

What the Heck is HIPAA?

HIPAA is the acronym for the *Health Insurance Portability and Accountability Act* of 1996, Public Law 104-191. Also known as the Kennedy-Kassenbaum Act, HIPAA is one of the government's largest and most aggressive moves in health care since the creation of Medicare. HIPAA will have a significant impact on the health care industry over the next several years.

HIPAA was a health reform initiative whose primary intent was to help secure your health information, make it easier for your records to follow you when you change jobs, and to make it easier for the industry to process medical information. HIPAA is comprised of four components, only the first two are currently in effect:

- Protecting the confidentiality of health information (privacy rule);
- Adopting and requiring the use of standardized, electronic transmission of administrative and financial data (electronic transactions and code sets rule);
- Establishing unique identifiers for providers, health plans, and employers (national identifier rule); and
- Protecting the security and integrity of health information (security rule).

Why Is HIPAA Needed?

Health care providers have a strong tradition of safeguarding private health information. But in today's

old system of paper locked filing cabinets is not enough. With information broadly held and transmitted electronically, the HIPAA provisions provide clear standards for protecting and sharing personal health information.

HIPAA In Action

While we could give examples of HIPAA in effect for all the rules, it's the Privacy rule that you'll see more often in your life. Therefore, here are five examples of how the HIPAA Privacy rule will change the face of healthcare.

- Physicians will no longer leave detailed messages on your voice mail that involve your health status.
- Physician office sign-in sheets will no longer display why you're there to see the doctor.
- You now have the rights to access your medical records, obtain an accounting of disclosures, amend your medical records, add a personal representative, seek confidential communications, and restrict access to medical information.
- There must be written approval on file before the health plan will discuss your medical information with someone other than yourself.
- Someone could be heavily fined or face prison time if they breach a member's privacy.