

Region X and HIPAA: A Letter from Ahlers & Associates

Date: September 2002
To: Family Planning Providers
From: Joe Ahlers
Subject: HIPAA

2003 promises to be the “year of HIPAA” for those of us in the healthcare industry. Ahlers & Associates has answered questions from some of you individually and has described what we are doing regarding HIPAA in our newsletters and CVR training sessions we have conducted. The purpose of this letter is to summarize what we know and flag any action steps you will need to take. This task is complex because Ahlers serves in up to three “provider categories” according to HIPAA.

If we receive CVR data from you and subsequently prepare billing to Medicaid, Title XX, Private Insurance and/or to your state, we are a Clearinghouse. We serve this role in Texas, Illinois and Oregon for all agencies and for several agencies in New York.

If we receive CVR data from you and accumulate those data into statewide reports (management reports, FPAR, CL-7, etc.) but do not prepare billing on your behalf, we are a Data Accumulator. In addition to the states mentioned above this would include Alaska, Idaho, Washington, Iowa, Indiana, Minnesota and Ohio.

If we have provided you with software into which CVR visits are recorded (and/or Client Billing, Insurance Billing, Pharmacy, Lab, Appointments), we are a Software Developer. In addition to the states mentioned above this would include Maine, Rhode Island, New Hampshire, Virgin Islands, Virginia, North Carolina, Michigan, Missouri, North Dakota and Nebraska.

Who Needs A Business Associate Agreement?

All of our clients need a Business Associate Agreement with Ahlers regardless of whether we are a Clearinghouse, Data Accumulator and/or Software Developer. In fact you need one with any outside organization that has access to your clients’ protected health information. This might include billing companies, auditing firms, attorneys, etc.

If your organization has developed a Business Associate Agreement please forward it to Joe Ahlers for signature.

If you have not developed the Agreement you may print one from our website (www.ahlerssoftware.com), sign it and send it to Joe Ahlers for signature. If you cannot access the website, call for a copy to be mailed. There are three Agreements on the website. If Ahlers serves in two or more capacities for you (Data Accumulator and Software Developer for example), call Martha (800-888-1836, ext 100) and ask for a combined agreement.

Remember that HHS will not check Ahlers for this Agreement but your organization is subject to review.

By When?

The Business Associate Agreement is part of the Privacy regulations and the deadline is April 14, 2003. We urge you to send us an Agreement (yours or ours) before that date.

Are There Other Privacy Issues?

There are a couple of other Privacy issues that you and Ahlers must deal with by the April 14th deadline. These relate to those of you who send us CVR data electronically (versus paper) and/or for those of you who use Ahlers software.

In the past we have accepted CVR data electronically via Email, BBS or FTP. In April the electronic transmission of client data must be encrypted and that cannot be done in Email or BBS. FTP qualifies as will our website in the next couple of months. We will furnish our Windows CVR clients with a program update which will automatically send transmission to our FTP server. Third-party (non-Ahlers software transmitters) users will need to acquire an encryption program to protect your client information. You may do this by acquiring an SSL enabled FTP client. We recommend WSFTP by IPSWITCH. You can download an evaluation version at www.ipswitch.com or purchase it for \$39.95. Because we have a Verisign Certificate of Authentication your data can only be read by our computer.

Additionally, your Ahlers' software must be updated for these features:

Unique User ID and Password which provides security for each module. For example, a staff member may be able to access CVR but not Client Billing.

Time Out Feature for each workstation must be provided. Should the staff person leave the workstation unattended for a defined time period, the screen will go to a screen saver. This prevents other staff from accessing information that only the absent staff person is authorized to view.

A **Disclosure Log** is necessary. Some clinics may maintain this log manually or "outside" the software. This is something your clients have the right to request and receive. It shows to whom and by who their health information was given.

Is Ahlers Compliant With The Privacy Provisions?

Ahlers has been receiving transmissions from a number of clients on the FTP server for several months. We will provide you with this path prior to the April deadline.

The CVR System modifications will be complete and you will receive an update prior to April to satisfy the Unique User ID, Time Out Feature and Disclosure Log requirement.

The Ahlers DOS-software (CVR Plus) cannot be updated for the Privacy features. Contact Gary Garcia (800-888-1836, ext 133) if you wish to upgrade to Windows. The upgrade fee for the CVR is \$700 and the remaining modules vary in cost. Gary can provide you with a quote.

What About Security?

No deadline has been established at this writing but the proposed regulations are likely to be approved as written.

Ahlers has only one duty in Security. That is to password protect the Ahlers software so that an unauthorized person cannot remove the software and files to a different machine, install a copy of our programming language and then view the data. That enhancement will be added before April along with the Privacy provisions mentioned previously.

The larger burden of Security rests with your staff in doing regular backups, using anti-virus software, etc.

What About Standard Transaction Sets?

HIPAA required that in October, 2002 that health care information relating to reimbursement (claims) be sent in X12N837 format. By filing an extension request with HHS an automatic extension to October, 2003 was granted. Ahlers, hopefully along with each of you, filed for the extension.

As a Clearinghouse, Ahlers is entitled to receive non-standard records until the regulations are changed. And, as mentioned earlier, we are a Clearinghouse in Oregon, Illinois, Texas and New York. You may continue to send us visit data in the current format. If you use Third-Party software we are required to accept X12N837 records if asked to do so. We must be prepared to begin testing in April, 2003. Our hope is that you will continue to use the current format.

Ahlers must file X12N837 records with the health plans (payor) if those records are submitted electronically. Currently only Oregon Medicaid, Illinois Medicaid, New York Medicaid and all Texas claims are filed electronically. We will begin testing with those organizations in April, 2003 with completion by October, 2003.

Those of you who use our Insurance Billing System file your claims on paper (not subject to X12N837) or through PerSe (also a Clearinghouse). PerSe can continue to accept non-standard records and will file them with payors in X12N837 format in October, 2003. The X12N837 claim record contains some fields not currently captured by Ahlers Insurance Billing System. You will receive an enhancement to add those fields prior to October.

What About Standard CPT and ICD9 Codes?

Standard CPT coding and Title X reporting just don't seem to go together. Blood pressure, bimanual pelvic exams, etc. do not have specific CPT codes but are likely provided in certain Office Visit CPT codes.

Ahlers is awaiting direction from the Medicaid paying organizations in our billing states and that direction has not been forthcoming at this writing. As soon as we receive information from those organizations we will be available to consult with the affected states on how to comply by the deadline.

Those agencies using our Insurance Billing module have the flexibility to use whatever CPT and ICD9 codes they desire.

Conclusion

This letter represents our best interpretation of HIPAA. We hope it represents where we each are as we seek to comply with the law. If you have questions or concerns please let me know at 800-888-1836, ext 113 or joe@ahlerssoftware.com.