

National Perspective: Update on HIPAA Regulations: What's Next? The Extension, Collaboration



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PRESENTATION OUTLINE

1. **HIPAA Regulation Update**
2. **Medicare and Medicaid**
3. **What's Next?**
4. **WEDI -- National Industry HIPAA Resource**



BOUNDARY INFORMATION GROUP (BIG)

- **Virtual Consortium of Health Care Information Systems Consulting Firms**
- **Founded 1995**
- **Internet-Based**
- **Company website: www.boundary.net**
- **BIG HIPAA Resources: www.hipaainfo.net**
- **Senior Consultants with HIPAA Leadership Experience Since 1992**
- **HIPAA Consulting**
 - **Education and Training**
 - **HIPAA Project Planning**
 - **Readiness Assessment and Remediation**
 - **Project Management or Project Advisor**



- **Founded 1991**
- **Nonprofit Association**
- **206 Organization Members**
- **To Foster Widespread Support for the Adoption of Electronic Commerce Within Health Care**
- **Consumers, Government, Mixed Payer/Providers, Payers, Providers, Standards Organizations, Vendors**
- **Named in 1996 HIPAA Legislation as an Advisor to the Secretary of DHHS**
- **Initiated SNIP for HIPAA Implementation**
- **Website: www.wedi.org**
- **Steven Lazarus, WEDI Chair (2001-2002)**

HIPAA MYTHS



- **There will be more HIPAA delays**
- **There will be no HIPAA enforcement for many, many years**
- **My vendor will take care of HIPAA**
- **HIPAA is an IT project**
- **We can wait until late 2002 to work on HIPAA**

H.R. 3103 Health Insurance Portability and Accountability Act of 1996 (HIPAA)



SUBTITLE F — Administrative Simplification

H.R. 3323

ADMINISTRATIVE SIMPLIFICATION COMPLIANCE ACT

- **Applies only to Transactions and Code Set Standards**
- **Extension**
 - **Must be submitted by October 16, 2002 to be compliant by October 16, 2003**
 - **Timeframe for testing that begins no later than April 16, 2003**
- **NCVHS will consult with WEDI and publish reports on effective solutions**
- **No wavier or delay of Privacy**

H.R. 3323

ADMINISTRATIVE SIMPLIFICATION COMPLIANCE ACT

- **Medicare**
 - **All providers are required to submit claims electronically to Medicare, unless**
 - **No method available for electronic claim**
 - **Small provider (less than 25 FTE employees for a provider of services or fewer than 10 FTE employees (if not a provider of services))**
 - **Failure to submit a plan and not be in compliance may result in exclusion from participation in Medicare**

“It’s terrible to have a law telling you to do something--but you ain’t going to do it unless there is.” Will Rogers, May, 1935



HIPAA REGULATIONS STATUS AS OF DECEMBER 26, 2001



HIPAA REGULATION	PROPOSED RULE PUBLICATION	FINAL RULE PUBLICATION	EXPECTED COMPLIANCE DATE
Standards For Electronic Transactions	May 7, 1998	August 17, 2000	October 16, 2002 or October 16, 2003
National Standard Health Care Provider Identifier	May 7, 1998	Expected 2002	2004
National Standard Employer Identifier	June 16, 1998	Expected 2002	2004
Security and Electronic Signature Standards	August 12, 1998	Expected 2002	2004
Privacy and Patient Confidentiality	November 3, 1999	December 28, 2000	April 14, 2003
Standards for Electronic Claims Attachments	Expected 2002	Expected 2003	2005
National Standard Health Plan Identifier	Expected 2002	Expected 2003	2005
Enforcement	Expected 2002	Expected 2002	To be effective with each final rule
Medical Record	Expected 2003+	Unknown	Unknown

MODEL HIPAA TIMELINE

Task Name	2000		2001		2002		2003		2004		2005	
	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	
Transactions												
Privacy and Patient Confidentiality												
Security												
Employer Identifier												
Provider Identifier												
Health Plan Identifier												
Claims Electronic Attachments												
Enforcement												

CMS UPDATE

- **DHHS Transactions Regulation Status**
 - **DSMO update expected January 28, 2002**
 - **NDC code update expected January 28, 2002**
- **HCFA Program Memoranda**
 - **Transmittal A-01-57 of April 30, 2001**
 - **Transmittal B-01-35 of April 30, 2001**
 - **By January 2, 2002, intermediaries, carriers and DMERCs, must be able to issue 835 version 4010 in production mode**
 - **Similar requirement for 837**

