You have the right to request the Plan to amend your PHI or a record about you in a designated record set for as long as the PHI is maintained in the designated record set.

The Plan may deny your request for amendment if it determines that the PHI or record that is the subject of the request:

- Was not created by the Plan, unless you provide a reasonable basis to believe that the originator of the PHI is no longer available to act on the requested amendment;
- Is not part of the designated record set;
- Would not be available for your inspection under the Privacy Standards; or
- Is accurate and complete.

The Plan has 60 days after the request is made to act on the request. A single 30-day extension is allowed if the Plan is unable to comply within that deadline, provided that the Plan gives you a written statement within the original 60-day time period of the reasons for the delay and the date by which it will complete its action. If the Plan accepts the requested amendment, the Plan will make the appropriate amendment to the specified PHI or record. At a minimum, this will be done by identifying the records in the designated record set to be affected by the amendment and appending or otherwise providing a link to the location of the amendment. The Plan will inform you in a timely manner that the amendment is accepted, and obtain your identification of and agreement to have the Plan notify the relevant persons with whom the amendment needs to be shared as provided in the Privacy Standards.

If the request is denied in whole or in part, the Plan must provide you with a written denial that:

- Explains the basis for the denial,
- Sets forth your right to submit a written statement disagreeing with the denial and how to file such a statement,
- States that, if you do not submit a statement of disagreement, you may request that the Plan provide your request for amendment and the denial with any future disclosures of the specified PHI amendment, and
- Includes a description of how you may make a complaint to the Plan or to the Secretary of HHS.

The Plan may reasonably limit the length of a statement of disagreement. Further, the Plan may prepare a written rebuttal to a statement of disagreement, which will be provided to you. As appropriate, The Plan must identify the record or PHI in the designated record set specific to the disputed amendment.

The Plan must then append, or otherwise link, your request for an amendment, the Plan's denial of the request, your statement of disagreement (if any) and the Plan's rebuttal (if any) to that designated record set.

If a statement of disagreement has been submitted, the Plan will include the above-referenced material, or, at the Plan's election, an accurate summary of such information, along with any subsequent disclosure of the PHI to which the disagreement relates. If you do not submit a written statement of disagreement, the Plan must include your request for amendment and its denial, or an accurate summary of such information with any subsequent disclosure of the PHI only if requested by you.

You or your personal representative will be required to request amendment to your PHI in a designated record set in writing. Such requests should be addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912. All requests for amendment of PHI must include a reason to support the requested amendment.

2.5 Right to Receive an Accounting of PHI Disclosures

At your request, the Plan will provide you with an accounting of disclosures by the Plan of your PHI during the six years prior to the date on which the accounting is requested. However, such accounting need not include PHI disclosures made:

- To carry out treatment, payment or health care operations;
- To individuals about their own PHI;
- Incident to a use or disclosure otherwise permitted or required by the Privacy Standards;
- Pursuant to an authorization;
- To certain persons involved in your care or payment for your care;
- To notify certain persons of your location, general condition or death;
- As part of a "Limited Data Set" (as defined in the Privacy Standards), which largely relates to research purposes; or
- Prior to the compliance date of April 14, 2004.

You may request an accounting of disclosures for a period of time less than six years from the date of the request.

The accounting will include disclosures of PHI that occurred during the six years (or such shorter time period, if applicable) prior to the date of the request for an accounting, including disclosures to or by business associates of the Plan. Except as otherwise provided below, for each disclosure, the accounting will include:

- The date of the disclosure;
- The name of the entity or person who received the PHI and, if known, the address of such entity or person;
- A brief description of the PHI disclosed; and
- A brief statement of the purpose of the disclosure that reasonably informs you of the basis for the disclosure, or, in lieu of such statement, a copy of a written request for disclosure.

If, during the period covered by the accounting, the Plan has made multiple disclosures of PHI to the same person or entity for a single purpose, the accounting may, with respect to such multiple disclosures, provide the following:

- The above-referenced information for the first disclosure;
- The frequency, periodicity or number of the disclosures made during the accounting period and,
- The date of the last disclosure.

If during the period covered by the accounting, the Plan has made disclosures of PHI for a particular research purpose for 50 or more individuals, the accounting may, with respect to such disclosures for which your PHI may have been included, provide certain information as permitted by the Privacy standards. If the Plan provides an accounting for such research disclosures, and if it is

reasonably likely that your PHI was disclosed for such research activity, the Plan shall, at your request, assist in contacting the entity that sponsored the research and the researcher.

