

Health Insurance Portability and Accountability Act HIPAA

Glossary of Common Terms

Terms:	“HIPAA” Definition*:	PHCS Definition/Interpretation:
Administrative Simplification	<p>HIPAA Subtitle F</p> <p>It is the purpose of this subtitle of the Health Insurance Portability and Accountability Act (HIPAA) is to improve the Medicare program under title XVIII of the Social Security Act, the Medicaid program under title XIX of such Act, and the efficiency and effectiveness of the health care system, by encouraging the development of a health information system through the establishment of standards and requirements for the electronic transmission of certain health information.</p>	<p>Regulations developed to implement this section of HIPAA Administrative Simplification deals with the uniform transmittal of “Protected Health Information” in a secure manner to ensure privacy.</p>
ANSI – X12N	<p>American National Standards Institute – workgroup/version X12N (designating insurance transaction data)</p>	<p>ANSI is a private, non-profit organization that administers and coordinates the U.S. voluntary standardization and conformity assessment system. (www.ansi.org) It is ANSI that is responsible for the development of the format of standard electronic transactions, specifically the eight transaction transactions required by HIPAA to be sent in a standard format.</p>
ASCA	<p>Administrative Simplification Compliance Act</p>	<p>This recently enacted legislation allows covered entities to apply for an extension of the compliance date of the Electronic Standard Transactions requirements of HIPAA.</p>

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ASO	Administrative Service Organization	An independent vendor that provides administrative services, such as....
Authorization	<p><u>Authorization required: general rule.</u> Except as otherwise permitted or required by this subchapter, a covered entity may not use or disclose protected health information without an authorization that is valid under this section. When a covered entity obtains or receives a valid authorization for its use or disclosure of protected health information, such use or disclosure must be consistent with such authorization. In addition, because the consent is only for a use or disclosure of PHI for the Treatment, Payment, Healthcare Operations (TPO) purposes of the covered entity obtaining the consent, an authorization is also required if the disclosure is for the TPO purposes of an entity other than the provider who obtained the consent. For example, a health plan seeking payment for a particular service from a second health plan, such as in coordination of benefits or secondary payer situations, may need PHI from a physician who rendered the health care services. In this case, the provider typically has been paid, and the transaction is between the plans. Since the provider's disclosure is for the TPO purposes of the plan, it would not be covered by the provider's consent. Rather, an authorization, and not consent, would be the proper document for the plan to use when requesting such a disclosure.</p>	<p>Authorization is required when PHI is obtained or utilized for purposes other than Treatment, Payment, or Healthcare Operations (TPO). Marketing is an example of a use of PHI that would require authorization. PHCS business operations do not required authorization to conduct our business operations utilization of PHI.</p>

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<p>Business Associate</p>	<p>On behalf of such covered entity or of an organized health care arrangement (as defined in § 164.501 of this subchapter) in which the covered entity participates, but other than in the capacity of a member of the workforce of such covered entity or arrangement, performs, or assists in the performance of: A function or activity involving the use or disclosure of individually identifiable health information, including claims processing or administration, data analysis, processing or administration, utilization review, quality assurance, billing, benefit management, practice management, and repricing; or Any other function or activity regulated by this subchapter; or Provides, other than in the capacity of a member of the workforce of such covered entity, legal, actuarial, accounting, consulting, data aggregation (as defined in § 164.501 of this subchapter), management, administrative, accreditation, or financial services to or for such covered entity, or to or for an organized health care arrangement in which the covered entity participates, where the provision of the service involves the disclosure of individually identifiable health information from such covered entity or arrangement, or from another business associate of such covered entity or arrangement, to the person.</p>	<p>Since the services that PHCS provides are on behalf of our customers, PHCS meets the definition of a Business Associate. PHCS compliance efforts are required only as part of the service agreements with customers. The Business Associate contract is the responsibility of the customer as a Covered Entity. PHCS has decided to create uniform Business Associate contract language to assist customers with their compliance efforts.</p> <p>PHCS is not a Business Associate to its network providers. PHCS business practices with our contracted providers include network steerage and Fee Schedule/discounts. PHCS accepts utilization review data and claims submissions from all providers <u>on behalf of our customers.</u></p>
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CMS/HCFA	Center for Medicare/Medicaid Services formally the Health Care Finance Administration	CMS, the Centers for Medicare & Medicaid Services. Formerly known as the Health Care Financing Administration (HCFA), is the federal agency responsible for administering the <u>Medicare</u> , <u>Medicaid</u> , <u>SCHIP</u> (State Children's Health Insurance), <u>HIPAA</u> (Health Insurance Portability and Accountability Act, except Privacy), <u>CLIA</u> (Clinical Laboratory Improvement Amendments), and several other health-related programs. (www.cms.gov)
Consent	The Privacy Rule establishes a federal requirement that most doctors, hospitals, or other health care providers obtain a patient's written consent before using or disclosing the patient's personal health information to carry out treatment, payment, or health care operations (TPO). Today, many health care providers, for professional or ethical reasons, routinely obtain a patient's consent for disclosure of information to insurance companies or for other purposes. The Privacy Rule builds on these practices by establishing a uniform standard for certain health care providers to obtain their patients' consent for uses and disclosures of health information about the patient to carry out TPO.	The 3/27/02 Privacy NPRM proposes changes the original regulations from requiring health care providers obtain consent to stating that they “may” obtain consent for TPO, if they choose. PHCS is not required to obtain consent since our business operations functions fall under the TPO designation.
Covered Entity	<i>Covered entity</i> means: A health plan. A health care clearinghouse. A health care provider who transmits any health information in electronic form in connection with a transaction covered by this subchapter.	By this definition, our customers - Health Plans (“the payers”) and the providers in the PHCS network are “Covered Entities” and must comply with all aspects of the regulations.

