



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.

Dear Walgreens Patient,

You're probably asking, "What is this?" Believe me, it's not as complicated as it appears. This notice talks about the **privacy of your prescription information**. That's nothing new — we've always taken great care to guard your privacy. What *is* new is a government regulation requiring us to spell out your rights. That's what you'll find on the following pages, and that's why our pharmacy asked for a signature that indicates this notice was received.

We believe privacy is part of Walgreens "safety net." Your health history is continually updated and available — at 3 a.m., on an out-of-town trip, or when a doctor or emergency room needs your prescription history.

If you're a registered user on Walgreens.com, you can also update your health history to include drug allergies, health conditions and non-prescription products. You can learn about potential drug interactions and search our Health Library featuring Mayo Clinic Health Information. And you can set up automatic refills so you never have to worry about running out of medication.

We've spent a century building your trust in our pharmacists and our company. Thank you for being a Walgreens patient. We take the faith you've placed in us very seriously.

Sincerely,

Dave Bernauer
Chairman and CEO

Walgreens is required by law to maintain the privacy of Protected Health Information ("PHI") and to provide you with notice of our legal duties and privacy practices with respect to PHI. PHI is information that may identify you and that relates to your past, present or future physical or mental health or condition and related health care services.

This Notice of Privacy Practices ("Notice") describes how we may use and disclose PHI to carry out treatment, payment or health care operations and for other specified purposes that are permitted or required by law. The Notice also describes your rights with respect to your PHI. We are required to provide this notice to you by the Health Insurance Portability and Accountability Act ("HIPAA").

Walgreens is required to follow the terms of this Notice. We will not use or disclose your PHI without your written authorization, except as described or otherwise permitted by this Notice. We reserve the right to change our practices and this Notice and to make the new Notice effective for all PHI we maintain. Upon request, we will provide any revised Notice to you.

Examples of How We Use and Disclose Protected Health Information About You

The following categories describe different ways that we use and disclose your protected health information. We have provided you with examples in certain categories; however, not every use or disclosure in a category will be listed.

Treatment. We may use your health information to provide and coordinate the treatment, medications and services you receive. For example, we may contact you regarding compliance programs such as drug recommendations, therapeutic substitution, refill reminders, other product recommendations, counseling and drug utilization review (DUR), product recalls or disease state management.

Payment. We may use your health information for various payment-related functions. Example: We may contact your insurer, pharmacy benefit manager or other health care payor to determine whether

it will pay for your medication and the amount of your co-payment. We will bill you or a third-party payor for the cost of medications dispensed to you. The information on or accompanying the bill may include information that identifies you, as well as the medications you are taking.

Health Care Operations. We may use your health information for certain operational, administrative and quality assurance activities. Example: We may use information in your health record to monitor the performance of the pharmacists providing treatment to you. This information will be used in an effort to continually improve the quality and effectiveness of the health care and service we provide. We may disclose health information to business associates if they need to receive this information to provide a service to us and will agree to abide by specific HIPAA rules relating to the protection of health information.

We may also use your health information to provide you with information about benefits available to you, and, in limited situations, about health-related products or services that may be of interest to you. If you register your email address on Walgreens.com, you may elect to receive this information via email.

We are permitted to use or disclose your PHI for the following purposes. However, Walgreens may never have reason to make some of these disclosures.

To Communicate with Individuals Involved in Your Care or Payment for Your Care.

We may disclose to a family member, other relative, close personal friend or any other person you identify, PHI directly relevant to that person's involvement in your care or payment related to your care.

Food and Drug Administration (FDA).

We may disclose to the FDA, or persons under the jurisdiction of the FDA, PHI relative to adverse events with respect to drugs, foods, supplements, products and product defects, or post-marketing

surveillance information to enable product recalls, repairs, or replacement.

Worker's Compensation. We may disclose your PHI to the extent authorized by and to the extent necessary to comply with laws relating to worker's compensation or other similar programs established by law.

Public Health. As required by law, we may disclose your PHI to public health or legal authorities charged with preventing or controlling disease, injury, or disability.

Law Enforcement. We may disclose your PHI for law enforcement purposes as required by law or in response to a subpoena or court order.

As Required by Law. We will disclose your PHI when required to do so by federal, state, or local law.

Health Oversight Activities. We may disclose your PHI to an oversight agency for activities authorized by law. These oversight activities include audits, investigations, inspections, and credentialing, as necessary for licensure and for the government to monitor the health care system, government programs, and compliance with civil rights laws.

Judicial and Administrative Proceedings.

If you are involved in a lawsuit or a dispute, we may disclose your PHI in response to a court or administrative order. We may also disclose health information about you in response to a subpoena, discovery request, or other lawful process instituted by someone else involved in the dispute, but only if efforts have been made, either by the requesting party or us, to tell you about the request or to obtain an order protecting the information requested.

Research. We may disclose your PHI to researchers when their research has been approved by an institutional review board or privacy board that has reviewed the research proposal and established protocols to ensure the privacy of your information.