MEDICAID READINESS

- **Varies by State**
- **National Governor's Association**
 - August 22, 2001 letter to Congress (www.nga.org)
- **State Issues**
 - Local codes
 - Budget and contracting cycle
 - Priorities
 - Impact on many programs

“NOISE” IN THE BACKGROUND

- **Doctors’ Lawsuits**
 - Association of American Physicians and Surgeons, July 2001
 - South Carolina Medical Association, July 2001
 - Unconstitutional delegation of legislative authority
- **Various Lobby Initiatives for Extensive Delays may Continue**

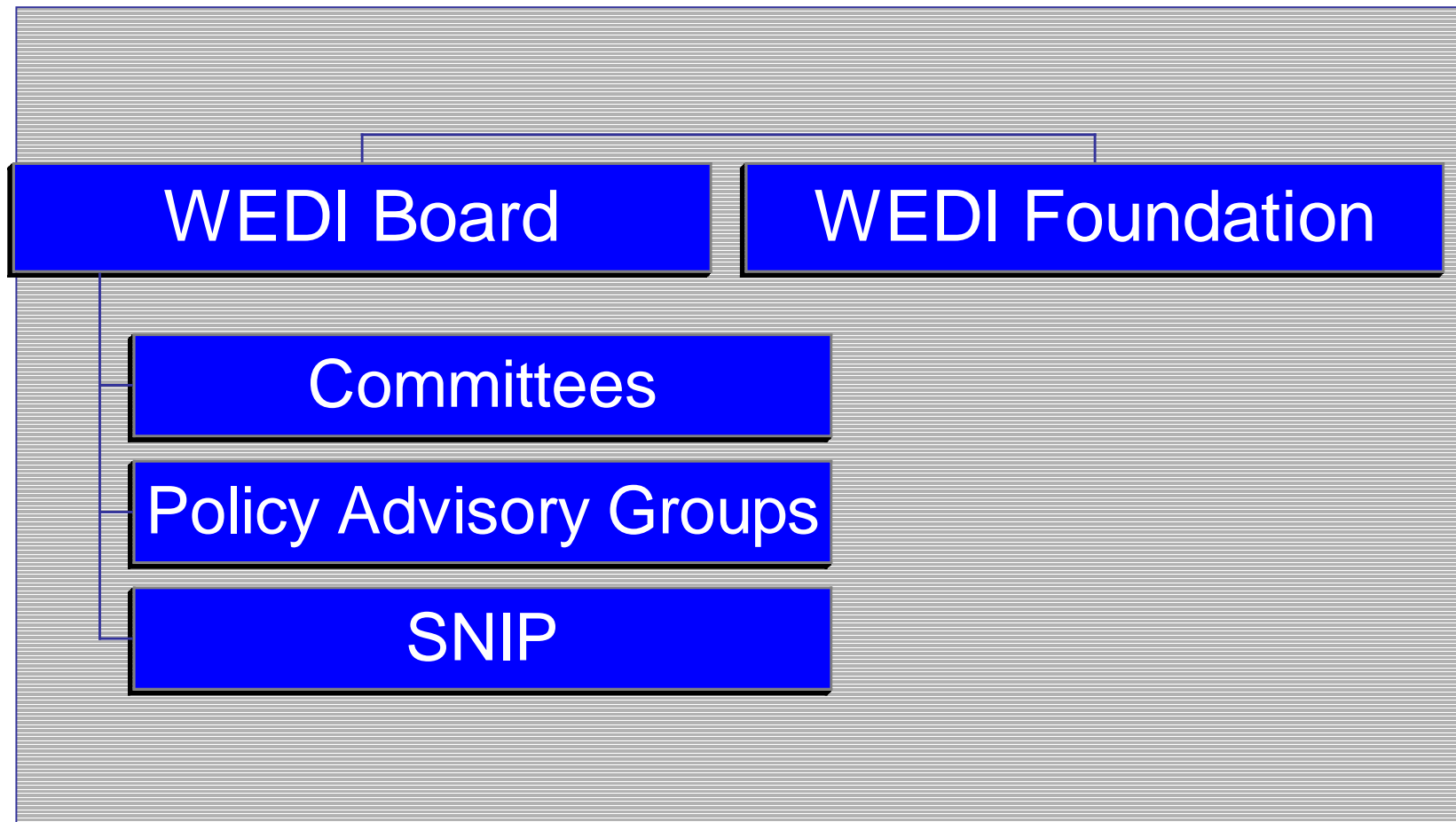
RECOMMENDATIONS

- **Do not delay a slow down -- The 2001 extension was not granted so that covered entities could put off HIPAA for a year -- that is why the application for an extension with a plan is required**
- **Move Aggressively to HIPAA Implementation**
- **For those who have not completed a readiness assessment, it's almost too late**
- **Work together locally and nationally to remove barriers and ease the transition**

NEXT STEPS

- **Project Plan**
- **Project Management**
- **Dedicate Project Resources**
- **Start/Complete Remediation**
- **Monitor Changes/Document Readiness**
- **Monitor New Regulations**
 - **Attachments**
 - **Health Plan Identifier**
 - **Enforcement**

FUNCTIONAL RELATIONSHIPS



WEDI POLICY ADVISORY GROUPS (PAGs)



- **Develops industry consensus recommendations to WEDI Board and DHHS**
 - NPRM
 - Initial Final rule
 - Other (e.g., periodic meetings with DHHS)
- **Future PAGs:**
 - Extension application -- January 2002
 - Security Final Rule
 - Employer Identifier Final Rule
 - Health Plan Identifier NPRM
 - Privacy NPRM
 - Attachments NPRM
 - Provider Identifier Final Rule

WEDI SNIP



- **Develops industry consensus for HIPAA implementation**
- **Includes over 70 volunteers in leadership positions**
- **Has 3000 plus participants on the LISTSERV**
- **Presents and receives HIPAA implementation advice through snip.wedi.org and conferences**
