

ADAMHS BOARD FOR MONTGOMERY COUNTY		BP # 512	
TITLE: Use of Client PHI for Treatment, Payment and Operations		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 acceptable routine use of a client/member's protected health information.

POLICY:

1. All Board officers, employees, and agents shall preserve the integrity and the confidentiality of individually identifiable health information (IIHI) pertaining to each client/member. This IIHI is protected health information (PHI) and shall be safeguarded to the degree possible in compliance with the requirements of the privacy rules and standards established under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and other applicable State and Federal laws.
2. Board and its officers, employees, and agents may use and disclose a clients/members PHI for the purposes of treatment, payment and operations without the client/member's, or client/member representative's written consent except where other federal or state laws require such consent. The Board will make a good faith effort to notify the client or representative of the Board's Privacy Practices.
3. Board and its officers, employees, and agents will not use or disclose a client/member's protected health information for any purpose other than treatment, payment and operations without the properly documented authorization of the client/member or his/her authorized representative unless required to do so by federal and or state law or regulation; unless an emergency exists; or, unless the information has been sufficiently de-identified that the recipient would be unable to link the information to the client/member.
4. Board shall take reasonable steps to limit the use and/or disclosure of, and requests for PHI to the minimum necessary to accomplish the intended purpose.

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Definitions.

- 1.1. Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA is comprehensive law enacted during the Clinton administration. 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 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. Individually Identifiable Health Information (IIHI). A subset of health information, including demographic information collected from an individual and that is created or received by a health care provider and relates to the past, present, or future physical or behavioral health or condition of an individual, the provision of health care to an individual, or the past, present or future payment for the provision of health care to an individual, and which identifies the individual, or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual.
- 1.3. Protected Health Information (PHI). The final rule defines PHI as individually identifiable health information that is transmitted by electronic media; maintained in any electronic medium such as magnetic tape, disc, optical file; or transmitted or maintained in any other form or medium (i.e. paper, voice, Internet, fax etc.).

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- 1.4. Treatment, Payment, Health Care Operations (TPO). A healthcare provider, health plan or healthcare clearinghouse may use and disclose PHI (with certain limitations) without written authorization within and outside the organization for client/member treatment, to facilitate the payment of the client's/member's bills, and for business and clinical operations of the Board.
- 1.5 Minimum Necessary Standard. The Board shall make all reasonable efforts not to use or disclose more than the minimum amount of protected health information necessary to accomplish the intended purpose of the use or disclosure.