



TeleDirect HIPAA Security Rule Standards

The HIPAA Security Rule identifies standards and implementation specifications that organizations must meet in order to become compliant. All organizations, except small health plans, that access, store, maintain or transmit patient-identifiable information are required by law to meet the HIPAA Security Standards. Failing to comply can result in severe civil and criminal penalties.

The general requirements of the HIPAA Security Rule establish that covered entities must do the following:

- 1. Ensure the confidentiality, integrity, and availability of all electronic protected health information (ePHI) the covered entity creates, receives, maintains, or transmits.**
 - a. TeleDirect works with a variety of information critical to our ongoing success. To protect our clients, callers, employees and TeleDirect, we must ensure information integrity, confidentiality, and accessibility is maintained. Our ISMS objectives are established once the risks unique to our business are evaluated. Risks are evaluated by identifying the threats that present the most danger and our vulnerability to those threats, taking into account the value of the asset at risk. We measure our success controlling these risks through regular reviews and audits where we examine the logs and controls in place to detect security incidents. TeleDirect has in place a Information Security Management System (ISO 27001 certified) which includes our Information Security Policy which is in place to ensure all electronic protected health information (ePHI) is protected under HIPAA compliance security rule standards.

- 2. Protect against any reasonably anticipated threats or hazards to the security or integrity of electronic Protected Health information.**
 - a. TeleDirect's objective is to have no security incidents that result in the loss of data confidentiality, accessibility or integrity each quarter. To measure this objective we review our firewall logs, server reports and security incident reports during each audit and on an ongoing daily bases. If our audit reveals a risk to our information security, continuity or HIPAA compliance with our legal or contractual obligations an immediate risk assessment is done and corrective action taken. All electronic Protected Health Information is stored on TeleDirect's secure SQL Database server that is located at a fully secure world class data center facility and can only be accessed by select authorized personal.

3. **Protect against any reasonably anticipated uses or disclosures of protected health information that are not permitted or required.**
 - a. TeleDirect protect against uses or disclosures of protected health information that are not permitted or required through the use of ISMS Secure Call Center Policy, Access Control Policy, Station Lockdown policy, Clear Desk/Screen Policy and System Access Timeout policy.

4. **Ensure compliance by the workforce.**
 - a. TeleDirect ensures HIPAA compliance by its workforce through ongoing HIPAA Training. TeleDirect requires that all employees that process Protected Health Information be trained about the company's HIPAA Policies and those specific HIPAA required procedures that may affect the work they do for the company.

Summary CIA of ePHI

The core objective of the HIPAA Security Rule is for all covered entities such as pharmacies, hospitals, health care providers, clearing houses and health plans to support the Confidentiality, Integrity and Availability (CIA) of all ePHI.

The core objective is for organizations to support the CIA of all ePHI. Figure 1 illustrates this point.



Figure 1: CIA of ePHI.

The HIPAA Security Rule outlines the requirements in five major sections:

- Administrative Safeguards
- Physical Safeguards
- Technical Safeguards
- Organizational Requirements
- Policies, Procedures and Documentation Requirements

Figure 2 summarizes information about the Privacy Rule and Security Rule Safeguard requirements.

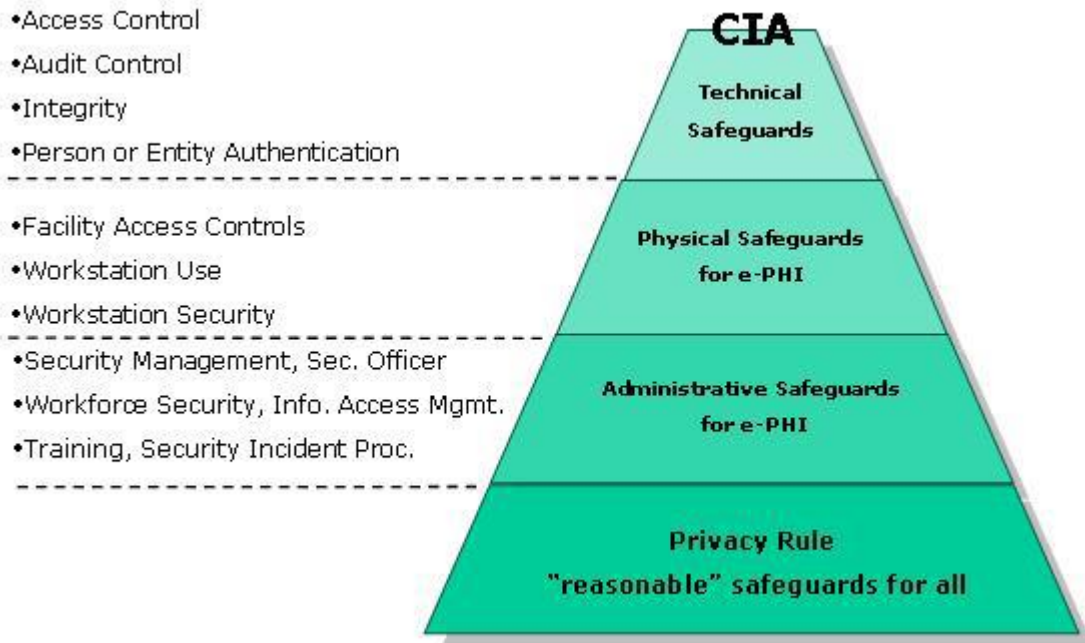


Figure 2: Privacy Rule and Security Rule Safeguard Requirements