

I. HIPAA Privacy/Security Provisions – Overview

Health Insurance Portability and Accountability Act of 1996

This book was written to help medical practices handle what is commonly called *HIPAA*. In its entirety, the Health Insurance Portability and Accountability Act of 1996 includes a number of provisions that could be broadly categorized into three sections – (1) statutes designed to enhance fraud and abuse enforcement; (2) directives that improve the “portability” of health insurance when an employee changes or loses their job; and (3) provisions regarding transmission and protection of information about patients. HIPAA also addresses a few other issues such as national “provider numbers” that all payers would recognize, and the like.

Thus, *HIPAA* could mean different things to different people. **This book focuses on the provisions under HIPAA related to the protection of patient information – commonly referred to as privacy and security.**¹ Further, this book is directed toward the typical medical practice. The impact upon other entities – such as hospitals, insurance companies, claims clearing houses, billing services and very large group practices – will be different from that of the typical medical practice in some respects.

Most medical practices have handled the basic thrust of HIPAA – protecting the confidentiality of patient information – for decades. But, HIPAA does require medical practices to take a more formal approach to protecting patient information.

Although the deadline for complying with certain aspects of the law passed on April 14, 2003, it is a good time to reassess HIPAA compliance because many medical practices have still not complied satisfactorily with the law (in fact, many overreacted). **We have identified many aspects that medical practices can handle better and easier than they may have been advised in the frenzy/confusion that HIPAA created. And there are still important deadlines to come.** This book is also written to serve as a reference when those esoteric HIPAA issues arise in your medical practice.

The original 2002 Edition of *The HIPAA Compliance Manual* was written to help medical practices prepare for the April 14, 2003 deadline for complying with the privacy provisions.

This 2003 Edition includes significant updated information from:

- The August 14, 2002 *Modifications to the Privacy Rule* (Originally Issued December 2000).
- The Office of Civil Rights’ *Guidance Explaining Significant Aspects of the Privacy Rule* – 12/3/2002.
- *Interim Rule – Civil Money Penalties: Procedures for Investigations, Imposition of Penalties, and Hearings* [issued April 2003].
- *The Final Security Rule* (Issued February 2003)
- *The Final Transaction/Code Sets Rule* (Issued February 2003)
- Our Consulting Staff’s Actual Experiences Helping Medical Practices Implement Effective/Efficient HIPAA Compliance Programs.
- And More To Help Medical Practices Improve Their Privacy Programs and Prepare for Security and Transaction/Code Set Deadlines.

¹This Web site provides good information for those interested in additional information on HIPAA provisions related to the portability of health insurance: www.hcfa.gov/medicaid//hipaa/online/default.asp.