

## **Statement of Designation of Hoola Lahui Hawai'i as a Hybrid Entity Pursuant to the Health Insurance Portability and Accountability Act of 1996**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) establishes standards to protect the security and privacy of personally identifiable health care information provided by health plans, health care clearinghouses and health care providers who transmit health care information in electronic form. As recently amended and implemented by the Department of Health and Human Services, HIPAA provides patients with increased access to their medical records and more control over how their personal health information is used and disclosed. HIPAA also includes provisions designed to encourage electronic transactions and requires new safeguards to protect the security and confidentiality of health information.

Ho'ola Lahui Hawai'i strives to protect the confidentiality, integrity and availability of protected health information (PHI) by taking reasonable and appropriate steps to address the requirements of HIPAA. A number of functions within Ho'ola Lahui Hawai'i access, acquire, create, maintain and transmit PHI.

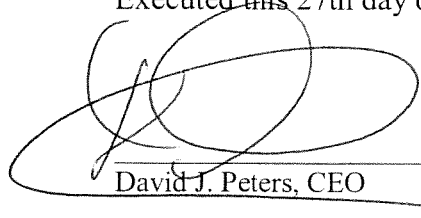
HIPAA applies to "covered entities," which include health plans, health care clearinghouses, and health care providers that conduct specified transactions electronically. Ho'ola Lahui Hawai'i is a covered entity under HIPAA and its regulations. However, not all functions within Ho'ola Lahui Hawai'i regularly have access to PHI, and the business activities of Ho'ola Lahui Hawai'i include both covered and non-covered functions under HIPAA. An organization such as Ho'ola Lahui Hawai'i whose business activities include both functions that are covered by HIPAA and functions that are not covered by HIPAA may designate itself a "hybrid entity" for HIPAA compliance purposes. To do so, the organization must designate and include in its covered components all functions of the organization that would meet the definition of a covered entity if those components were separate legal entities. Although the hybrid entity remains responsible for oversight, compliance, and enforcement obligations, the HIPAA requirements apply only to the covered components.

Pursuant to HIPAA, Ho'ola Lahui Hawai'i hereby designates itself as a hybrid entity and has designated the following functions as covered components, which are required to comply with the HIPAA regulations:

- 1) Medical Services
- 2) Dental Services
- 3) Behavioral Health Services
- 4) Pharmacy Services

Ho'ola Lahui Hawai'i reserves the right to amend this policy to include additional components and to make exceptions to, modify, or eliminate this policy.

Executed this 27th day of June 2012



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David J. Peters, CEO