

HIPAA NEWS

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MODIFICATIONS TO TCS STANDARDS ADOPTED

Modifications to the Standards for Electronic Transactions and Code Sets (TCS) were published in the February 20, 2003 Federal Register. In general, the final modifications did not contain any unexpected or surprising changes. Key features include:

For Non-Retail Pharmacy Transactions: Repealing the National Drug Code (NDC) as the standard medical data code set for reporting drugs and biologics. At this time no standard has been adopted for these transactions.

For retail pharmacy transactions:

- Adopting the National Council for Prescription Drug Programs (NCPDP)

Batch Version 1.1 to support the Telecommunications Version 5.1.

- Adopting the Accredited Standards Committee (ASC) X12N 835 as the standard for payment and remittance advice and the NCPDP Telecommunications Version 5.1 and NCPDP Batch Version 1.1. Implementation Guides as the standard for the referral certification and authorization transaction.
- Continuing the use of the NDC code set for the reporting of drugs and biologics.

Modifications to the Transactions Standards: Changes to the initial standards have been adopted. These changes are detailed in the

“addenda” to the implementation guides, which provide the technical details for each standard. The changes reflect industry requests to modify the standards.

Modified Standards - The rule also adopts modified standards for two transactions that were not included in the proposed rules – premium payments, and coordination of benefits. The modifications were approved by the Designated Standard Maintenance Organization (DMSO) and merely provide explanatory guidance.

Special points of interest:

- Modifications to TCS
- Final Security Standards
- CMS HIPAA Resources
- Human Error and Security Breaches

FINAL SECURITY STANDARDS PUBLISHED

The final security standards for HIPAA were published in the February 20, 2003 Federal Register.

The requirement to encrypt protected health information transmitted via open networks--such as the Internet, the telephone system and wireless infrastructure--has been eliminated from HIPAA's final security rule.

Encryption now is an “addressable implementation specification,” meaning provider and payer organizations must determine if and when it's appropriate to use the security technology. Encryption is one of many of the proposed security rule's requirements that ultimately have been downgraded to merely

“addressable.”

Key features of the final rule include:

Scalable: All covered entities must implement these standards. In determining how to apply the standards, covered entities should take into account their size, complexity, capabilities, costs of complying with the standards, and the potential risks to their electronic protected health information.

Technology neutral: The standards do not specify any particular technology. They outline what must be done, not how to do it.

Secure: Designed to protect

electronic data at rest and in transit through:

- Administrative safeguards - management of the selection and execution of security measures.
- Physical safeguards - protections for electronic systems and related buildings and equipment from environmental hazards and unauthorized intrusion. -
- Technical safeguards - automated processes to protect data and control access to it.

HIPAA RESOURCES

Listed are HIPAA resources provided by CMS.

- **Website** – <http://www.cms.hhs.gov/hipaa/hipaa2/> - Answers to Frequently Asked Questions, links to other HIPAA sites, and information on the law, regulations, and enforcement are located here.
- **Small Provider Checklist Tool** <http://www.cms.hhs.gov/hipaa/hipaa2/support/tools/decisionsupport/default.asp>. Use this tool to help determine what you should be doing to become HIPAA compliant. Coming soon in Spanish also!
- **CMS HIPAA 101 Paper for Providers** <http://www.cms.hhs.gov/hipaa/hipaa2/education/HIPAApaper101-1of1.pdf>. This short paper gets straight to the point describing HIPAA and what it means to providers. This is part of a larger series being developed that walk providers through what they need to know about the electronic transactions and code sets. Stay tuned for more information on the remainder of the series. Also, HIPAA 101 will soon be available in Spanish.
- **Covered Entity Decision Tool** <http://www.cms.hhs.gov/hipaa/hipaa2/support/tools/decisionsupport/default.asp>. Use this tool to help determine if you are a "covered entity" under HIPAA.
- **FREE HIPAA Roundtable Conference Call on Privacy** – This is a good source of information and a forum to get answers to your questions on HIPAA Administrative Simplification. The next call will be hosted by HHS' Office for Civil Rights (OCR), the agency with oversight of the privacy requirements. The call is scheduled for **March 26, 2003** from 2-3:30 EST. The call in number is **1-877-381-6315**. The conference identification number is **8691541**.
- **FREE Video** – Coming Soon! CMS' HIPAA 101 Video packed with tips for preparing your office for HIPAA. Stay tuned to our website for information. To request a free video, e-mail your request to AskHipaa@cms.hhs.gov or call **1-866-282-0659**.

