

HIPAA Compliance Strategies For Medical Groups

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Compliance Strategy #1

Understand the Benefits

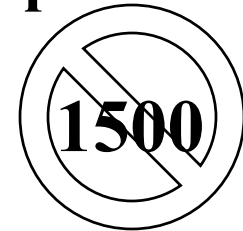
Why HIPAA?

- Estimated 400 claim formats
- More efficient office administration
 - *Current estimate -- 10 pages per encounter*
- Cost Reduction
- Less AR / bad debt
- Consistent reporting
- Improved level of Privacy/Security

Claim / Encounter: 837

- **One format--simplification equals cost savings.**
- **Reduction in Clearinghouse fees?**
- **Generally accepted as first transaction to be implemented.**

■ **Professional**



■ **Institutional**



■ **COB**

Eligibility Request / Response: 270 / 271

◆ Plan benefits and co-pay amounts

- According to one study, 30-40% of all claims rejected due to incorrect or missing member id's--and half of these are never resubmitted
- CMA estimates 30 minute average call time for eligibility information
- Real-time, online inquiries will save time and money

Referral and Authorization Request: 278

- ◆ **Reduction of processing time**
- ◆ **Timely knowledge of coverage of care**
 - CMA estimates manual referrals cost \$20 (specialists) \$40 (primary care)
 - New standard will automate most of the referral transactions and referring provider information exchange
 - Reduced referral errors and payer rejects

Claim Status Inquiry / Response: 276 / 277

◆ Significant time savings anticipated

◆ Reduction in duplicate claim filing

- Automate claims posting and reconciliation functions
- Claim now transparent

Compliance Strategy #2

*Develop the Physician /
Administrator “Team”*

The Physician / Administrator Team

- Executive (physician) commitment for:
 - Current and future budgets (include start-up money)
 - Review of the strategic organizational plan
- Physicians must understand that HIPAA is not optional

Moving Physicians Forward Toward HIPAA

- Physician “buy in” critical to success of HIPAA--make them aware of the potential for streamlining their practice
- Transition period most difficult
- Changing the “mindset”
 - Getting providers to expect electronic data interchange
 - New identification systems
 - Protecting the data
 - Merging “science” with the “art” of medicine

Compliance Strategy #3

Minimize the Costs

Minimize the cost of compliance by:

- Getting started quickly
- Transactions--implement incrementally
- Privacy/security--self assess using free or low cost tools
- Have the knowledge to evaluate products/services

