NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN ACCESS THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

If you have any questions about this notice, contact Rotech Healthcare Inc.

Mailing Address: Rotech’s Privacy Officer
                 Attn: Corporate Compliance Department
                 3600 Vineland Road, Suite 114
                 Orlando, Florida 32811

Phone: (877) 603-7840
Email: corporate@rotech.com

PURPOSE OF THIS NOTICE

This notice describes the ways in which we may use and disclose medical information about you. This notice also describes your rights and certain obligations we have regarding the use and disclosure of medical information.

OUR LEGAL REQUIREMENTS

The law requires us to make sure medical information that identifies you is kept private; give you this notice of our legal duties and privacy practices with respect to medical information about you; obtain acknowledgment of receipt of this notice from you; follow the terms of the notice that currently are in effect; change the notice only in accordance with federal rules; and provide our internal complaint process for privacy issues to you.

WHO WILL FOLLOW OUR PRIVACY PRACTICES

This notice describes Rotech’s practices and that of all Rotech employees, other Rotech personnel and all Rotech entities that have common ownership and/or control. All these entities, sites and locations follow the terms of this notice. In addition, these entities, sites and locations may share medical information with each other for treatment, payment or health care operations purposes described in this notice.

OUR PLEDGE REGARDING MEDICAL INFORMATION

We understand that medical information about you and your health is personal. We are committed to protecting medical information about you. We create a record of the care and services that we provide to you. We need this record to provide you with quality care and to comply with certain legal requirements. This notice applies to all of the records of your care we generate. This notice also applies to other health information about you, such as information collected with your authorization during research studies. Your personal doctor and other entities providing products or services to you may have different policies or notices regarding their use and disclosure of your medical information.

YOUR RIGHTS REGARDING YOUR MEDICAL INFORMATION

Right to Inspect and Copy
You have the right to inspect, request a summary and obtain a copy of your medical information about you or your care. To inspect and obtain a copy of medical information about you or your care, you must submit your request in writing to: Rotech’s Privacy Officer, Attn: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida 32811. To obtain the request form, contact the Compliance Department at (877) 603-7840. If you request a physical copy of the information, we may charge a fee
for the costs of copying, mailing and office supplies associated with your request. If you request an
electronic copy of your medical information, our fee will not exceed our labor costs in responding to
your request for the electronic copy (or summary or explanation), the costs of the electronic media
(such as a CD or zip drive) and postage, if mailed. We may deny your request to inspect and obtain a
copy in certain very limited circumstances. If you are denied access to medical information, you may
request that the denial be reviewed. Another licensed health care professional chosen by us will review
your request and the denial. The person conducting the review will not be the same person who denied
your request. We will comply with the outcome of the review.

Right to Amend
If you feel that medical information we have about you is incorrect or incomplete, you may ask us to
amend the information. You have the right to request an amendment for as long as the information is
kept by or for us. To request an amendment, your request must be made in writing and submitted to:
Rotech’s Privacy Officer, Attn: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida
32811. In addition, you must provide a reason that supports your request. We may deny your request
for an amendment if it is not in writing or does not include a reason to support the request. We may
also deny your request if you ask us to amend information that was not created by us, unless the person
or entity that created the information is no longer available to make the amendment; is not part of the
medical information kept by or for us; is not part of the information which you would be permitted to
inspect and copy; or is accurate and complete.

Right to an Accounting of Disclosures
You have the right to request an accounting of disclosures. This accounting is a list of the disclosures we
made of medical information about you. This list will not include disclosures made for treatment,
payment or Rotech’s health care operations, disclosures that you have previously authorized us to make
or other disclosures specifically exempted from the disclosure accounting requirements by the federal.
To request this list or accounting of disclosures, you must submit your request in writing to: Rotech’s
Privacy Officer, Attn: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida 32811.
Your request must state a timeframe, which may not be longer than 6 years and may not include dates
before April 14, 2003. Your request should indicate in what form you want the list, such as on paper or
electronically. The first list you request within a 12-month period will be free. For additional lists, we
may charge you for the costs of providing the list. We will notify you of the cost involved and you may
choose to withdraw or modify your request at that time before any costs are incurred.

