

HIPAA is still coming!

By Jeanine Freeman, JD

Take steps NOW to assure timely compliance

Iowa physicians, hospitals, insurers and others are working away to prepare for HIPAA, the Health Insurance Portability and Accountability Act of 1996. If you haven't started your preparations just yet, don't panic. But start moving!! Read the IMS Advocate, check www.iowamedical.org for additional HIPAA resources, and become involved now before it's too late.

You can start preparing your practice for HIPAA compliance by following these four major steps which were adapted with permission from the WEDI SNIP December 17, 2001 newsletter.

step 1

Electronic transactions —

If your practice can be compliant by the original compliance deadline of October 16, 2002, GREAT! If not, you must have a compliance plan, including budgets, in place to submit to HHS (the federal agency in charge of HIPAA) in order to enjoy the congressional extension for compliance to October 16, 2003. HHS has yet to tell us how this will all work, but must have a form ready for use by March 31; WEDI/SNIP has proposed a form to HHS. In the meantime:

- Certify transactions you are developing with testing agents.
- Discuss with vendors what software and hardware upgrades you need to obtain and when "HIPAA ready" releases will be available.
- Schedule time and resources for conversions and upgrades of software and for testing with "trading partners" (a HIPAA term).
- Establish and meet a testing schedule with trading partners.
- Train your staff on new processes and workflows.

step 2

Code sets —

This requirement is part of the electronic transmissions rule mandating codes that may be used in electronic transmissions. The clinical codes are the same codes that now are being used in medical practice but there are many non-clinical codes that are a part of every transaction and must be learned. Compliance "must do's" include:

- Obtain and review the new codes and cross walk/map to proprietary or local codes, if any.
- Discuss with software vendors how much of the work of converting to the new codes will be included in the software and how much you will have to do yourself.
- Analyze the impact of the new codes on workflows and processing procedures.
- Train your staff on the meaning of the new codes and changes to your workflows.
- Discuss use of codes with trading partners. Ask payers how they will use the new codes for payment and other purposes.

Iowa Cooperative Initiative on HIPAA SNIP

Representatives of IMS, the Iowa Hospital Association, IMGMA, the state of Iowa and the Iowa Attorney General's Office, the Iowa Federation of Insurers, the Iowa Bar Association, and several hospitals, physician clinics, and payers have launched a cooperative initiative for implementing HIPAA in Iowa. The project is named HIPAA SNIP.

The Iowa effort will be modeled on the national WEDI/SNIP initiative. You are going to hear a lot about WEDI/SNIP! WEDI = the Workgroup for Electronic Data Interchange and SNIP = the Strategic National Implementation Process, a subsidiary of WEDI. Iowa intends to apply to become a SNIP affiliate. The Iowa HIPAA SNIP is facilitated by a steering committee; workgroups will perform identified tasks.

More than 150 people are participating in this project, which is designed to minimize duplicative efforts and to maximize cooperation and ease in meeting HIPAA requirements. The steering committee has been formed and workgroups on privacy, transaction/code set standards and security have identified objectives.

step
3**Privacy standards —**

To get started, check one of the many HIPAA web sites listed on the IMS web site, www.iowamedical.org, to learn about the basic requirements of the privacy standards. Look for work products, including forms, checklists, and guidance statements, from the HIPAA SNIP project to get you started. Remember, a preemption analysis of Iowa law, now underway, is an important first step to final development of policies, procedures and forms for authorization, release, and other confidentiality considerations. Steps you will need to take over time include:

- Analyze the flow of protected health information within your organization.
- Review existing policies and procedures and determine changes required to comply with HIPAA rules.
- Designate a “privacy officer” to oversee practice compliance and a “privacy contact” (may be the same person) to receive HIPAA complaints.
- Develop required policies, procedures, and forms (consent, authorization, and notice of privacy practices).
- Inform and train staff, including new staff, about policies and procedures.
- Develop appropriate sanctions for violations of policies and procedures and train managers and supervisors to understand what a violation is and how it should be handled.
- Perform trial runs on new policies and procedures to assure they are workable.
- Implement appropriate security safeguards and mechanisms to ensure protection of protected health information.
- Stay current on changes or clarifications regarding HIPAA privacy requirements.

step
4**Contracts —**

HIPAA requirements impact contracts physicians have with others to whom the physician releases patient identifiable health information. For instance, the transaction and code set standards require “trading partner agreements,” the proposed security standards require “chain of trust agreements,” and the privacy standards require “business associate agreements.” Steps to assure timely contract compliance include:

- Identify business associates and the services they perform on your behalf.
- Create a tracking system for your business associate contracts.
- Review existing contracts with business associates to ensure timely compliance with HIPAA requirements.
- Consult existing resources for recommended amendment or addendum language to business associates’ contracts. For instance, the HIPAA SNIP project is a likely resource for uniform contract language that parties at the table agree to and that you can use.
- Set internal deadlines for obtaining necessary contract amendments.
- Review contracts relating to billing to determine if local codes are specified and require adjustment under the HIPAA code set standards.
- Review trading partner agreements related to electronic transactions.
- Review agreements with clearinghouses to assure HIPAA compliance.

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