

HIPAA Privacy and Security

This Employee Benefits Update provides information on HIPAA privacy and security developments that affect employer health plans. HIPAA stands for the Health Insurance Portability and Accountability Act.

- Health Care Reform changes to HIPAA added new “operating rules” which add more regulation of electronic transfers of information. Interim final rules involving operating rules for eligibility and health care claims status have been issued with **compliance required by January 1, 2013**. Here is a press release:

<http://www.hhs.gov/news/press/2011pres/06/20110630a.html> and regulations:
<http://www.gpo.gov/fdsys/pkg/FR-2011-07-08/pdf/2011-16834.pdf>.

- There also have been proposed changes to the rights of individuals to an accounting of their protected health information. Here is a brief press release: <http://www.hhs.gov/news/press/2011pres/05/20110531c.html>.

- The government has announced that it will be doing audits of some plans. For information on the audits: <http://www.hhs.gov/ocr/privacy/hipaa/enforcement/audit/index.html>. You can read about compliance efforts in the Annual Reports to Congress on HIPAA breach notifications and other compliance: <http://www.hhs.gov/ocr/privacy/hipaa/administrative/breachnotificationrule/breachrept.pdf> and <http://www.hhs.gov/ocr/privacy/hipaa/enforcement/compliancerept.pdf>.

What should employers do?

1. Start working on the new operating rules that will require compliance by January 1, 2013.
2. Conduct a self-audit of HIPAA compliance. Make sure you update your documentation as needed. If you are contacted for an audit, be sure to consult experienced HIPAA counsel.
3. Watch for new developments and guidance including business associates, more operating rules, new treatment for electronic funds transfers, and new certifications and penalties.

Cynthia A. Van Bogaert

is a partner with Boardman, Suhr, Curry & Field LLP. She is a faculty member for employee benefits courses for ALI-ABA and the Employee Benefits Institute of America, as well as author of the 401(k) column on BenefitsLink, a national employee benefits Web site.

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