

## HIPAA Readiness Disclosure Statement

HealthLink has been following the evolution of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act (HIPAA) since the provision's inception in 1996. HealthLink's goal is to ensure that our systems, supporting business processes, policies and procedures successfully meet the implementation standards and deadlines mandated by the United States Department of Health and Human Services (DHHS).

### HIPAA Applicability

HIPAA Title II, sometimes called Administrative Simplification, has two primary areas of regulation: (1) the standardization of certain electronic health care related transactions, and (2) the implementation of controls to protect an individual's health information.

The HIPAA Administrative Simplification rules and regulations apply to covered entities. Covered entities are defined as health plans, health care clearinghouses, and health care providers who transmit any health information in any electronic form in connection with transactions covered under the rules, and who receive, maintain, or disclose individually identifiable health information in any form or medium. All covered entities must comply with the standards adopted by HIPAA by the applicable compliance dates.

- HIPAA Transaction Standards

#### **Compliance Required and Achieved October 16, 2003 for 4010A1 Standard**

HealthLink is capable of accepting, processing, and creating the electronic transaction 4010A1 formats with trading partners as mandated by HIPAA. The following transactions are required for use under the HIPAA standards, including:

<u>Transaction Name</u>	<u>ASC X12 Transaction</u>	<u>NCPDP Transaction</u>
Health Claims and Equivalent Encounter Information	837	NCPDP 5.1/Batch 1.1
Enrollment and Disenrollment in a Health Plan	834	
Eligibility Inquiry/Response for a Health Plan	270/271	NCPDP 5.1/Batch 1.1
Health Care Payment/Remittance Advice (ERA)	835	
Health Plan Premium Payments	820	
Health Claim Status Inquiry/Response	276/277	
Referral Certification and Authorization	278	NCPDP 5.1
Coordination of Benefits	837	NCPDP 5.1/Batch 1.1

#### **Compliance Required and Achieved January 1, 2012 for 5010 Standard**

HealthLink is capable of accepting, processing, and creating the electronic transaction X12 Version 5010 formats with trading partners as mandated by HIPAA. On November 17, 2011, CMS announced a 90-day grace period in which no enforcement of 5010 compliance would occur until March 31, 2012. This announcement does not change plans for HealthLink to support the January 1, 2012 effective date.

- HIPAA Code Sets

#### **Compliance Required and Achieved October 16, 2003**

Under HIPAA, a "code set" is any set of codes used for encoding data elements, such as tables of terms, medical concepts, medical diagnosis codes, or medical procedure codes. Code sets for medical data are required for data elements in the administrative and financial health care transaction standards adopted under HIPAA for diagnoses, procedures, and medications.

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- **HIPAA Claims Attachment Notice of Proposed Rule Making**

On September 23, 2005, the Department of Health and Human Services published a Notice of Proposed Rule Making (NPRM) for Electronic Claims Attachments in the Federal Register. The purpose of this rule is to provide structure and standards for the process of requesting and supplying additional health care information to support submitted health care claims data. HealthLink participated in developing responses in conjunction with the 60-day public comment period associated with this NPRM.

- Final Rule Expected in 2010

- **HIPAA Identifiers**

The following are current HIPAA-defined identifiers:

- *Employer Identification Number (EIN)*: The nine-digit Tax Identification Number assigned by the IRS - **Compliance achieved**
- *National Provider Identifier (NPI)*: The NPI is a 10-digit single provider identifier assigned by Centers for Medicaid and Medicare Services (CMS) through the National Plan and Provider Enumerator System (NPPES) - **Compliance achieved.**
- *Health Plan Identifier (PAYERID)*: Not yet announced but likely to be a ten-digit number assigned to health plans for the routing of electronic transactions.\*

\* This item has been placed on hold by CMS for an indefinite period.