Right to Request Restrictions
You have the right to request a restriction or limitation on the medical information we use or disclose
about you for treatment, payment or health care operations. You also have the right to request a limit
on the medical information we disclose about you to someone who is involved in your care or the
payment for your care, like a family member or friend. We are not required to agree to your request
unless the disclosure is to a health plan for a payment or health care operation purpose and the medical
information relates solely to a health care item or service for which we have been paid out-of-pocket in
full. If we do agree, we will comply with your request unless the information necessary to provide you
emergency treatment. To request restrictions, you must make your request in writing to: Rotech’s
Privacy Officer, Attention: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida
32811. In your request, you must tell us (1) what information you want to limit; (2) whether you want to
limit our use, disclosure or both; and (3) to whom you want the limits to apply, for example, disclosures
to your spouse.
Right to Request Confidential Communications
You have the right to request that we communicate with you about medical matters in a certain way or at a certain location. For example, you can ask that we only contact you at work or by mail. To request confidential communications, you must make your request in writing to: Rotech’s Privacy Officer, Attention: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida 32811. We will not ask you the reason for your request. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

Right to a Paper Copy of This Notice
You have the right to a paper copy of this notice. You may ask us to give you a copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to receive a paper copy. You may obtain a copy of this notice at our website www.rotech.com. To request a paper copy of this notice, submit a request in writing to: Rotech’s Privacy Officer, Attn: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida 32811.

Right to Notification of Breach of Medical Information
You have the right to be notified following any breach of unsecured medical information that compromises the privacy of the information.

HOW WE MAY USE AND DISCLOSE MEDICAL INFORMATION ABOUT YOU
The following categories describe different ways that we are permitted to use and disclose medical information as a health care provider, although certain of these categories may not apply to our business and we may not actually use or disclose your medical information for such purposes. For each category of uses or disclosures, we will explain what we mean and try to give some examples. Not every use or disclosure in category will be listed. However, all of the ways we are permitted or required to use and disclose information will fall within one of the categories.

For Treatment
We may use medical information about you to provide you with medical treatment or services. We may disclose medical information about you to your physician, home health agency and/or respiratory therapist who are involved in taking care of you. For example, telephone contact for medication refills, mail contact for billing and collection purposes, etc. We also may disclose medical information about you to people who may be involved in your medical care after you have received our products and services, such as family members, clergy or others we use to provide services that are part of your care.

For Payment
We may use and disclose medical information about you so that the treatment and services we provide you may be billed to and payment may be collected from you, an insurance company or a third party. For example, we may need to give your health plan information about products and services we provided to you so your health plan will pay us or reimburse you for the products and services. We may also tell your health plan about a treatment you are going to receive to obtain prior approval or to determine whether your plan will cover the treatment.

For Health Care Operations
We may use and disclose medical information about you for our health care operations. These uses and disclosures are necessary to run our company and make sure all of our patients receive quality care. For example, we may use medical information to review our treatment and services or evaluate the performance of our staff caring for you.
We may also combine medical information about many patients to decide what additional services we should offer, what services are not needed and whether certain new treatments are effective. We may also disclose information for review and learning purposes. We may remove information that identifies you from this set of medical information so others may use it to study health care and health care delivery without learning who the specific patients are.

**Delivery Reminders**
We may use and disclose medical information to contact you as a reminder that you have an appointment for treatment or services.

**Treatment Alternatives**
We may use and disclose medical information to inform you about or recommend possible treatment options or alternatives that may be of interest to you.

**Health-Related Benefits and Services**
We may use and disclose medical information to inform you about health-related benefits or services that may be of interest to you.

**Individuals Involved in Your Care or Payment for Your Care**
We may release medical information about you to a friend or family member who is involved in your medical care or payment for such care. We may also notify your family member, personal representative or another person responsible for your medical care regarding your location, general condition or death. In addition, we may disclose medical information about you to any entity assisting in a disaster relief effort so that your family can be notified about your condition, status and location.

**Research**
Under certain circumstances, we may use and disclose medical information about you for research purposes. All research projects, however, are subject to a special approval process. This process evaluates a proposed research project and its use of medical information, trying to balance the research needs with patients’ need for privacy of their medical information. Before we use or disclose medical information for research, the project will have been approved through this research approval process. We will almost always ask for your specific authorization if the researcher will have access to your name, address or other information that reveals who you are, or will be involved in your care.