▪ **FREE Listserves** – Both listserves are operated by the U.S. Department of Health & Human Services

▪ **Regulations** - <http://www.cms.hhs.gov/hipaa/hipaa2/regulations/lsnotify.asp> - Sign up to receive notification when proposed or final rules on HIPAA have been published in the Federal Register (The Federal Register is the place where the government, upon passing a law, tells the public how the law will be implemented).

▪ **Outreach** – <http://list.nih.gov/archives/hipaa-outreach-1.html> - Sign up here to receive free notices on HIPAA announcements, new tools and educational material, and related information.

▪ **CMS Medicaid HIPAA web address** - <http://www.cms.hhs.gov/medicaid/hipaa/adminsim/>

▪ **Medicare free / low cost billing software** – <http://cms.hhs.gov/providers/edi/> - If you bill Medicare, there is software available to you free or for a small charge. This software is designed only for Medicare claims. Check the above link for the appropriate contact in your state for more information.

▪ **White Paper: AM I A COVERED ENTITY PROVIDER?** <http://www.wedi.org/snip/public/articles/coveredEntity.pdf>

▪ **White Paper: HOW HIPAA IS RESHAPING THE WAY WE DO BUSINESS** <http://www.wedi.org/snip/public/articles/centMedicarencaid.pdf>

Contact info for CMS

▪ **CMS E-Mail box** – askhipaa@cms.hhs.gov. Send HIPAA administrative simplification questions here.

▪ **CMS HIPAA Hotline – 1-866-282-0659** – This hotline has been established to help answer your HIPAA administrative simplification questions.

Other Resources

▪ **HHS' Office for Civil Rights**

(Privacy)– <http://www.hhs.gov/ocr/hipaa/> - The U.S. Department of Health & Human Services' Office for Civil Rights oversees the privacy requirements.

▪ Model "Business Associate Agreement" at <http://www.hhs.gov/ocr/hipaa/contractprov.html>

▪ "Guidance Explaining Significant Aspects of the Privacy Rule" at <http://www.hhs.gov/ocr/hipaa/privacy.html>.

▪ Contact information

- OCRPrivacy@hhs.gov or
- Call **1-866-627-7748**.

▪ **WEDI SNIP Website** - <http://www.wedi.org/snip/> - WEDI is an organization working to foster widespread support for the adoption of electronic commerce within healthcare and SNIP is a collaborative healthcare industry-wide process resulting in the implementation of standards and furthering the development and implementation of future standards. This website contains various resources on HIPAA administrative simplification.

▪ Materials from CMS HIPAA Workshop for Small / Rural Health Care Providers - <http://www.wedi.org/snip/public/articles/details%7E56.htm>

Find out if your state has a local WEDI SNIP affiliate – Go to <http://www.wedi.org/snip/public/articles/index%7E8.htm>



CMS HIPAA Resources

ALMOST THERE!

AVAILABLE MEDICAID TRAINING

The Office of Medicaid conducted its first telebroadcast for providers who bill Medicaid on March 12. Approximately 200 providers attended the "billing workshop" which gave providers information on the changes that are necessary in order to bill Medicaid. We are hoping there will be a higher turnout for the

next telebroadcast which is scheduled to take place on **July 28, 2003, 9:00 A.M.– 12:00 Noon** and **July 29, 2003, 9:00 A.M.– 12:00 Noon**. You will only need to attend one of the dates. Please complete the enclosed registration form and return it to the Office of Medicaid. Registration forms can also be found on the ACS website and

faxed to the number on the form. Confirmations will **not** be mailed out for this registration, you will only be notified if there is **not** any more space available for the location and date that you have selected.

SURVEY SAYS HUMAN ERROR BIG CAUSE OF IT SECURITY BREACHES

At a Washington DC briefing with government officials in March, the Computing Technology Industry Association (CompTIA) revealed results from its new security survey [Committing to Security: A CompTIA Analysis of IT Security and the Workforce](#).

The survey shows human error – not technical malfunction – to be the most significant cause of IT security breaches in the public and private sectors. With an overwhelming majority of respondents stating that IT

training and certification have improved network security, the survey's results strongly suggest that more training and certification for IT professionals will help America become better protected against mounting cyber threats.

