

When does HIPAA become effective?

While the law was passed in August 1996, the compliance dates vary depending upon when an individual rule was released. The compliance dates are as follows:

- Transaction and Code Sets Rule - October 16, 2002 (H.R. 3323 allowed for a 1 year extension)
- Privacy Rule - April 14, 2003
- Security Rule - April 21, 2005
- National Employer Identifier - July 30, 2004
- National Provider Identifier - May 23, 2007

Note: Small health plans have 36 months to implement. Therefore, small health plans are required to implement the Privacy rule by April 14, 2004 and the Security rule by April 21, 2006.

How can I learn more about HIPAA?

There are a number of web sites available to assist individuals and organizations in developing a fuller understanding of HIPAA. A partial listing includes:

- **U.S. Department of Health and Human Services:**
www.aspe.hhs.gov/admsimp
- **Ohio Department of Job and Family Services trading partner site:** www.hipaa.oh.gov/odjfs
- **Center for Medicare and Medicaid Services**
www.hcfa.gov/medicaid/HIPAA/
- **U.S. Office of Civil Rights:** www.hhs.gov/ocrhipaa
- **Strategic National Implementation Process:**
www.wedi.org/snipindex.htm
- **HIPAA Implementation Guides:**
www.hipaa.oh.gov/odjfs
- **HIPAAOhio**
www.hipaa.oh.gov

Your Address

HIPAA

The Health Insurance Portability and Accountability Act of 1996

What
Who and
When

What is HIPAA?

The Health Insurance Portability and Accountability Act (HIPAA) is the single most significant piece of federal legislation, affecting the health care industry, since the inception of the Medicare and Medicaid programs. The legislation consists of five parts.

- Title I, improves the portability and continuity of health insurance coverage for millions of American workers and their families.
- Title II, promotes "administrative simplification" in the health care industry through the development of standards for the electronic exchange of information. It also mandates rules to maintain the privacy of protected health information, to establish security requirements to protect that information, and to develop standard identifiers.

The remaining Titles generally contain tax-related provisions and enforcement of group health plan requirements.

The provisions of HIPAA are broad and far reaching. This brochure is intended to create awareness of the Administrative Simplification section of the law.

What Does Administrative Simplification Mean?

The goals of administrative simplification include protecting the privacy rights of individuals; developing standards for the exchange of electronic health care information; securing the data processing systems; and creating standard identifiers for employers, health care providers, and health plans. Specific provisions include:

- **Privacy Rule** - The Privacy rule provides for the protection of individually identifiable health information that is transmitted or maintained in any form or medium.
- **Transaction and Code Sets Rule** - HIPAA mandates the development and use of standardized transactions to be used in the electronic exchange of medical, administrative and financial data. In addition, the rule requires the use of standardized national code sets to identify medical conditions, treatments, procedures, durable medical equipment, drugs and others.
- **Security Rule** - The Security Rule specifies that an entity must implement and document security measures to protect electronic individually identifiable health information from inappropriate use, disclosure or destruction.

Who Must Comply?

HIPAA requires the following entities to comply:

- **Health Plans** - This category includes individual or group plans that provide or pay the cost of medical care and includes both the Medicare and Medicaid programs.
- **Health Care Providers** - Under HIPAA they are defined as any provider who transmits any health information in electronic form in connection with the transactions covered in the rules. Physicians, hospitals, physical therapists, pharmacists, providers of home medical equipment, and others would be included in this group.
- **Health Care Clearinghouses** - This category includes entities that process or facilitate the processing of health information received from other entities. It includes groups such as physician and hospital billing services.