HIPAA Implications: Implementation in a Health System

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Presentation Overview

- Legal and regulatory requirements peculiar to a Health Care System

- Organization and HIPAA implementation strategies for a Health Care System

Health Care System

- Single Entity Health Care Delivery System that includes:
  - Acute Care Hospital(s)
  - Physician Component
  - HMO/Insurance Entity
  - Nursing Home(s), Physical Therapy, etc…
- Single Entity that Includes a Health Care Component

Presentation Background: Regulatory and Operational Requirements

- Working relationship of legal counsel and Health Care System Employees

- Distinct Roles
  - Educational Awareness
  - Assessment Tool
  - Drafting and/or Reviewing Policies and Procedures
  - Assistance in Training
  - Working Through Scenarios

Legal Counsel and Implementation Issues

- Identify applicable state laws and regulations

- Legal analysis of application of HIPAA regulations

- Participate on HIPAA oversight committee meetings

- State law preemption identification and analysis

Legal Counsel and Implementation Issues cont'd

- Business Associates (Identify Business Associates, draft contract language, negotiate/amend existing contracts)

- Drafting/Reviewing policies, authorizations, consents, etc…

Requirements That Affect Health Care Systems in the Final Privacy Standard

- § 164.504 (a)- (c) Health Care Component

- § 164.504 (d) Affiliated Entities

- § 164.504 (e) Business Associates

- § 164.504 (f) Group Health Plans

- § 164.504 (g) Multiple Covered Function Entities

Privacy Rules for Health Care Component

- Applies to "Hybrid Entities" who are a Covered Entity, but whose covered functions under the Privacy Standards are not the entity's primary functions (e.g. school with an on-site health clinic and an employer that self-administers a sponsored health plan)

Privacy Rules for Health Care Component cont'd.

- Health care component requirements apply only to the health care components of the Hybrid Entity

- Safeguard requirements (ensure compliance with privacy standards within Hybrid Entity, oversee non-health care component Business Associate functions, and shared workers within the Hybrid Entity)

- Covered Entity responsibilities (ensure compliance with privacy standards, develop privacy policies and procedures, designate health care components)

Affiliated Covered Entities § 164.504(d)(1)

- Legally separate covered entities that are affiliated may designate themselves as a single Covered Entity

- Criteria for designation:
  - Must be under common ownership or control
  - Designation must be documented (§ 164.530j)

Affiliated Covered Entities cont'd

- Safeguard requirements for an Affiliated Covered Entity (compliance with Privacy Standards, compliance with § 164.504(g) for Multiple Covered Function Entities)

- May adopt a single shared notice of information practices and a consent form

Affiliated Covered Entities cont'd

- Requirements of a Covered Entity also apply to an Affiliated Covered Entity

- Each Covered Entity of an Affiliated Covered Entity is separately subject to liability under the Privacy Standards

Multiple Covered Function Entities § 164.504(g)

- Applies to single legal entities that have any combination of the functions of a health care provider, health plan, or health care clearinghouse

Multiple Covered Function Entities cont'd.

- Must comply with the Privacy Standards that apply to that particular type of Covered Entity when it functions as that entity (e.g. when a health care component functions as a health care provider it must meet the Privacy requirements for a health care provider)

Multiple Covered Function Entities cont'd.

- May not use or disclose the PHI of an individual that is not involved in a particular Covered Entity function, and *must* segregate PHI from any joint information systems (e.g. Health Care System cannot share information about a patient in its hospital who is not a member of its health plan)

HIPAA Project Organization
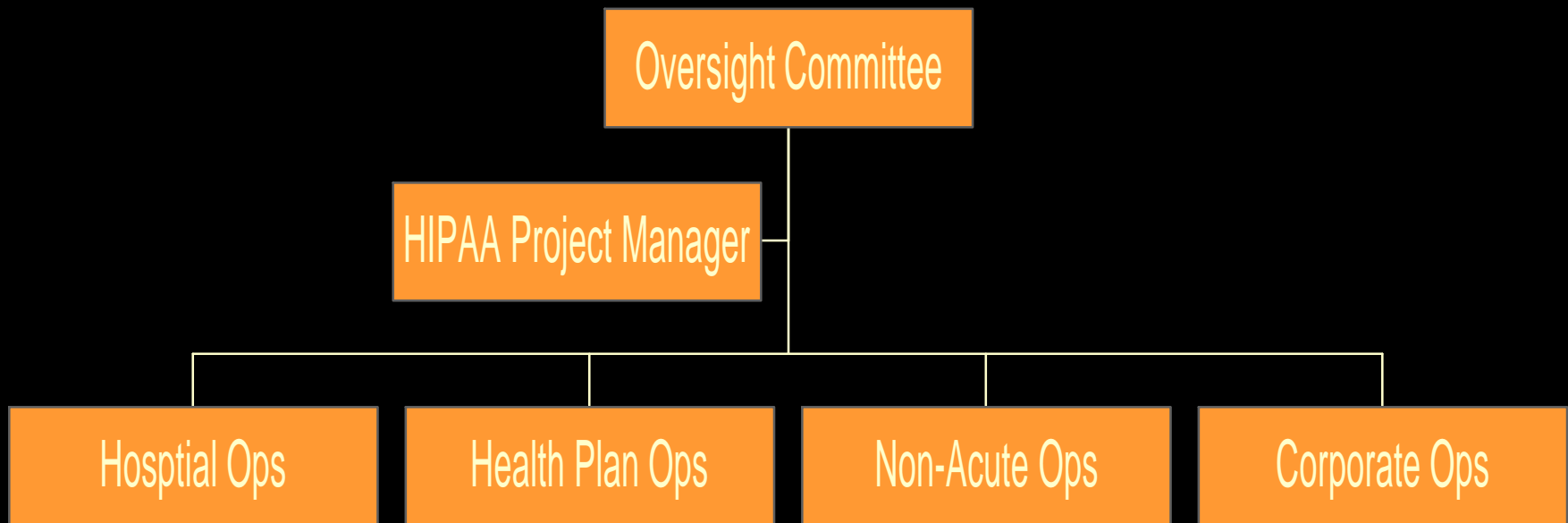
Oversight Committee Membership