**As Required by Law**
We will disclose medical information about you when required to do so by federal, state or local law.

**To Avert a Serious Threat to Health or Safety**
We may use and disclose medical information about you when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

**SPECIAL SITUATIONS**

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

**Workers' Compensation**
We may release medical information about you for workers’ compensation or similar programs. These programs provide benefits for work-related injuries or illness.
**Public Health Activities**
We may disclose medical information about you for public health activities. These activities generally include the following:

- To prevent or control disease, injury or disability;
- To report births and deaths;
- To report child abuse or neglect;
- To report reactions to medications or problems with products;
- To notify people of recalls of products they may be using;
- To notify a person who may have been exposed to a disease or may be at risk for contracting or spreading a disease or condition;
- To notify the appropriate government authority if we believe a patient has been the victim of abuse, neglect or domestic violence. We will only make this disclosure if you agree or when required or authorized by law.

**Health Oversight Activities**
We may disclose medical information to a health oversight agency for activities authorized by law. These oversight activities include audits, investigations, inspections and licensure. These activities are necessary 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 dispute, we may disclose medical information about you in response to a court or administrative order. We may also disclose medical information about you in response to a subpoena or discovery request by someone else involved in the dispute, but only if efforts were made to tell you about the request or to obtain an order protecting the information requested.

**Law Enforcement**
We may release medical information if asked to do so by a law enforcement official:

- In response to a court order, subpoena, warrant, summons or similar process;
- To identify or locate a suspect, fugitive, material witness, or missing person;
- About the victim of a crime under certain circumstances;
- About a death we believe may be the result of criminal conduct;
- About criminal conduct occurring on our premises; and
- In emergency circumstances to report a crime, the location of the crime or victims, or the identity, description or location of the person who committed the crime.

**Coroners, Medical Examiners and Funeral Directors**
We may release medical information to a coroner or medical examiner. This may be necessary to identify a deceased person or determine the cause of death. We may also release medical information about our patients to funeral directors as necessary to carry out their duties.

**National Security and Intelligence Activities**
We may release medical information about you to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.

**Protective Services for the President and Others**
We may disclose medical information about you to authorized federal officials so they may provide protection to the President, other authorized-persons and foreign heads of state or conduct special investigations.
Inmates
If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may release medical information about you to the correctional institution or law enforcement official. This release would be necessary:

- For the institution to provide you with health care;
- To protect your health and safety or the health and safety of others; or
- For the safety and security of the correctional institution.

Organ and Tissue Donation
If you are an organ donor, we may release medical information to organizations that handle organ procurement or organ, eye or tissue transplantation or to an organ donation bank, as necessary to facilitate organ or tissue donation and transplantation.

Sale of Business Assets
We reserve the right to transfer medical information about you to a third party in conjunction with the sale of our company or certain assets belonging to our company.

CHANGES TO THIS NOTICE
We reserve the right to change this notice at any time. We reserve the right to make the revised or changed notice effective for medical information we already have about you as well as any information we receive in the future. We will post a copy of the current notice in each Rotech location and on Rotech’s website at www.rotech.com. The notice will contain the effective date on the first page, in the top right-hand corner.

COMPLAINTS
You may file a complaint with us or the Secretary of the Department of Health & Human Services if you believe your privacy rights have been violated. You will not be penalized for filing a complaint. All complaints must be submitted in writing to Rotech’s Privacy Officer, Attention: Compliance Department, 3600 Vineland Road, Suite 114, Orlando, Florida 32811.

OTHER USES OF MEDICAL INFORMATION
Other uses and disclosures of medical information not covered by this notice or the laws that apply to us will be made only with your written authorization. Most uses and disclosures of psychotherapy notes, uses and disclosures for marketing, and disclosures that would be a sale of medical information require your written authorization. If you provide us authorization to use or disclose medical information about you, you may revoke that authorization, in writing, at any time. If you revoke your authorization, we will no longer use or disclose medical information about you for the reasons covered by your written authorization. You understand that we are unable to take back any disclosures we have already made with your authorization, and that we are required to retain our records of the care that we provided to you.