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DHHS	Department of Health and Human Services (DHHS) – “THE DEPARTMENT OF HEALTH AND HUMAN SERVICES is the United States government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves.” (www.hhs.gov)	This is the government agency tasked with establishing and implementing the Administrative Simplification rules.
EDI	Electronic Data Interchange	Information transmitted via electronic means.
Encryption	Check proposed Security Regulations.	To alter a file or data using a secure code as to be unintelligible to anyone without authorized access.
Guidance	In this context it is information provided by a government agency to provide clarification of a government law, regulation or other requirement. Since it is not formal proposed changes to regulations, which can only be done annually, it is not subject to notification and publication requirements necessary for regulatory changes.	In July of 2001 the DHHS published a Guidance on the privacy regulations, which were final on December 2000. The Guidance was aimed at addressing questions raised by those affected by the regulations and to provide clarification on major issues of concern.
Health Care Clearinghouse	The term 'health care clearinghouse' means a public or private entity that processes or facilitates the processing of nonstandard data elements of health information into standard data elements.	A Clearinghouse is a vendor that provides “standardization” services to entities that choose not to build the utility in house. For example, many providers utilize clearinghouses for their billing services.
Health Plan	The term 'health plan' means an individual or group plan that provides, or pays the cost of, medical care (as such term is defined in section 2791 of the Public Health Service Act).	The customers of PHCS are health plans, covered entities under HIPAA.

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HIPAA	<p>Health Insurance Portability and Accountability Act of 1996, Public Law 104-191</p> <p>To amend the Internal Revenue Code of 1986 to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.</p>	<p>The Health Insurance Portability and Accountability Act is designed to:</p> <ul style="list-style-type: none"> ➤ Assure health insurance portability ➤ Reduce health care fraud and abuse ➤ Guarantee security and privacy of health information ➤ Enforce standards for health information
Hybrid Entity	<p>A reference in such provision to a “covered entity” refers to a health care component of the covered entity; A reference in such provision to a “health plan,” “covered health care provider,” or “health care clearinghouse” refers to a health care component of the covered entity if such health care component performs the functions of a health plan, covered health care provider, or health care clearinghouse, as applicable; and A reference in such provision to “protected health information” refers to protected health information that is created or received by or on behalf of the health care component of the covered entity.</p>	<p>For example, this allows multi-product insurance companies to “wall off” non-health care products, such as auto, life, from compliance with HIPAA requirements.</p>
MCO	Managed Care Organization	<p>This term has sometimes been used inclusively, all types of managed care, it is most often used to describe HMOs.</p>