- President /CEO System
- Sr. VP Non-Acute
- CEO – Health Plan
- VP – Behavioral Health Managed Care
- Director, Practice Management
- VP Risk Management

- VP - Marketing
- Corporate Compliance Officer
- VP Finance - Hospital
- VP Finance - Corporate
- HIPAA Project Manager
- Information Services

Oversight Committee Responsibilities

- Ensure compliance with regulations is met by required dates.

- Provide a decision making and approval forum on recommended changes and implementation strategies.

- Break down barriers and identify / provide resources to operational teams.

Hospital Ops Team Membership

- Manager, Health Information Mgmt
- Director, Admissions / Scheduling
- Manager, Patient Care: Behavioral
- VP, Patient Care: Med/Surgical
- JCAHO Coordinator

- Administrator, Residency Program & Clinic
- Manager, Business Office
- Information Services
- HIPAA Project Manager

Health Plan Ops Team Membership

- Director, B.H. Managed Care
- Manger, Provider Relations
- Supervisor, Case Management
- Director, Benefit Services / Claims
- Director, Govt. Affairs & Compliance

- Director, Quality Management
- Director, Customer Service
- Manager, Contract Management
- Director, Care Management
- Manager, Provider Relations
- Information Services
- HIPAA Project Manager

Non-Acute Ops Team Membership

- Director, Nursing Homes
- Director, Behavioral Health Services
- Director, DME / Pharmacy
- Manager, Physician Clinic

- Administrator, Home Health
- Manager, Business Office
- Information Services
- HIPAA Project Manager

# *Corporate Ops Team Membership*

- Corporate Compliance Officer
- Director, Managed Care Contracting
- VP, Vendor Contracting
- Director, Professional Services Contracting
- Director, Internal Audit

- Director, Decision Support
- Administrator, Human Resources
- Manager, Accounting Services
- Information Services
- HIPAA Project Manager

Ops Teams Responsibilities

- Assess current state of compliance
- Identify opportunities for improvement and changes needed
- Develop recommendations for new processes and policies
- Report activities to Oversight Committee
- Implement approved changes

Action Plan

- Raise awareness
- Educate on standards
- Assess risk / opportunities
- Develop action plan
- Implement & test
- Ongoing monitoring
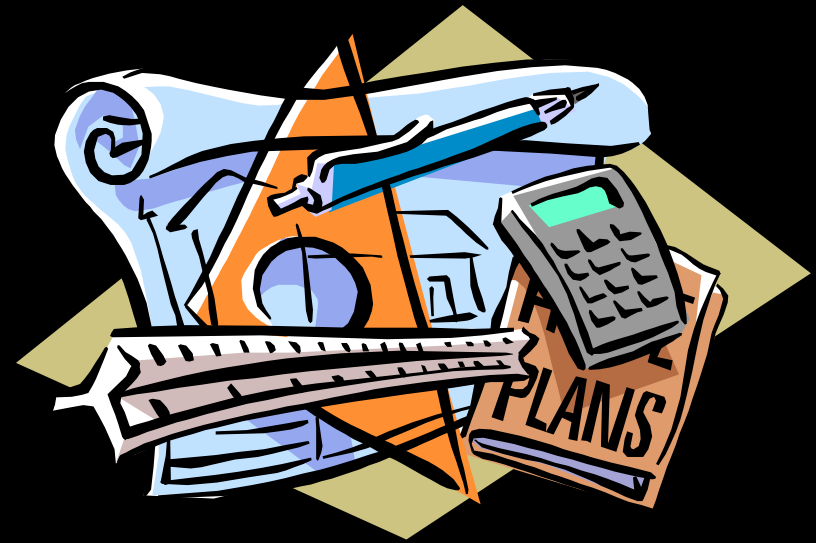
Assessment

Transaction Standards:

- Identified applicable ones

- Identified systems

- Vendor contact & monitoring

Assessment

Privacy:

- Developed tool
- Educated along the way
- Ops Teams identified applicability and sources
- Prioritize results
- Develop action plan to address gaps

Assessment

Security:

- Subgroup w/Information Services
- Identified Operations, Technical, or Both
- Developed tool
- Educated along the way

Top Five Tips

- Executive Buy-In

- Awareness & Education

- Know your Resources & Use Them

- Know your Organizational Culture & Use It

- Know your Potential Pitfalls