

**Health Insurance Portability and Accountability Act
Privacy Regulations:
Compliance Strategies for Health Plans**

***The HIPAA Colloquium
at Harvard University
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HIPAA Privacy Overview: Agenda

- ◆ The “Meaning” of Privacy
- ◆ Impact of privacy regulations on Tufts Health Plan
- ◆ Milestones
- ◆ Challenges





Protecting Privacy

Ability to protect an individual's privacy is:

- ◆ Limited by technology
- ◆ Situational
- ◆ Subjective
- ◆ Limited by human error

The “Meaning” of Privacy

- ◆ In the eye of the beholder
- ◆ Control: Protect privacy as our members desire to have their privacy protected
- ◆ Preserving dignity
- ◆ It's not about secrecy!

Protecting Privacy (continued)

The privacy regulations recognize these realities and limitations and address them in very practical ways:

- ◆ Reasonableness standard
- ◆ Rigorous and extensive requirements (tempered by the reasonableness standard)
- ◆ Enforcement

Tufts Health Plan Overview

- ◆ Founded in 1979 as a not-for-profit health maintenance organization
- ◆ Nearly 900,000 members
 - HMO, PPO, POS, Medicare + Choice plans
- ◆ National Committee for Quality Assurance (NCQA) awarded excellent accreditation status in 2001

Tufts Health Plan Objectives

- ◆ Implement HIPAA privacy regulation based on
 - Reasonableness standard
 - Understanding of industry standards regionally and nationally
 - Member focus

Tufts HP's Interpretation of PHI

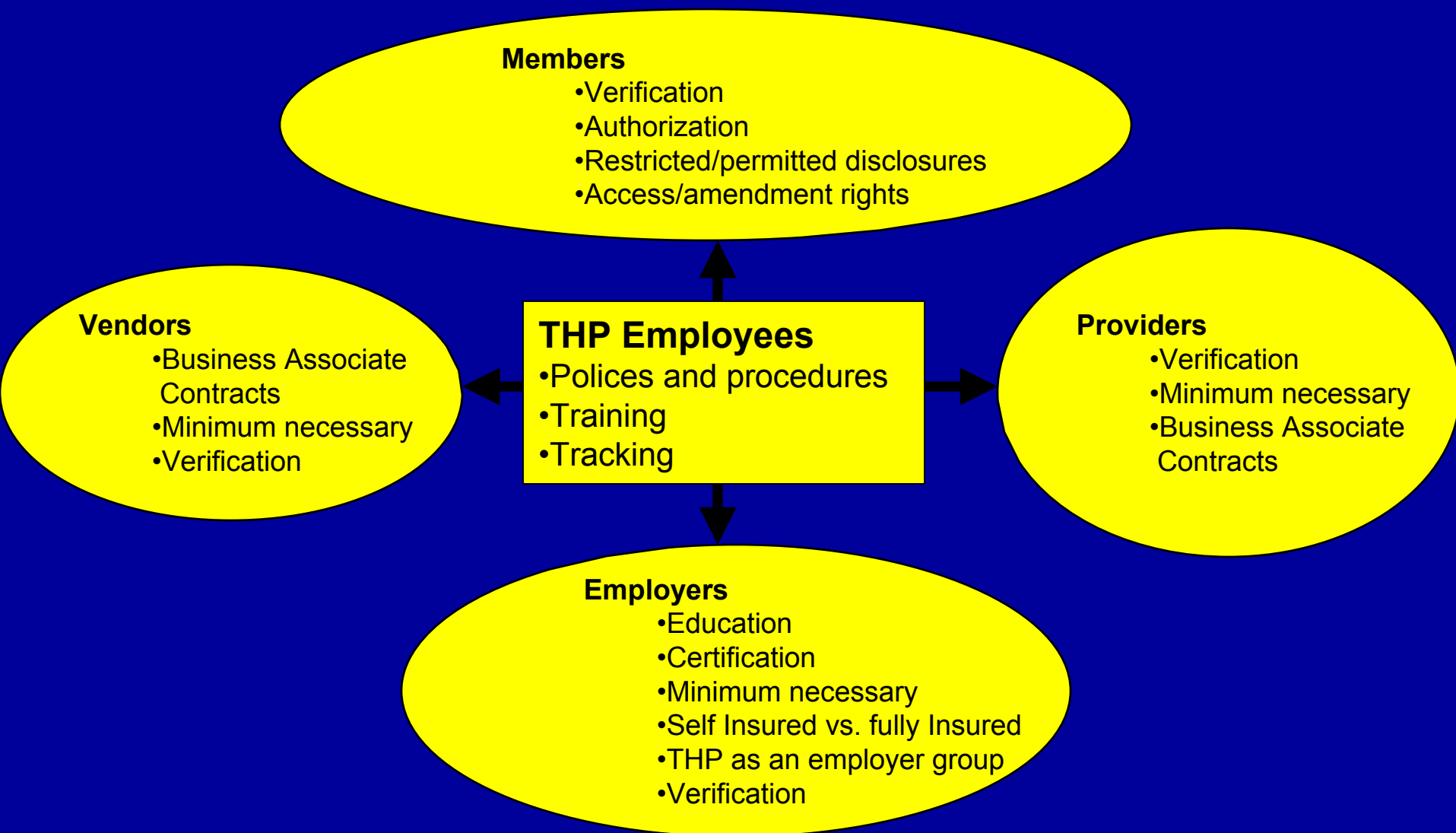
- ◆ Protected Health Information (PHI) is all the information that Tufts HP holds about members including:
 - Name, address, Social Security Number
- ◆ The very fact that individuals are our members means that their information “relates to the past, present, or future... payment for the provision of health care...”
 - *Caveat: Not PHI if HIPAA specified identifiers are removed*