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<p>Minimum Necessary</p>	<p>The Privacy Rule generally requires covered entities to take reasonable steps to limit the use or disclosure of, and requests for protected health information (PHI) to the minimum necessary to accomplish the intended purpose. The minimum necessary provisions do not apply to the following:</p> <ul style="list-style-type: none"> • Disclosures to or requests by a health care provider for treatment purposes. • Disclosures to the individual who is the subject of the information. • Uses or disclosures made pursuant to an authorization requested by the individual. • Uses or disclosures required for compliance with the standardized Health Insurance Portability and Accountability Act (HIPAA) transactions. • Disclosures to the Department of Health and Human Services (HHS) when disclosure of information is required under the rule for enforcement purposes. • Uses or disclosures that are required by other law. <p>The implementation specifications for this provision require a covered entity to develop and implement policies and procedures appropriate for its own organization, reflecting the entity's business practices and workforce.</p>	<p>Minimum necessary for PHCS, means ensuring that each job function only has access to PHI specific to the role. Since PHCS handles large amounts of PHI on behalf of our customers, we need to put proper safeguards, including both technical security and applicable Policies and Procedures, to provide our customers with a hi-level of satisfaction that their information is being handled appropriately. This is also a requirement for URAC and NCQA accreditation/certification.</p>
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NCVHS	National Committee for Vital and Health Statistics	<p>The NCVHS serves as the statutory public advisory body to the Secretary of Health and Human Services in the area of health data and statistics. In that capacity, the Committee provides advice and assistance to the Department and serves as a forum for interaction with interested private sector groups on a variety of key health data issues. The Committee is composed of 18 individuals from the private sector who have distinguished themselves in the fields of health statistics, electronic interchange of health care information, privacy and security of electronic information, population-based public health, purchasing or financing health care services, integrated computerized health information systems, health services research, consumer interests in health information, health data standards, epidemiology, and the provision of health services. The Secretary of HHS appoints sixteen of the members for terms of four years each; with about four new members being appointed each year. Congress selects two additional members. (www.ncvhs.hss.gov)</p>
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NPRM	<p>Notice of Proposed Rule Making This is part of the regulatory process. Before adopting as final any regulation used to implement a law, the government agency that drafted the regulation must publish the proposed regulation in the Federal Register and allow all interested parties to comment on the proposal. Once a regulation is final the government agency may then only publish one NPRM on those regulations annually.</p>	<p>On March 27, 2002 DHHS published an NPRM on the privacy regulations, with a comment deadline of April 26, 2002. NPRMs are expected on security and unique identifiers some time in 2002.</p>
OCR	<p>Office for Civil Rights The Department of Health and Human Services, through the Office for Civil Rights, promotes and ensures that people have equal access to and opportunity to participate in and receive services in all HHS programs without facing unlawful discrimination. Through prevention and elimination of unlawful discrimination, the Office for Civil Rights helps HHS carry out its overall mission of improving the health and well being of all people affected by its many programs. (www.hhs.gov/ocr/).</p>	<p>The OCR is the enforcement agency for HIPAA compliance.</p>

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PHI	Protected Health Information (<i>Individually identifiable health information</i>) is information that is a subset of health information, including demographic information collected from an individual, and: Is created or received by a health care provider, health plan, employer, or health care clearinghouse; and Relates to the past, present, or future physical or mental 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 That identifies the individual; or With respect to which there is a reasonable basis to believe the information can be used to identify the individual.	Protected Health Information is any data that can individually identify a specific person. PHCS business operations handle PHI within every business unit to assist our customers with their Payment and Health Care Operations processes.
PKI	Public Key Infrastructure	Using digital signatures, encryption and decryption (data scrambling and unscrambling) technologies and a comprehensive framework of policies and procedures, a PKI: <ul style="list-style-type: none"> ➤ Protects privacy by ensuring that electronic communications are not intercepted and read by unauthorized persons ➤ Assures the integrity of electronic communications by ensuring that they are not altered during transmission ➤ Verifies the identity of the parties involved in an electronic transmission ➤ Ensures that no party involved in an electronic transaction can deny their involvement in the transaction

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Plan Administrator	An entity contracted by a Plan Sponsor to provide the claims administration, enrollment and other functions necessary to operate a health plan.	Corestar and Harvard Pilgrim Health Care provide this function for PHCS.
Plan Sponsor	An employer or other entity that offers health insurance coverage to its enrollees or members.	PHCS is the Plan Sponsor if its self-fund employee health benefit plans.
Privacy	Standards that address authorized recipients of access to identifiable health information and prescribe an individual's rights regarding his or her information and define what constitutes inappropriate access.	Ensuring the confidentiality of health information by limiting the number and types of uses and disclosures
Security	Administrative, Physical, and Technical standards intended to ensure data integrity, confidentiality and availability.	The means by which you hold patient information secure

