

HIPAA/State Law Preemption Policy

Introduction

STRATEQ HEALTH, INC. has adopted this HIPAA/State Law Preemption Policy in order to recognize the requirement to comply with the Health Insurance Portability and Accountability Act ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health ("HITECH") Act of 2009 (Title XIII of division A and Title IV of division B of the American Recovery and Reinvestment Act "ARRA") and the HIPAA Omnibus Final Rule (Effective Date: March 26, 2013).

STRATEQ HEALTH, INC. hereby acknowledges our duty and responsibility to protect the privacy and security of Individually Identifiable Health Information ("IIHI") generally, and Protected Health Information ("PHI") as defined in the HIPAA Regulations, under the regulations implementing HIPAA, other federal and state laws protecting the confidentiality of personal information, and under principles of general and professional ethics. We also acknowledge our duty and responsibility to support and facilitate the timely and unimpeded flow of health information for lawful and appropriate purposes.

Scope of Policy

This policy governs HIPAA Preemption and State Law for **STRATEQ HEALTH, INC.** All personnel of **STRATEQ HEALTH, INC.** must comply with this policy. Demonstrated competence in the requirements of this policy is an important part of the responsibilities of every member of the workforce.

Officers, agents, employees, Business Associates, contractors, affected vendors, temporary workers, and volunteers must read, understand, and comply with this policy in full and at all times.

Assumptions

- STRATEQ HEALTH, INC.** hereby recognizes its status as a Business Associate under the definitions contained in the HIPAA Regulations.
- STRATEQ HEALTH, INC.** must comply with HIPAA and the HIPAA implementing regulations, in accordance with the requirements at 45 CFR Parts 160 and 164, as amended.
- HIPAA generally preempts state laws regarding medical or health privacy. However, state laws that provide stronger protections for confidential health data, or that provide for better patient and consumer access to health data than HIPAA, will generally preempt HIPAA regulations.
- HIPAA Covered Entities and Business Associates must follow both HIPAA law and state law when possible. If there is a conflict between the two, a preemption analysis and

determination must be made to assess which laws (HIPAA, State Laws, or both) must be followed.

Policy Statement

- It is the Policy of **STRATEQ HEALTH, INC.** to comply, whenever possible, with both state law in the state(s) where we operate, as well as HIPAA law and regulations.

Procedures

- STRATEQ HEALTH, INC.**'s designated Privacy Official, or other responsible party (if no Privacy Official has been designated) shall analyze HIPAA preemption issues, in cooperation with legal counsel, and make preemption determinations.
- STRATEQ HEALTH, INC.**'s designated Privacy Official, or other responsible party (if no Privacy Official has been designated), shall create, modify, or amend organization policies to accurately reflect preemption determinations and provide guidance to management on HIPAA and state law preemption issues.
- If off-the-shelf or custom preemption analyses are obtained from external sources, it is the responsibility of the **STRATEQ HEALTH, INC.**'s designated Privacy Official, in cooperation with legal counsel, to certify the validity and accuracy of such external preemption analyses before applying those analyses to **STRATEQ HEALTH, INC.** operations.
- STRATEQ HEALTH, INC.**'s designated Privacy Official, or other responsible party (if no Privacy Official has been designated), shall conduct ongoing research to monitor legislative changes in the state(s) where we operate that could affect HIPAA preemption issues.

Compliance and Enforcement

All managers and supervisors are responsible for enforcing this policy. Employees who violate this policy are subject to discipline up to and including termination in accordance with **STRATEQ HEALTH, INC.**'s Sanction Policy.