If the accounting cannot be provided within 60 days after receipt of the request, an additional 30 days is allowed if the individual is given a written statement of the reasons for the delay and the date by which the accounting will be provided.

If you request more than one accounting within a 12-month period, the Plan will charge a reasonable, cost-based fee for each subsequent accounting unless you withdraw or modify the request for a subsequent accounting to avoid or reduce the fee.

You or your personal representative will be required to request an accounting of your PHI disclosures in writing. Such requests should be addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912.

2.6 The Right To Receive a Paper Copy of This Notice Upon Request

You have a right to obtain a paper copy of this Notice upon request. To request a paper copy of this Notice, contact the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912, 517-372-9200.

2.7 A Note About Personal Representatives

You may exercise your rights through a personal representative. Your personal representative will be required to produce evidence of his/her authority to act on your behalf before that person will be given access to your PHI or allowed to take any action for you. Proof of such authority may include, but is not limited to, the following:

Power of Attorney for health care purposes, notarized by a notary public;
Court Order of Appointment of the person as the conservator or guardian of the individual; or
Individual who is the parent of a minor child.

The Plan retains discretion to deny access to your PHI to a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect. This also applies to personal representatives of minors.

Section 3: The Plan's Duties

3.1 Notice

The Plan is required by law to maintain the privacy of PHI and to provide individuals (participants and beneficiaries) with notice of its legal duties and privacy practices with respect to PHI.

This Notice is effective beginning on the effective date set forth on Page 1 of this Notice, and the Plan is required to comply with the terms of this Notice. However, the Plan reserves the right to change the terms of this Notice and to make the new revised notice provisions effective for all PHI that it maintains, including any PHI created, received or maintained by the Plan prior to the date of the revised notice. If a privacy practice is changed, a revised version of this Notice will be provided to all individuals then covered by the Plan. If agreed upon between the Plan and you, the Plan will provide you with a revised Notice electronically. Otherwise, the Plan will mail a paper copy of the revised Notice to your home address. In addition, the revised Notice will be maintained on any web site maintained by the Plan to provide information about its benefits.

Any revised version of this Notice will be distributed within 60 days of any material change to the uses or disclosures, the individual's rights, the duties of the Plan or other privacy practices stated in this Notice. Except when required by law, a material change to any term of this Notice may not be implemented prior to the effective date of the revised notice in which such material change is reflected.

3.2 Minimum Necessary Standard

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request. However, consideration will be taken of the practical and technological limitations.

The minimum necessary standard will not apply in the following situations:

- (a) Disclosures to, or requests by, a health care provider for treatment;
- (b) Uses or disclosures made to the individual;
- (c) Disclosures made to the Secretary of HHS.
- (d) Uses or disclosures that are required by law;
- (e) Uses or disclosures that are required for the Plan's compliance with the Privacy Standards; and
- (f) Uses or disclosures made pursuant to an authorization.

This Notice does not apply to information that has been de-identified. De-identified information is health information that does not identify an individual and to which there is no reasonable basis to believe that the information can be used to identify an individual. It is not individually identifiable health information.

In addition, the Plan may use or disclose "summary health information" to the Plan Sponsor for obtaining premium bids or modifying, amending or terminating the group health plan. Summary health information summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a plan sponsor has provided health benefits under a group health plan, and from which identifying information has been deleted in accordance with the Privacy Standards.

Section 4: Your Right to File a Complaint with the Plan or the HHS Secretary

If you believe that your privacy rights have been violated, you may file a complaint with the Plan. Complaints must be in writing and addressed to the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912.

You also may file a complaint with the Secretary of the U.S. Department of Health and Human Services, by writing to the following address: The Hubert H. Humphrey Building, 200 Independence Avenue, S.W., Washington, D.C. 20201.

The Plan will not retaliate against you for filing a complaint.

Section 5: Whom to Contact at the Plan for More Information

If you have any questions regarding this Notice or the subjects addressed in it, you may contact the following individual: Neogen Corporation, Human Resources Manager, 620 Leshar Place, Lansing, MI 48912, 517-372-9200.

Conclusion

A federal law known as HIPAA regulates PHI use and disclosure by the Plan. You may find these rules at 45 Code of Federal Regulations Parts 160 and 164. This Notice attempts to summarize the Privacy Standards. The Privacy Standards will supersede any discrepancy between the information in this Notice and the Privacy Standards.