

The HIPAA Privacy Rule

HIPAA

The Health Insurance Portability and Accountability Act of 1996, otherwise known as HIPAA is legislation enacted by the federal government to:

- Ensure health insurance portability
- Reduce health care fraud and abuse
- Protect the privacy and confidentiality of health information
- Simplify the administration of health care systems

The HIPAA Privacy and Security Rules apply to covered entities and business associates, which include contracted sales agents and brokers.

Covered entities such as health plans, health care clearinghouses and health care providers who engage in electronic transactions must follow HIPAA Regulations.

The HIPAA Privacy Rule

The Privacy Rule safeguards Protected Health Information (PHI) and medical records of individuals, with limits and conditions on the various uses and disclosures that can and cannot be made without individual authorization.

Information becomes PHI when it is combined with one or more of the 18 identifiers established by the HIPAA Privacy Rule.



For example, a **medical record, laboratory report, or hospital bill** would be PHI because each document would contain a **patient's name and/or other identifying information** associated with the health data content.

Benefits of Privacy Rule Standards

Security Standards — Due to HIPAA, we now have a commonly accepted set of security standards.

Privacy Protection — HIPAA introduced requirements for protecting the privacy of health information in the healthcare industry.

Electronic Data — Rules that set clear standards for safeguarding personal health information were implemented.

Protected Health Information — Covered entities such as HealthSpring as well as healthcare providers,(eg. doctors and hospitals) are required to comply with HIPAA to ensure protected health information (PHI) is kept safe.

Common Sense — HIPAA rules strike a common-sense balance by providing consumers with personal privacy protections and access to high-quality health care.

Customer Rights — Gives customers certain rights over their health information such as:

- Accessing a copy of their Designated Record Set
- Requesting an amendment to their PHI
- Obtain an accounting of disclosure of their PHI
- Request that their Plan use alternative methods to communicate, such as sending materials to a different address or location
- File a complaint if the customer believes there has been a violation of privacy rights

Health Information Technology for Economic and Clinical Health (HITECH)

The Health Information Technology for Economic and Clinical Health, or HITECH Act, is a law that promotes adaptation and meaningful use of health information technology.

HIPAA's enforcement rules were strengthened by the HITECH Act by:

- Improving privacy and security provisions in the original HIPAA Privacy and Security rules
- Making business associates of covered entities directly accountable for compliance with certain HIPAA Privacy and Security Rules
- Incorporating and increasing the civil monetary penalty structure for violations and requiring notification to individuals and the Department of Health and Human Services (HHS), in the case of an unauthorized disclosure of PHI or access to electronic PHI.