Coroners, Medical Examiners, and Funeral Directors. We may release your PHI to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or determine the cause of death. We may also disclose PHI to funeral directors consistent with applicable law to enable them to carry out their duties.

Organ or Tissue Procurement Organizations. Consistent with applicable law, we may disclose your PHI to organ procurement organizations or other entities engaged in the procurement, banking, or transplantation of organs for the purpose of tissue donation and transplant.

Notification. We may use or disclose your PHI to notify or assist in notifying a family member, personal representative, or another person responsible for your care, regarding your location and general condition.

Fundraising. We may contact you as part of a fundraising effort.

Correctional Institution. If you are or become an inmate of a correctional institution, we may disclose to the institution or its agents PHI necessary for your health and the health and safety of other individuals.

To Avert a Serious Threat to Health or Safety.

We may use and disclose your PHI when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person.

Military and Veterans. If you are a member of the armed forces, we may release PHI about you as required by military command authorities. We may also release PHI about foreign military personnel to the appropriate foreign military authority.

National Security, Intelligence Activities, and Protective Services for the President and Others. We may release PHI about you to federal officials for intelligence, counterintelligence, protection to the President, and other national security activities authorized by law.

Victims of Abuse or Neglect. We may disclose PHI about you to a government authority if we reasonably believe you are a victim of abuse or neglect. We will only disclose this type of information to the extent required by law, if you agree to the disclosure, or if the disclosure is allowed by law and we believe it is necessary to prevent serious harm to you or someone else.

Other Uses and Disclosures of PHI

We will obtain your written authorization before using or disclosing your PHI for purposes other than those provided for above (or as otherwise permitted or required by law). You may revoke an authorization in writing at any time. Upon receipt of the written revocation, we will stop using or disclosing your PHI, except to the extent that we have already taken action in reliance on the authorization.

Your Health Information Rights

Obtain a paper copy of the Notice upon request. You may request a copy of our current Notice at any time. Even if you have agreed to receive the Notice electronically, you are still entitled to a paper copy. You may obtain a paper copy from a pharmacy, mail service location or the Privacy Office.

Request a restriction on certain uses and disclosures of PHI. You have the right to request additional restrictions on our use or disclosure of your PHI by sending a written request to the Privacy Office. We are not required to agree to those restrictions. We cannot agree to restrictions on uses or disclosures that are legally required, or which are necessary to administer our business.

Inspect and obtain a copy of PHI. In most cases, you have the right to access and copy the PHI that we maintain about you. To inspect or copy your PHI, you must send a written request to the Privacy Office. We may charge you a fee for the costs of copying, mailing and supplies that are necessary to fulfill your request. We may deny your request to inspect and copy in certain limited circumstances.

Request an amendment of PHI. If you feel the PHI we maintain about you is incomplete or incorrect, you may request that we amend it. To request an amendment, you must send a written request to the Privacy Office. You must include a reason that supports your request. In certain cases, we may deny your request for amendment.

Receive an accounting of disclosures of PHI.

You have the right to receive an accounting of the disclosures we have made of your PHI after April 14, 2003, for most purposes other than treatment, payment, or health care operations. The right to receive an accounting is subject to certain exceptions, restrictions, and limitations. To request an accounting, you must submit a request in writing to the Privacy Office. Your request must specify the time period. The time period may not be longer than six years and may not include dates before April 14, 2003.

Request communication of PHI by alternative means or at alternative locations.

For instance, you may request that we contact you at a different residence or post office box. To request confidential communication of your PHI, you must submit a request in writing to the Privacy Office. Your request must tell us how or where you would like to be contacted. We will accommodate all reasonable requests.

Where to obtain forms for submitting written requests. You may obtain forms for submitting written requests from any Walgreens store or mail service location or by contacting the Privacy Officer at Walgreen Co. Privacy Office, 200 Wilmot Road, Mail Stop 9000, Deerfield, Illinois 60015 or toll-free by telephone at (877) 924-4472. You can also visit www.walgreens.com to obtain these forms.

Incidental Disclosures

Walgreens will make reasonable efforts to avoid incidental disclosures of protected health information. An example of an incidental disclosure is conversations that may be overheard between

the pharmacy staff and the patient at the drive-thru, as a result of the speaker system. To reduce the likelihood of this happening, we recommend that you go inside the store to the pharmacy for any consultations.

Minors

If you are a minor who has lawfully provided consent for treatment and you wish for Walgreens to treat you as an adult for purposes of access to and disclosure of records related to such treatment, please notify a pharmacist or the Privacy Office.

For More Information or To Report a Problem

If you have questions or would like additional information about Walgreens' privacy practices, you may contact our **Privacy Officer** at Walgreen Co. Privacy Office, 200 Wilmot Road, Mail Stop 9000, Deerfield, Illinois 60015 or toll-free by telephone at (877) 924-4472. If you believe your privacy rights have been violated, you can file a complaint with the **Privacy Officer** or with the Secretary of Health and Human Services. You can also file a complaint through www.walgreens.com, and we will route your complaint to the Privacy Office. There will be no retaliation for filing a complaint.

Effective Date

This Notice is effective as of April 13, 2003.