

North Texas Foot and Ankle

HIPAA Policy

The Health Insurance Portability and Accountability Act of 1996 was enacted to make health insurance more "portable" from one employer to another. The law mandates procedures for both new hires and for existing employees who are leaving the company. Employees who are new to a company can use evidence of previous health care coverage that is provided by their former employer to reduce or eliminate the new employer's preexisting condition requirements. Employees who are leaving a company must be provided a certificate of prior creditable health care coverage to use for this purpose. The law includes other provisions regarding restrictions on preexisting conditions, special enrollment rights and protections against discrimination.

Penalties for noncompliance: \$100 per day for each affected employee. Enforcement actions against non-complying plans may be brought both by participants and by the Department of Labor.

Note: Final HIPAA Privacy Rules were published on August 14, 2002.

HIPAA rules now require employers who are subject to the regulations to review and update current policies and procedures to ensure they are compliant under the new Rule by April 14, 2003. Small health plans have been given an additional 1 year to comply and will be required to have procedures in place to ensure compliance no later than April 14, 2004.

Employers who are subject to the Rule are required to provide a notice of the patient's privacy rights as well as a notice of the privacy practices of a covered entity. Providers who are providing treatment to patients must make a good faith effort to obtain the patient's written acknowledgment of the notice. The final Rule eliminates mandatory consent requirements which prevent the patient's access to health care. Additional information on the Final HIPAA Privacy Rules can be viewed on the Department of Health and Human Services site at <http://www.hhs.gov/news/press/2002pres/20020809.html>.