

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 is a federal law impacting both consumers and providers of health care services. It does the following:

- specifies the types of measures required to protect the security and privacy of personally identifiable health care information
- gives the U.S. Department of Health and Human Services the authority to mandate the use of standards for the electronic exchange of health care data
- specifies what medical and administrative code sets should be used within those standards
- requires the use of national identifiers for health care providers

Consumer Information

HIPAA provides you and your family members with some valuable protections related to how your health care information can be used and shared. Understanding these protections can help you understand your rights related to your personal health care information and what you can do if you believe they have been violated.

Provider Information

HIPAA requires all covered entities to comply with these administrative simplification standards related to the transactions, code sets and provider identifiers required for the electronic exchange of data.

National Provider Identifier

The National Provider Identifier (NPI) is a unique health care provider number used to distinguish individual practitioners or provider organizations during standard electronic health care transactions. The 10-digit number assigned through a single, national enumerator is intended to simplify the exchange of health care data by eliminating the need for health care providers to use different identification numbers to identify them when conducting standard transactions with multiple health plans.

Section 1104 of the Patient Protection and Affordable Care Act of 2010

Section 1104, Administrative Simplification, of the Patient Protection and Affordable Care Act of 2010 builds upon the Health Insurance Portability and Accountability Act of 1996 (HIPAA) with new and expanded provisions, including requirement to adopt operating rules for each of the HIPAA covered transactions; a unique, standard Health Plan Identifier; and a standard for electronic funds transfer. The Affordable Care Act requires that health plans certify their compliance with the standards and operating rules, and increases penalties for noncompliance.

For more in-depth information on HIPAA and its various components, refer to the following resources:

<http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/HIPAAGenInfo/TheHIPAALawandRelated-Information.html>

<http://www.hhs.gov/ocr/privacy/hipaa/understanding/summary/index.html>

<http://www.hhs.gov/ocr/privacy/index.html>