PHI Inventory Survey Results

- ◆ Tufts HP inventoried 82 departments to determine the extent and purpose of use, disclosure and request of member PHI (100% response rate!)
 - 77% (63 depts) use member PHI
 - 65% (53 depts) disclose member PHI outside of Tufts HP
 - 42% (34 depts) request member PHI from outside entities
 - 24% (20 depts) do not (pre-HIPAA) apply any form of verification when disclosing member information!

Training on handling PHI is critical!

Privacy Regulation Impact on Tufts HP



Requirements Related to Members

- ◆ Privacy requirements focus on the *individual*
 - Require verification of member identity
 - Speak to an adult member's family or friends about the member's health or demographic information only with the member's permission
 - Require written authorization for some disclosures
 - Limit mailings of PHI to address/person identified by the member
 - Track permitted and restricted disclosures

Impact on Tufts HP of Requirements Related to Members

- ◆ This is a big change from Tufts HP's subscriber orientation!
- ◆ Employees in many different departments need access to member documentation in a central location searchable by member:
 - Examples:
 - Member addresses
 - Member's personal representative (e.g. health care proxies etc.), restricted and permitted disclosures, and authorizations
- ◆ Documenting, tracking and accessing PHI by member is complex with inflexible systems!

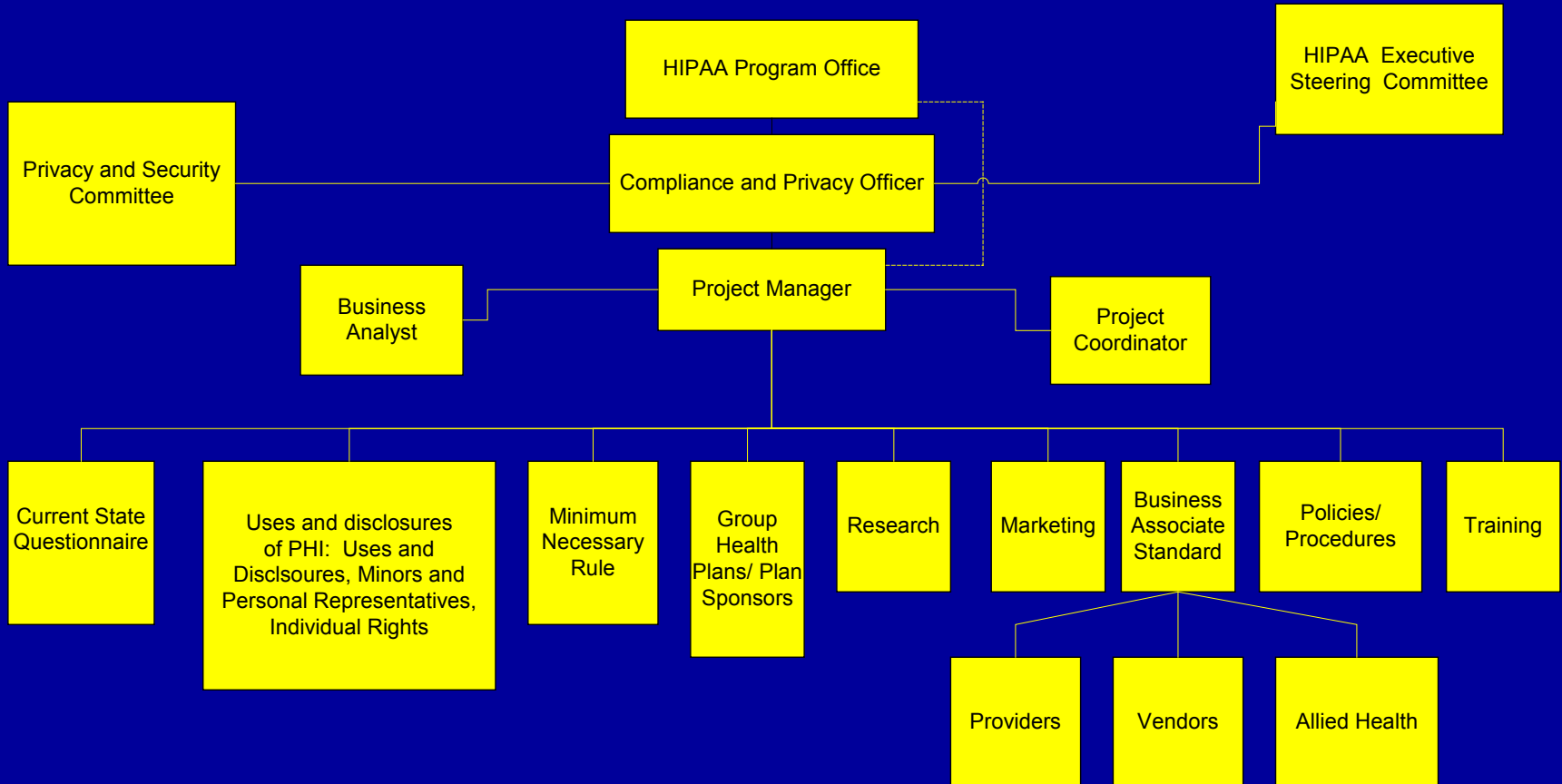
Requirements Related to Employers/Plan Sponsors

- ◆ All group health plans are covered entities and have requirements depending on their access to PHI
 - Business Associate Contracts
 - Individual Rights
 - Administrative requirements
- ◆ Plan sponsors must provide certification to the group health plan or insurer before they access PHI for plan administration purposes
- ◆ Plan sponsors may access summary health information for certain purposes and PHI for enrollment and disenrollment purposes (subject to final rule) without certification