"We think the results are pretty staggering," said Brian McCarthy, CompTIA's Chief Operating Officer. "Where agencies and companies have looked primarily to technology for network safety, in over 63 percent of identified security

breaches, human error looks to be a major, underlying factor. Because our findings also show that security-related training and certification have been underutilized – with 80 percent of respondents saying that a lack of IT security knowledge, training or failure to follow security procedures were the root causes of human error – CompTIA believes that better training and certification of IT staffs will make our networks safer."

HIPAA QUESTIONS OF THE WEEK

Question: What are our duties if we are asked to disclose protected health information for national security activities?

Answer: A covered entity may disclose, without authorization, protected health information to authorized federal officials for the conduct of lawful intelligence, counter-intelligence, and other national security activities authorized by the National Security Act (50 U.S.C. 401 et seq) and implementing authority (e.g., Executive Order 123333).

Question: Are disclosures made for national security and intelligence activities required to be included in an accounting?

Answer: No. Disclosures for national security and intelligence activities are specifically excluded from an accounting.

For more information see Section 164.528(a) Right to an Accounting of Disclosures of Protected Health Information.

Question: Can we disclose protected health information if we believe that a particular person presents a threat to public health or safety?

Answer: Yes, under certain circumstances. The rules permit a covered entity to use or disclose protected health information without authorization, if the covered entity, in good faith, believes the use or disclosure:

- Is necessary to prevent or lessen a serious and imminent threat to the health or safety of a person or the public; and is disclosed to a person reasonably able to prevent or lessen the threat, including the target of

the threat; or

- Is necessary for law enforcement authorities to identify or apprehend an individual: (a) because of a statement by an individual admitting participation in a violent crime that the covered entity reasonably believes may have caused serious physical harm to the victim; or (b) where it appears from all the circumstances that the individual has escaped from a correctional institution or from lawful custody.

For more information see **Section 164.512(j) Uses and Disclosures to Avert a Serious Threat to Health or Safety**



HIPAA WEBSITES AND LINKS

A HIPAA website dedicated to Medicaid is located at: www.cms.hhs.gov/medicaid/hipaa/admsimp/. The DHHS website includes information on the administrative simplification provision of HIPAA, general information about the law, explanation of rule making process, etc. and can be found at <http://aspe.os.dhhs.gov/admsimp>.

The DHHS Office of Civil Rights

maintains a website devoted to implementation of the HIPAA privacy provisions. It is <http://www.hhs.gov/ocr/hipaa/>.

Another website dedicated to HIPAA was developed by Phoenix Health Systems - the HIPAAAdvisory - can be found at www.hipaadvisory.com.

The WEDI HIPAA SNIP Task-

Group has been established to meet the immediate need to assess industry-wide HIPAA Administrative Simplification implementation readiness and to bring about the national coordination necessary for successful compliance. Information on the WEDI/SNIP group can be found at their website: <http://snip.wedi.org>.

"HIPAA-vated"

YOUR HIPAA NEWSLETTER

2300 Capitol Avenue
147 Hathaway Building
Cheyenne, WY 82002

Email: hipaa@state.wy.us

With this publication, Wyoming's Office of Medicaid and the Department of Health will provide members with the latest information on HIPAA regulations and compliance, including detailed overviews of specific requirements for providers and implementation tips and Web site resources. If you would like to receive a copy of the HIPAA NEWS, please

e-mail us at hipaa@state.wy.us and ask that your name be added to the mailing list. Copies can also be downloaded from the ACS Wyoming Medicaid website: <http://wyequalitycare.acs-inc.com/>.



HIPAA AND YOU!

The Wyoming Department of Health is the primary State agency for providing health and human services. It administers programs maintaining the health and safety of all citizens of Wyoming.

Mission

We envision a Wyoming in which all citizens are able to achieve their maximum health potential; a Wyoming in which early intervention, wellness, health promotion, and health maintenance programs are the primary approach for solving health problems; a Wyoming in which all citizens have regular access to basic health care; a Wyoming in which at-risk citizens receive culturally appropriate and sensitive services; a Wyoming in which we and future generations are healthy, vital, and productive so as to seize the opportunity to live our individual dreams and enjoy the benefits of our bountiful resources and natural beauty.

*We're on the
web. Visit us at
www.state.wy.us*



Wyoming Office of
Medicaid
Department of Health

Our mission is to promote,
protect and enhance the
health of all Wyoming
citizens.