HITECH: The Expansion of HIPAA

A Message from Diversified

On February 17th, 2009, President Obama signed into law the Health Information Technology for Economic and clinical Health Act (HITECH Act). Under the HITECH Act, Congress directed the U.S. Department of Health and Human Services (HHS) to issue guidelines regarding notification of breaches in privacy. HHS has published an interim final rule which became effective September 23rd, 2009.

While HIPAA had already established guidelines for this very thing, they were largely without consequence. That changes dramatically in HITECH which provides for stiff penalties, mandatory reporting of all breaches to the HHS, as well as annual audits of covered entities to review and monitor compliance. HITECH is being described as the ‘bite’, where HIPAA was just ‘the bark’.

If that is the case, then you can consider Diversified your animal control agent. We won’t let our clients be bitten, let alone barked at. Compliance is one of our many strong suits.

In this newsletter, you will find more information on the HITECH Act and learn just how it will affect your office. Here at Diversified Medical Records Services, we have spent countless hours digging into the minutia of this expansion of HIPAA and we want to make sure our client medical facilities are brought up to speed on the basics. Keep in mind, the HITECH Act is not complete and has yet to be implemented in its entirety. As we learn more, you will be informed along the way.
Industry in Motion

The Centers for Medicare and Medicaid Services (CMS) is in full swing with its Recovery Audit Contractor (RAC) program and at this very moment they are pouring over hundreds of thousands of simple audits. While you may not be aware of it, things are about to start warming up with their complex audit process.

As mentioned above, there are two types of audits; simple and complex. Simple audits are done without notification to the medical facility and without requesting any physical or electronic medical record data. Complex audits on the other hand, will require a bit more legwork and involve requesting large numbers of patient medical records to complete the process.

The good news is that complex audits don’t start until the early part of 2010 at which point each of the RACs will be required to supply tracking information on all requested records via their own individual websites.

Do you know who your RAC is? Don’t worry, we do! All the arrangements have been prepared, and as usual, you are in good hands.

Civil penalties for HIPAA violations have increased to a range of $100 to $50,000 per violation, and maximum penalties from $25,000 to $1,500,000

Exploring the HITECH Act

The HITECH Act is a part of the sweeping federal stimulus package, the American Recovery and Reinvestment Act (ARRA) and the main purpose is to encourage doctors nationwide to move toward Electronic Medical Records (EMR/HER) systems. The government wants to change the way healthcare is delivered by utilizing Information Technology which promises to make healthcare more efficient and less error prone. Within the HITECH Act are a number of financial incentives for implementing EMR/HER technology and training. In fact, there is $19 billion in funding set aside for this one purpose.

In addition to providing financial incentives, the HITECH Act strengthens the rules established under HIPAA for protecting the privacy and security of health information. Enhanced security provisions include a new data breach reporting requirement, which lowers the threshold at which victims must be notified. There are also new disclosure accounting rules, limits on how protected health information can be used for marketing and fundraising purposes and a ban on selling protected data.

HITECH also raises the penalties for noncompliance with HIPAA and provides greater resources for enforcing the rules. One of the most significant amendments to HIPAA by the HITECH Act is the expansion of entities now subject to the privacy and security rules. Health plans, healthcare clearinghouses, business associates, and various vendors of Health Information Technology (HIT) are all under the umbrella of HIPAA and HITECH now. (Cont’d page 3)
Exploring the HITECH Act (Cont’d)

HITECH also increases the civil monetary penalties for HIPAA noncompliance to as much as $50,000 per violation. The level of intent is taken into account for every fine. Where it is found that there is “reasonable cause” rather than “willful neglect”, fines start at $1,000. Violations resulting from “willful neglect” will start at $10,000 per violation and reach up to $1,500,000.

Not only are the monetary penalties heightened, HITECH also authorizes state attorneys general to enforce HIPAA privacy and security requirements under certain circumstances. The act authorizes the Department of Health and Human Services to conduct audits to ensure compliance with both HITECH as well as HIPAA privacy and security rules. HITECH also permits the Office of Civil Rights (OCR) to pursue an investigation and apply civil monetary penalties against individuals for criminal violations of HIPAA if the Justice Department chooses not to prosecute the individual.

As you can see, the HITECH Act is complex and requires a lot of effort to maintain compliance. While some of the main provisions were covered in this newsletter, we have barely scratched the surface. You will want to make sure your staff is brought up to speed prior to the final provisions going into effect in February of 2010 in order to best mitigate your risk of a privacy breach. In the mean time, you can rest easy knowing that Diversified Medical Records Services is ahead of the curve and working hard to keep you compliant with all the new rules and regulations as they pertain to the release of health information. If you want to learn more, you can visit www.hhs.gov

Answers to Quiz:  1). A  2). A  3). A

Grandma Hannah’s Pumpkin Pancakes

If you like pancakes, you’ll love pumpkin pancakes. Throw in some chopped apple, or a handful of raisins or even some chopped cranberries if you like. Enjoy with warm maple syrup.

Prep Time: 15 minutes
Cook Time: 15 minutes
Ingredients:
1 cup all-purpose flour
1/4 cup packed brown sugar
1 1/2 tsp baking powder
1/4 tsp salt
1/2 tsp cinnamon
1/2 tsp ground ginger
1/4 tsp nutmeg
1 large egg, lightly beaten
1 tbsp canola oil
1 cup nonfat milk
1/3 cup pure pumpkin

Preparation:
Whisk flour, sugar, baking powder, salt, cinnamon, ginger and nutmeg together in a medium bowl. Combine egg, oil, milk and pumpkin in a small bowl. Stir pumpkin mixture into dry ingredients. Leave to stand for five minutes.
For each pancake, scoop 1/4 cup of batter onto a hot griddle or nonstick skillet sprayed with cooking spray. Turn pancakes when bubbles appear and edges are cooked, after about 2 minutes. Cook for 1 1/2 minutes on second side.