- **Reaches to local areas through Regional SNIPs**
- **Formal RSA application process (13 RSAs)**

SNIP DELIVERABLES



- **White papers**
- **Audio and Web conferences**
- **Quarterly WEDI SNIP conferences**
- **WEDI SNIP Forum**
 - Baltimore, March 5-7, 2002
- **WEDI National Conference**
 - Denver, May 14-16, 2002
- **WEDI SNIP Forum**
 - Chicago, September 9-11, 2002
- **WEDI SNIP HIPAA Implementation Summit**
 - Phoenix, November 18-20, 2002

SNIP TRANSACTIONS WHITE PAPER



- **Sequencing**
- **Front-End Edits (draft)**
- **Clearinghouses Transactions and Connectivity (draft)**
- **Data and Code Set Compliance**
- **Trading Partner Agreements**
- **Impact on DDE Services (draft)**
- **Testing and Certification**
- **Business-to-Business**
- **National Drug Code (NDC)**

SNIP SECURITY AND PRIVACY WHITE PAPERS (Version 3.0)



- **Awareness Training and Education**
- **Audit Trail Clarification**
- **Organizational Change Management**
- **Certification**
- **Vendor Technologies and Interdependencies**
- **Small Practice Implementation**
- **Access and Amendment**
- **De-Identification**
- **Minimum Necessary**
- **Notice , Consent, and Authorization**

SNIP SECURITY AND PRIVACY WHITE PAPERS (Version 3.0)



- **Paper versus Electronic Records**
- **Preemption**
- **Policies and Procedures**

SNIP EDUCATION SUB-WORKGROUPS



- **State and Regional Efforts**
- **Large Provider Education**
- **Small Provider Education**
- **Health Plan Education**
- **Employer Education**
- **Vendor Education**
- **Pharmacy Education**
- **Web Initiatives**

TOOLS AND RESOURCES

- **Strategic National Implementation Process (SNIP)**
 - snip.wedi.org
- **BIG Financial Benefit Estimating Tool**
 - www.hipaainfo.net
- **DHHS/HIPAA**
 - aspe.os.dhhs.gov/admnsimp
- **Medicare HIPAA document**
 - www.hcfa.gov/medicare/edi/hipaadoc.htm
- **WEDI Site for Membership, E-Commerce, and Foundation**
 - www.wedi.org
- **Colorado SNIP RSA**
 - www.cosnip.com