

## **The HIPAA legislation is organized as follows:**

### Title I:

Guarantees health insurance access, portability and renewal

- Guarantees coverage and renewal
- Eliminates some pre-existing condition exclusions
- Prohibits discrimination based on health status

### Title II:

Preventing healthcare fraud and abuse

- Fraud and abuse controls
- Administrative Simplification (AS) provisions (Subtitle)
- Medical Liability Reform

### Title III:

- Medical Savings Accounts
- Health Insurance tax deduction for self-employed

### Title IV:

- Enforcement of group health plan provisions

### Title V:

- Revenue offset provisions.

However, when looking at HIPAA it is important to remember that the actual HIPAA rules and detail requirements that the healthcare industry have to follow stem from the Administrative Simplification (AS) provisions of HIPAA, which fall under Title II (Fraud and Abuse) of the HIPAA act itself. These provisions are intended to reduce the costs and administrative burdens of healthcare by making possible the standardized, electronic transmission of administrative and financial transactions that are currently executed manually and on paper.

The Administrative Simplification (AS) provisions specifically state what rules and standards the healthcare industry must implement in order to be in compliance with HIPAA. The AS provisions also require specific implementation deadlines, based upon the date when the Final Rule (for a specific issue) is published in the Federal Register, plus the mandatory 60 day review period during which time the rule may be challenged and overturned or delayed on appeal. For example, The Final Rule for National Standards for Electronic Transactions (which include EDI Transaction and National Code Set standards for claims processing) was the first HIPAA compliance rule to publish on August 17, 2000. Therefore the compliance date for this rule becomes April 14, 2003.

This rule requires healthcare organizations, insurers and payors that have been using any electronic means of storing patient data and performing claims submission (including faxes we are told), must comply with this new Final Rule

for National Standards for Electronic Transactions.

Other HIPAA compliance rules currently defined and proposed under the (AS) provisions, but not expected to be finalized until 4Q, 2000 or early 1Q, 2001, include:

- Standards for Privacy of Individually Identifiable Health Information
- National Provider Identifier
- Employer Identifier
- Security and Electronic Signatures