



HIPAAFocus: Meeting HIPAA Compliance

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) seeks to protect health insurance coverage for workers and their families when they change or lose their jobs and simplify administrative procedures. This government mandate will require sweeping change in most healthcare transaction and administrative information systems.

All healthcare-related organizations are impacted. This includes all healthcare providers, health plans, employers, public health authorities, life insurers, clearinghouses, billing agencies, information systems vendors, service organizations, and universities who engage in electronic processing of healthcare transactions.

For healthcare providers (hospitals, doctors, HMO's, etc.), HIPAA transaction compliance is a must unless they use an intermediary like a clearinghouse. For Payer organizations and transaction clearing houses, HIPAA transaction processing is a mandatory requirement and a new business opportunity. business associates of the covered entities are also required to be HIPAA compliant under certain circumstances. This brings in a large number of organizations, like financial institutions, under the purview of HIPAA.

The impact of HIPAA even reaches major employers in industries totally unrelated to healthcare. For example, a company offering prescription or other medical services through a company-run group must implement HIPAA. Other companies who simply have the requirement of enrolling employees and paying premiums may be asked by their health network provider or insurance company to transmit data electronically using HIPAA transactions. In general, any organization that plays a part in the healthcare business process flow is affected.

Meeting HIPAA Compliance with the webMethods Integration Platform

From the standpoint of meeting the HIPAA requirements, the challenges fall into three areas: electronic transactions, privacy, and security.

Transaction Standards and Processing

Basic solutions for HIPAA transaction standards support and processing need to include:

- Support for generating, processing and validating HIPAA transactions including:
 - 270 Eligibility, Coverage or Benefit Inquiry (Batch and Real-time)
 - 271 Eligibility, Coverage or Benefit Response (Batch and Real-time)
 - 276 Health Care Claim Status Request
 - 277 Health Care Claim Status Notification
 - 275 Additional Information to support Health Care Claim
 - 278 Health Care Services Review-Request & Response
 - 820 Payroll Deducted and Group Premium Payment
 - 834 Benefit Enrollment and Maintenance
 - 837 Health Care Claim: Dental
 - 837 Health Care Claim: Institutional
 - 837 Health Care Claim: Professional
 - 835 Health Care Claim Payment/Advice

Privacy

The HIPAA Privacy regulations are focused on individually identifiable Health Information. Only under specific conditions may any entity use or release the Protected Health Information (PHI) without prior individual authorization. This means for proper training and procedures for everyone who has access to patient PHI in the proper handling of this data. PHI can include:

- Individually identifiable health information in any form
- Information created or received by a covered entity or employer

- Information relating to past, present or future, physical or mental health or condition
- Information that includes provision of or payment for healthcare

Security

The purpose of the HIPAA security requirements is to maintain confidentiality and data integrity; prevent unauthorized use or disclosure of data; and guard the data against physical threats and hazards. This is typically handled through the implementation of:

- Administrative procedures
- Physical safeguards
- Technical security services
- Technical security mechanisms



HIPAAFocus is the industry's most comprehensive solution for managing business processes that link enterprise software packages, legacy systems, databases, workflows, and Web services, both within and across enterprises.

HIPAAFocus Integration Capabilities

webMethods provides comprehensive support for HIPAA transactions in a platform that can be leveraged to totally integrate an organization's IT infrastructure and business processes. Capabilities include:

- **Support for ANSI X12 EDI and all HIPAA transactions.** HIPAAFocus supports both real time and batch transactions and code sets, including out-of-the-box validation to Level 5, and capability to meet Level 1-7 of WEDI SNIP structured certification process.

- **Reliable trading partner transactions.** Send and receive HIPAA transactions with your partners with full support for HTTP/S and FTP, or more full-featured reliable messaging protocols such as EDIINT or ebXML

- **Secure messaging and communications.** Have confidence that your messages are private and safely delivered. supported security protocols for transport and message authentication include X.509 digital certificates and signatures.

Validation of standards compliance with a Claredi

- **certified validation engine.** All inbound and outbound HIPAA transaction payloads are processed by a validation engine that has been certified through Claredi test software (Claredi is the de facto authority for HIPAA transaction validation certification)

- **Reporting capabilities.** HIPAAFocus Solution provides a detailed view into all trading partner metrics, such as average and total transaction volumes by day/week/month/location for each business partner.

- **Predefined business process templates.** Sample business process templates are provided for each HIPAA transaction, including document flow, document types, error and exception handling, and business conversation processes – all of which help speed implementation.

- **Trading partner management.** HIPAAFocus allows companies to graphically depict their partners' network and specify partner specific information and rules in an easy-to-use configurable environment – NO CODING NECESSARY.

- **Workflow.** For process exceptions and other situations, where a transaction cannot be 100% automated, webMethods provides seamless integration of workflow capabilities for human intervention. By bringing the right information, to the right person, at the right time, countless hours are saved by customer service representatives, purchasing agents, logistics managers, and invoice administrators.

- **Unified infrastructure management and monitoring.** HIPAAFocus utilizing webMethods Manager adds the capability to integrate webMethods with your infrastructure management solution from providers such as Computer Associates, HP, BMC Software, and Tivoli to allow top-to-bottom service level management of business processes and infrastructure.

- **Benefits of HIPAAFocus built on webMethods** By using HIPAAFocus solution on webMethods for total system integration, companies can derive the following benefits:
- **Meet mandate of government and business partners for secure HIPAA transaction processing.** Your HIPAA transactions will comply with standards and your intra- and extra- enterprise messages will be reliable and secure.
- **Improve / streamline external and internal business processes.** HIPAA and non-HIPAA related businesses can be streamlined and managed in an agile fashion, improving organizational efficiency and ensuring significant ROI for your investment dollar.
- **Streamline claims processing and payment.** By managing document and data flow, you can reduce the administrative overhead of claims transactions and accelerate payment and settlement.
- **Streamline claims inquiry and response.** By giving customer services representatives access to accurate and timely claims, coverage, policy, and payment information from different systems, you can achieve unprecedented customer satisfaction levels through better relationship management.
- **Accelerated development and business process modeling.** Through the use of powerful, integrated development and business process modeling tools, changes in process can be implemented and rolled out quickly, with minimized software development activity.
- **Low total cost of ownership.** Beyond the quick time to implementation benefits of Softimas' HIPAA solution, you will continue to achieve returns on your HIPAAFocus Investment, as underlying webMethods platform enables easy integration of future systems, applications, and standards.
- **Business process monitoring and management.** Leverage your existing investment in systems management software and monitor your integration platform to ensure the health of the systems, processes and information flow.



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