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SNIP	Strategic National Implementation Project	<p>SNIP is a collaborative healthcare industry-wide process resulting in the implementation of standards and furthering the development and implementation of future standards.</p> <p>SNIP's purpose:</p> <ul style="list-style-type: none"> ➤ Promote general healthcare industry readiness to implement the HIPAA standards. ➤ Identify education and general awareness opportunities for the healthcare industry to utilize. ➤ Recommend an implementation time frame for each component of HIPAA for each stakeholder [Health Plan, Provider, Clearinghouse, Vendor] and identify the best migration paths for trading partners. ➤ Establish opportunities for collaboration, compile industry input, and document the industry "best practices." ➤ Identify resolution or next steps where there are interpretation issues or ambiguities within HIPAA Administrative Simplification standards and rules. ➤ Serve as a resource for the healthcare industry when resolving issues arising from HIPAA implementation <p>(www.snip.wedi.org)</p>
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SSO	The term 'standard setting organization' means a standard setting organization accredited by the American National Standards Institute, including the National Council for Prescription Drug Programs, that develops standards for information transactions, data elements, or any other standard that is necessary to, or will facilitate, the implementation of this part.	Any changes/additions to transactions covered by HIPAA recommended by a SSO and approved by ANSI must be implemented by covered entities and their business associates. For PHCS this will mean replacing “home-grown” codes dealing with home health services, for example, with standard codes once they are approved.
TAG	Technical Advisory Group	The Health Insurance Association of America (HIAA) has created a Confidentiality TAG to provide a forum for HIAA members to discuss HIPAA and state compliance issues dealing with privacy.
TCI <i>Transactions</i>	The Secretary shall adopt standards for transactions, and data elements for such transactions, to enable health information to be exchanged electronically, that are appropriate for-- "(A) the financial and administrative transactions described in paragraph (2); and "(B) other financial and administrative transactions determined appropriate by the Secretary, consistent with the goals of improving the operation of the health care system and reducing administrative costs	Of the eight current transactions outlined in the Administrative Simplification Subpart, three are directly impacted by PHCS with our customers – 837 claims, 835 Remittance Advice and 278 Referral and Certification Authorization.
TCI <i>Code Sets</i>	The term 'code set' means any set of codes used for encoding data elements, such as tables of terms, medical concepts, medical diagnostic codes, or medical procedure codes.	PHCS utilizes national CPT4 and ICD9, where available and will adopt national codes in areas currently covered by “homegrown” codes when made available.

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<p>TCI <i>Identifiers</i></p>	<p>The Secretary shall adopt standards providing for a standard unique health identifier for each individual, employer, health plan, and health care provider for use in the health care system. In carrying out the preceding sentence for each health plan and health care provider, the Secretary shall take into account multiple uses for identifiers and multiple locations and specialty classifications for health care providers</p>	<p>PHCS will adopt the HIPAA national identifiers, when finalized.</p>
<p>TPO</p>	<p>Treatment, Payment and Operations (specific to health care operations)</p>	<p>PHCS operational functions fall under the category of “payment” for all actions done on or behalf of our customers.</p>
<p>Trading Partner Agreement</p>	<p><i>Trading partner agreement</i> means an agreement related to the exchange of information in electronic transactions, whether the agreement is distinct or part of a larger agreement, between each party to the agreement. (For example, a trading partner agreement may specify, among other things, the duties and responsibilities of each party to the agreement in conducting a standard transaction.)</p>	<p>This is the term used in the regulations dealing with Electronic Transactions and Code Sets, the Privacy Regulations uses the term Business Associate.</p>

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WEDI	Workgroup for Electronic Data Interchange	<ul style="list-style-type: none"> ➤ Provide a forum for the definition of standards, the resolution of implementation issues, the development and delivery of education and training programs and the development of strategies and tactics for the continued expansion of electronic commerce in healthcare; ➤ Assist healthcare leaders to define, prioritize and reach consensus on the critical technical and business issues which affect the implementation and value of electronic commerce; ➤ Ensure that electronic commerce standards, policies and regulations for healthcare are thoughtfully developed and implemented; ➤ Serve as the primary catalyst for the identification, communication and resolution of obstacles that impede the growth of electronic commerce within healthcare; ➤ and Inform and educate WEDI members and other healthcare stakeholders about the benefits and strategies for successfully implementing electronic commerce. <p>(www.wedi.org)</p>
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