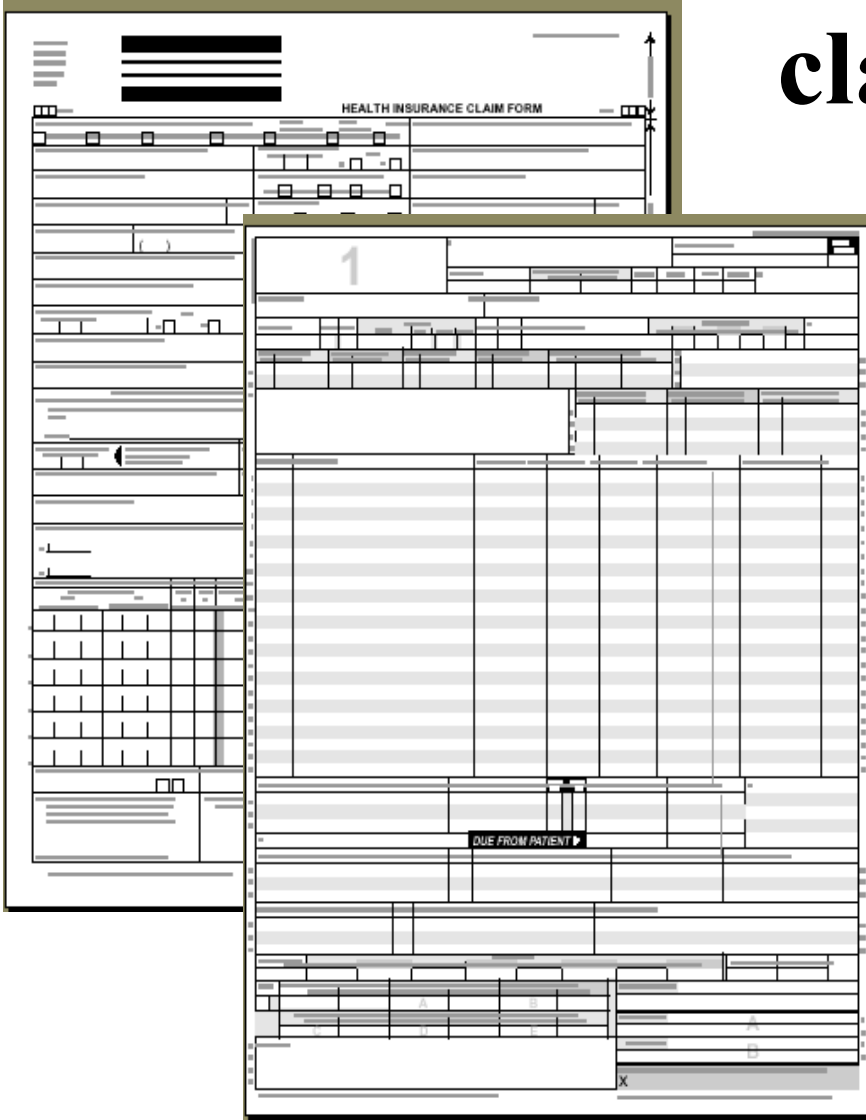
Compliance Strategy #4

Identify Your Data Gaps

The CMS 1500 & 1450 paper

claim forms

- Contains a subset of data that is present in the 837 transaction
- Contains some data that is NOT present in the 837 transaction
- It is a paper form that can be turned into an electronic print image



The image shows two overlapping paper claim forms. The top form is a standard CMS 1500 form, titled "HEALTH INSURANCE CLAIM FORM". It features a header section with a barcode area, followed by several rows of data entry fields. Below these are several tables, including a large grid for procedure codes and charges. The bottom form is a CMS 1450 form, which is a simplified version of the 1500. It has a large "1" in the top left corner and a "DUE FROM PATIENT" label near the bottom. Both forms are filled with various data points and checkboxes.

T & CS: Gap Analysis

- Perform gap analysis of your data requirements
 - New 837 electronic claim requires additional data
 - Your current system may not capture this data
- Where to go for assistance:
 - Download the implementation guides free at www.wpc-edi.com
 - Download a gap analysis of the 837/1500 at www.afehct.org
 - Consider testing/certification
 - Your major health plans (send test claims, but remember that each may require different data)

Compliance Strategy #5

*Work with your Vendors and
Health Plans*

Ask the Tough Questions!

Vendors

- When will you be ready to upgrade my system?
- Will I require any new hardware?
- Will you send me a schedule of upgrades and testing?
- Can I upgrade incrementally?
- Can you handle the NPI?
- What are the expected costs?

Health Plans

- When will you be ready to accept a HIPAA claim?
- Will you be providing any billing software?
- Will you send me your schedule of upgrades and testing?
- When will you be able to handle the additional transactions?

Compliance Strategy #6

*“Reasonable” Approach to
Privacy Compliance*

- **Privacy final rule, Security proposed rule are daunting to providers--it is clear that NO ORGANIZATION will be in full compliance**
- **Understanding this--how can we mitigate the likelihood of liability?**
 - Rules have been modified--more workable
 - Adopt best practices (mandates are “flexible” and “scalable”)
 - Avoid being an outlier
 - Learn from your colleagues
 - Common sense approach to compliance

Compliance Strategy #7

*Understand the New Patient
Rights--AND the new Rights for
your Offices*

New Patient Rights

- Inspect, copy and amend their medical record
- Appeal amendment decisions
- Be given a copy of your organization's privacy policies and procedures, and be asked to acknowledge receipt of this document
- Be asked to sign an authorization for each instance of release of their PHI for purposes OTHER than treatment, payment or healthcare operations
- Have the ability to lodge a complaint regarding the handling of their PHI

Medical Office Rights

- You have 30 days to comply with inspection/copying
- Your physician can review the medical record and redact information
- You can charge a “reasonable” copying fee
- Your physician can refuse to amend the record, with an explanation
- You have the option of getting a consent signed, and the acknowledgement of receipt does not have to be prior to treatment.

**Note--patient can request the “designated record set” which may be in several locations*

Compliance Strategy #9

*Make Compliance Organization-
wide, and Fun!*

HIPAA Privacy Compliance--Making It Fun!

- HIPAAatize your staff
- Everyone becomes a HIPAA officer for a day
- Compile results
- Address the gaps

Compliance Strategy #8

*Create a Forward-Thinking “Vision”
for Your Medical Group*

Create a HIPAA “Vision”

- Business Office efficiencies and reduced debt
- Improved Patient relations
 - registration / eligibility / referrals
 - security / privacy
- Improved patient safety
- More collaborative relationship with key trading partners
- Look toward the future (e-health)
 - **EOB / Credentialing / Emr / Bar coding**

Compliance Strategy #9

*Identify and Evaluate Potential
Resources*

Implementation Resources

- Providers worried about doing the right thing
- Looking for federal govt to take leadership role (“when E.F. Hutton speaks...”)
- Looking for unbiased industry direction--who do they trust?
- WEDI SNIP fills that vacuum

WEDI Strategic National Implementation Process (SNIP)

