HIPAA
Yesterday, Today and Tomorrow?

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Vision of HIPAA

- Single set of information for all payers
- Standard, easily understood coding rules
- Standard responses from payers
- Little, if any human intervention for billing, remittance, posting, eligibility inquiries, coordination of benefits
- Secure data, well understood privacy protection

Vision of HIPAA

- Additional patient medical records information easily (and securely) exchanged between
- Entities easily and clearly identified in transactions
- How have we done?

Brief History

- Law – 1996
- Final Rules
  - Transactions – 2000 (finally effective October 2003)
  - Privacy – 2000 (effective April 2003)
  - Employer ID – 2002
  - Transactions Modifications – 2003
  - Security – 2003
  - National Provider ID -2004

Transactions Status

- Effective October 16, 2003
- CMS Contingency Plan Guidance on enforcement published in July 2003
- CMS/Medicare
- However, entities should be compliant

Transactions Status

- Enforcement in Place
  - Complaint based
  - Aim is to get to compliance
  - Will look at good faith efforts
  - Web site available

Complaint statistics

- Over 200 Transaction/Code Set Complaints
  - Approximately 58 remain open
- Most regarding claim payment
- Adverse impact to cash flow
- Small providers against health plans and clearinghouse.
- 5 corrective action plans submitted

Where is the Industry Today?

- Many covered entities are still operating under contingency plans
  - Many moving into compliance
  - Medicare rate above 80% for claims

- Why not compliant?
  - New data elements
  - Reliance on vendors
  - Started implementation too late

What Will/Should be Happening?

- Contingency plans will end
- Entities must be compliant, or payments may stop
- Need to embrace other transactions – automated eligibility, remittance, claims status
- Need to participate in standards revision process
- Medicare began slow pay in July 2004 – non-compliant transactions are treated as paper

Some Positive Impacts

- Realization that standards impact business process
- Industry getting together to implement
- Different provider groups coming forward to participate in standards

What Should You Be Doing?

- Be compliant – follow the HIPAA rules

- Keep aware of future HIPAA standards rules

- Participate in industry organizations – make your voice heard

Next on the Horizon

- Security
- National Provider ID

Regulation Dates

- Published February 20, 2003
- Effective Date April 21, 2003

- Compliance Date:
  - April 21, 2005 for all covered entities except small health plans
  - April 21, 2006 for small health plans (as HIPAA requires)

General Requirements (164.306(a))

- Ensure
  - Confidentiality (only the right people see it)
  - Integrity (the information is what it is supposed to be – it hasn't been changed)
  - Availability (the right people can see it when needed)

General Requirements

- Applies to <u>Electronic</u> Protected Health Information
- That a Covered Entity Creates, Receives, Maintains, or Transmits

General Requirements

- Protect against reasonably anticipated threats or hazards to the security or integrity of information
- Protect against reasonably anticipated uses and disclosures not permitted by privacy rules
- Ensure compliance by workforce

Regulation Themes

- Scalability/Flexibility
  - Covered entities can take into account:
    - Size
    - Complexity
    - Capabilities
    - Technical Infrastructure
    - Cost of procedures to comply
    - Potential security risks

Regulation Themes

- Technologically Neutral
  - What needs to be done, not how

- Comprehensive
  - Not just technical aspects, but behavioral as well

Standards

- Standards are required
- Implementation specifications provide more detail and can be either required or addressable.

National Provider Identifier

- Final Rule Published January 23rd
- Adopt the standard for a single identifier for every provider
- No need for different identifiers for different health plans

NPI: Important Dates

- Final Rule published on January 23, 2004
- Effective date is May 23, 2005

   Providers can begin applying for NPIs

- Compliance dates are:
  - **May 23, 2007** for all covered entities except small health plans
  - **May 23, 2008** for small health plans

     By these dates, covered entities must use NPIs to identify providers in standard transactions.

CMS and Other Resources

- CMS HIPAA Web Site – www.cms.hhs.gov/hipaa/hipaa2
  - FAQs
  - Guidance Documents
  - AskHIPAA@cms.hhs.gov email box
  - Teleconferences

Other Resources

- NIST – Crosswalk document published for public comment
  - http://csrc.nist.gov/publications/drafts.html
- WEDI/SNIP – Security white papers