### **HIPAA Privacy and Security Rules**

- **Privacy**

#### **Compliance Required and Achieved April 14, 2003**

HealthLink is in full compliance with the provisions of the HIPAA Privacy Rule. Compliance efforts included, but were not limited to:

- The appointment of a Privacy and Security Officer
- Establishment of a Privacy Office
- Creation of an infrastructure designed to support ongoing compliance requirements throughout the company
- Adoption and communication of policies, standards, and procedures, and the annual training of all associates.

HealthLink has adopted policies and procedures that meet compliance with the HIPAA Privacy regulation including the granting of the following individual rights:

- The right to access designated records that contain protected health information (PHI)
- The right to request an amendment to PHI contained in designated records
- The right to place restrictions on the use and disclosure of PHI for treatment, payment, and health care operations
- The right to “opt-in” prior to receiving certain marketing materials
- The right to receive confidential communications at an alternate address or location
- The right to request a disclosure accounting
- The right to voice a complaint pertaining to HealthLink’ privacy policies and procedures

Privacy notices are distributed to all fully insured subscribers describing the company’s use and disclosure of PHI. These notices are available on the HealthLink website at [www.HealthLink.com](http://www.HealthLink.com).

HealthLink and its affiliates are committed to delivering excellent service. Part of that commitment includes compliance with and support of the HIPAA Privacy mandate. Most important, we are committed to protecting member and patient privacy and safeguarding related health information.

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- **Security**

### **Compliance Required and Achieved April 20, 2005**

HealthLink achieved compliance with the provisions of the HIPAA Security Rule by the required date of April 20, 2005. Compliance efforts included, but were not limited to:

- The appointment of a Corporate Information Security Officer
- Establishment of an Information Security Compliance Office
- Creation of an infrastructure designed to support ongoing compliance requirements throughout the company including the adoption and communication of policies, standards, and procedures, and the training of all associates

HealthLink is compliant with the HIPAA Security regulation through its corporate Information Assurance program, designed to:

- Maintain an information assurance risk management program
- Protect the confidentiality, integrity, and availability of electronic PHI
- Utilize administrative, physical, and technical safeguards to address reasonably anticipated threats and hazards to electronic PHI
- Continually evaluate the effectiveness and adequacy of the program

HealthLink is aware of and will comply with the changes made to the HIPAA Privacy and Security laws and regulations as part of the American Recovery and Reinvestment Act.

- **ICD-10**

### **Compliance Required by October 1, 2013**

HealthLink clearly recognized that the issues presented by ICD-10 mandate constituted a business challenge that would affect every part of our organization as well as our business affiliates and policyholders. To meet this challenge proactively, HealthLink established a workgroup in 2008. This workgroup is comprised of cross-functional teams throughout the corporation which are dedicated to:

- Researching issues
- Assessing systems
- Reviewing business processes
- Educating the HealthLink organization and its affiliates about implementation procedures while ensuring understanding of the expected end-result.

As we continue to finalize our implementation strategy, we are committed to keeping impacted parties advised of our progress.

### **Collaborative Partnerships**

HealthLink has established collaborative partnerships with industry-focused organizations throughout the country to share knowledge and expertise on HIPAA related matters. HealthLink and its affiliated companies are actively participating with the following organizations:

- WEDI (Workgroup for Electronic Data Interchange)
- WEDI SNIP (WEDI's Strategic National Implementation Process)
- AHIP (American's Health Insurance Plans)
- AMA (American Medical Association)
- AHA (American Hospital Association)
- ADA (American Dental Association)
- ANSI (American National Standards Institute)
- ASC X12 (Accredited Standards Committee)
- CAQH (Council for Affordable Quality Healthcare)

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- CAQH – CORE (Council for Affordable Quality Healthcare; Committee on Operating Rules for Information Exchange)
- EHNAC (Electronic Healthcare Network Accreditation Commission)
- HIMSS (Healthcare Information Management System Society)
- ICE (Industry Collaboration Effort)
- NCPDP (National Council of Prescription Drug Programs)

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