ADAMHS BOARD FOR MONTGOMERY COUNTY		BP # 510	
TITLE:	HIPAA: Implementing/Updating Policies to Ensure Compliance	SUBJECT: HIPAA	
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PURPOSE: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) granted individuals the right to receive adequate notice of the uses and disclosures of their protected health information (PHI) that may be made by a covered entity, and the individual's rights and the entity's legal duties with respect to PHI. This policy has been developed to assist the Board to comply with the law and to guide Board staff in meeting HIPAA requirements for policy and procedures changes when HIPAA regulations are changed.

POLICY:

- 1. The Alcohol, Drug Addiction and Mental Health Services Board for Montgomery County shall establish a methodology to stay current on HIPAA Regulations and change policies and procedures to comply with any changes in the law, including standards, requirements and implementation specifications.
- 2. When the Board's HIPAA policy and procedure changes are made, the Privacy Officer or designee shall plan, implement and document appropriate and timely staff training regarding the changes.
- 3. The Privacy Officer or designee shall retain a copy of any policy related to HIPAA compliance that is superseded by a new policy. The superseded policy shall be kept for a period of at least six (6) years from the effective date of the new policy along with other documentation required by the regulation.

DEFINITIONS

1.1 <u>Health Insurance Portability and Accountability Act of 1996 (HIPAA)</u>. HIPAA is comprehensive law enacted by the United States government. The law has several subparts providing such benefits as guaranteed portability and renewal of insurance benefits between employers, tax provisions for medical savings accounts and administrative simplification to improve the efficiency and effectiveness of the health care system. During the latter part of the 1990's, the Secretary of the Department of Health and Human Services drafted regulations for standardizing the electronic interchange of administrative and financial data and protecting the security and privacy of personal health information. HIPAA requires health care providers, health plans and health care clearinghouses to transition to the use of standard code sets and "electronic data interchange (EDI) and to maintain reasonable and

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appropriate administrative, technical, and physical safeguards to insure the integrity and confidentiality of healthcare information; to protect against reasonably foreseeable threats and hazards to the security or integrity of the information; and, to protect against unauthorized uses or disclosure of the information. Compliance with the first of the HIPAA rules is scheduled for early 2003. HIPAA also provides criminal penalties for failure to comply with the regulations.

- 1.2 <u>Standard.</u> Definite rules, principles or measures established by the HIPAA regulations to assure the privacy of personal health information. (Example: A covered entity must change its policies and procedures as necessary and appropriate to comply with changes in the law.)
- 1.3 <u>Implementation Specifications.</u> In the HIPAA regulations, these are the specific instructions for implementing a specific standard.
- 1.4 <u>Requirements.</u> Requirements may be defined as the necessary actions of a covered entity to comply with the standards and implementation specifications of the HIPAA regulations.