- Cross industry group co-chaired by MGMA
- Focused on critical implementation issues and solutions
- 35+ workgroups looking at:
 - transactions
 - security
 - privacy
 - provider issues
- 5,000+ on listserv
- Conferences/Webcasts/SNIP Synopsis

MGMA Products and Services

- www.mgma.com - "HIPAA Resource Center"
- MGMA face-to-face conferences
- Audio Conferences
- "HIPAA and E-Health" Periodical
- "HIPAA Connexion" (Series of Internet Courses)
- Several products being released, including CD-ROM, "HIPAADocs" privacy/security assessment tool, and a comprehensive paper "toolbox"

Web Resources

- <http://aspe.os.dhhs.gov/admnsimp/>
 - **The administrative simplification law, process, regulation, and comments**
- <http://www.cms.hhs.gov/hipaa/>
 - **Learn about HIPAA, apply for the the transactions extension online**
- <http://www.wedi.org>
 - **Workgroup for Electronic Data Interchange**
- <http://snip.wedi.org>
 - **Strategic National Implementation Process (SNIP)**
- <http://www.nucc.org>
 - **National Uniform Claim Committee**

Appendix A

HIPAA Self Assessment

Possible areas for inclusion in the self-assessment include:

- Patient sign-up sheets
- Leaving medical charts around the office
- Use of clear plastic chart holders on exam room doors
- The posting of patient schedules in patient accessible areas
- Holding confidential conversations where they can be easily overheard
- Computer screen in plain view
- Staff regularly changing passwords and safeguarding access to work areas

Appendix A

HIPAA Self Assessment (con't)

- PHI accessible only to authorized staff (including medical records, lab reports, and faxes)
- Safeguards documented regarding transfers of PHI
- HIPAA complaint procedure
- Written privacy policies
- Documented policies and procedures when employment is terminated (key return, potentially changing codes/locks)
- Employee handbook includes discussion of HIPAA provisions
- Documented procedures to protect confidential information, if office equipment or files are taken from the premises

Appendix A

HIPAA Self Assessment (con't)

- Policies, procedures, and training in place for off-site functions (i.e., transcription services, accounting, or claims filing)
- Inventory of all computer hardware
- Disaster plan to include contingency plan in event of system failure (data backup system)
- Internet and phone security
- Protection of email communications that contain confidential information

Appendix B

HIPAA Notice of Privacy Practices Checklist

- Header statement: *“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”*
- Information on uses and disclosures, taken account of state laws
- Separate statements for uses and disclosures related to such things as appointment reminders, fund raising, etc.
- A description of patient rights that includes:
 - The right to request restrictions on certain uses and disclosures
 - The right to receive confidential communications
 - The right to inspect and copy confidential information
 - The right to amend confidential information
 - The right to obtain a paper copy of the Notice

Appendix B

HIPAA Notice of Privacy Practices Checklist (con't)

- A statement of the practice's duties, including the duty to ensure the privacy of confidential information and to inform the patient of any change in the Notice
- A statement that individuals may complain to the practice and to the Secretary of DHHS regarding any perceived breach of privacy
- The appropriate contact person in the practice
- The effective date of the Notice
- Any optional items

Appendix C

HIPAA Authorization Form Checklist

- A description of the information to be used or disclosed that identifies the information in a specific and meaningful fashion
- The name or other specific identification of the person(s), or class of persons, authorized to make the requested use or disclosure
- The name or other specific identification of the person(s), or class of persons, to whom the physician may make the requested use or disclosure
- An expiration date or an expiration event that relates to the individual or the purpose of the use or disclosure

Appendix C

HIPAA Authorization Form Checklist (con't)

- A statement of the right of the patient to revoke the authorization in writing and the exceptions to the right to revoke, together with a description of how the individual may revoke the authorization
- A statement that information used or disclosed pursuant to the authorization may be subject to re-disclosure by the recipient and no longer be protected by this rule
- Signature of the individual and date
- If the authorization is signed by a representative of the patient, a description of the representative's authority to act for the patient
- Any special provisions included in state law

Appendix D

HIPAA Business Associate Agreement

- Business Associate (BA) agrees not to use or further disclose PHI other than as permitted or required by the Agreement
- BA agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in the Agreement
- BA agrees to mitigate, to the extent practicable, any harmful effect that is known to the BA of a use or disclosure of PHI by the BA in violation of the Agreement
- BA agrees to report to the practice any use or disclosure of PHI not provided for by this Agreement

Appendix D

HIPAA Business Associate Agreement (Con't)

- BA agrees to ensure that any agent, including a subcontractor, to whom it provides PHI agrees to the same restrictions and conditions that apply to the BA
- BA agrees to make internal policies, books and records relating to PHI received from the practice available to the practice in a time and manner designated by the practice
- BA agrees to document disclosures of PHI as would be required for the practice to respond to a request by an individual for an accounting of disclosures