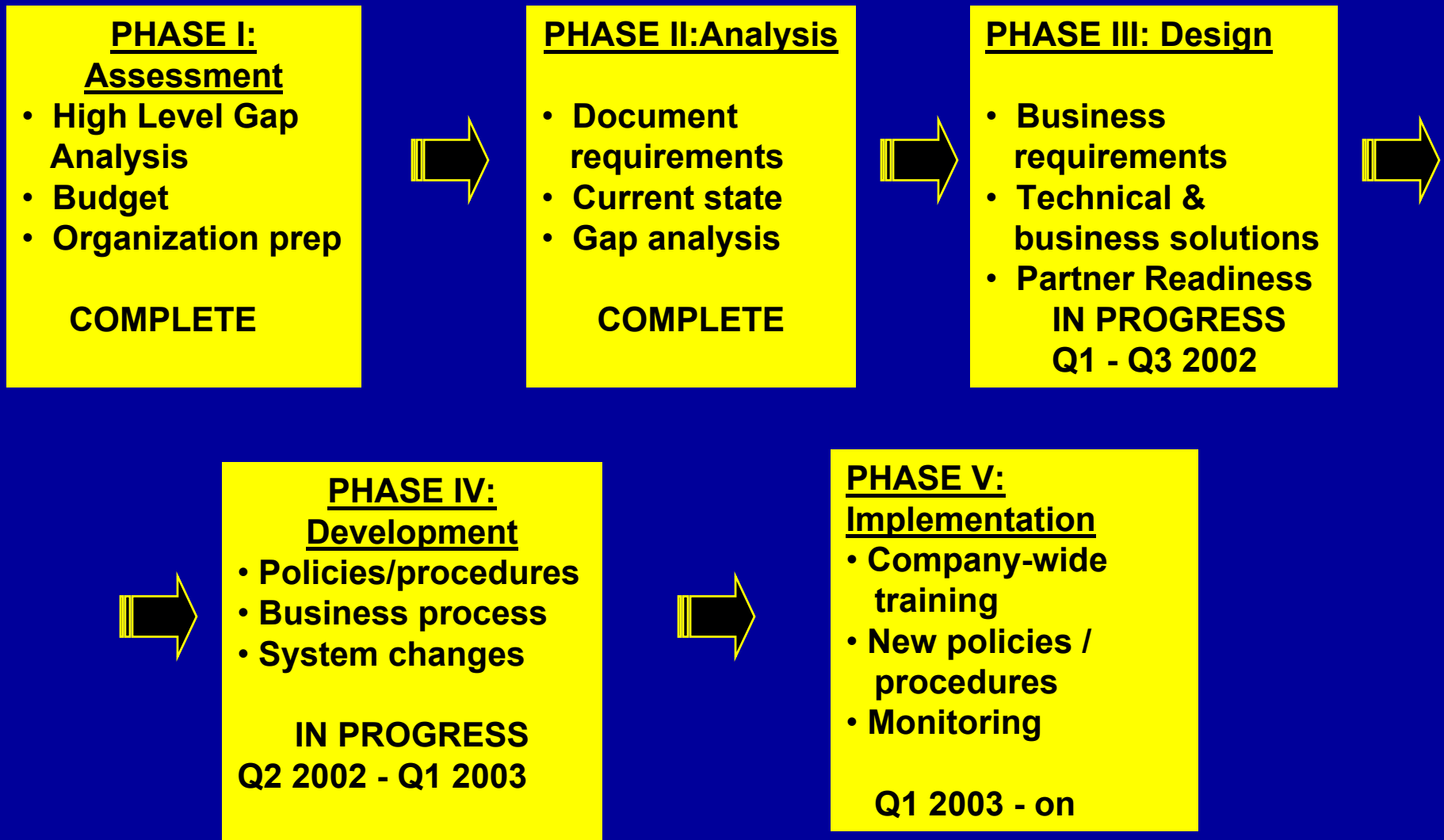
Impact on Tufts HP of Requirements Related to Employers/ Plan Sponsors

- ◆ Educate
 - Provide guidance to employer groups (over 8000!)
 - Train Sales and Member Services employees
- ◆ Document, track and access information on each employer group and disclose PHI accordingly:
 - Proactively provide signed Business Associate Contracts to self-insured groups
 - Obtain certification from groups that will access PHI for plan administration purposes BEFORE disclosing PHI
 - Disclose member information only with appropriate documentation

HIPAA Privacy Program Organizational Structure



Privacy Project Accomplishments and Future Milestones



Major Challenges

- ◆ Manual work-arounds will be required until computer systems are updated or replaced
- ◆ Member Services
 - Ability to respond at member-level in place of traditional subscriber level structure
 - Initial declines in member service “speed to answer”
- ◆ Employer Services
 - Very complex! Self-insured versus fully insured
 - Sales versus privacy perspective; challenge to maintain service level

Major Challenges (continued)

- ◆ Shifting employee, member, and employer mindsets!
 - Many new policies and procedures will change how we do business
 - Initial and ongoing training to reinforce and build into fabric of every day work the importance of member privacy protections

Progress and Next Steps

- ◆ Project on-track!
 - Multiple dedicated teams
- ◆ Regional collaboration
- ◆ Ongoing outreach and communication to all constituencies
 - www.tufts-healthplan.com