

Re: **The HIPAA Deadlines**

Dear Client/Healthcare Provider:

There has been some confusion among healthcare providers about their obligations under HIPAA. Some of you may have filed extensions that permit you to delay compliance with the **Electronic Health Care Transactions and Code Sets Standards** until October 16, 2003. However, as of April 14, 2003, *all* covered entities must meet the requirements of the **Privacy Rule**. Covered entities include health care providers (e.g., medical practices and ambulatory care facilities) that conduct certain transactions electronically. In the coming months, **Security Standards for Electronic Health Data** will be finalized and will bring yet additional deadlines.

There are many providers who have relied entirely on “form” compliance documents. In our experience, these forms are usually inadequate because HIPAA must be applied in a customized manner to each covered entity while continually evolving to conform with future government advisories and amendments to the law. There are also providers who believe that they do not need to comply with I-IIPAA because they already take sufficient precautions against violating patient privacy, or do not believe HIPAA will be strictly enforced. This is extremely unwise. Even covered entities that have always maintained the highest levels of privacy controls must comply with the specific requirements of HIPAA. We have reason to believe that HIPAA will be strictly enforced from the onset; nevertheless, even if enforcement is initially passive, a violation of HIPAA exposes providers to potential lawsuits by patients and their families for all periods in which the providers were non-compliant.

Another concern is that many providers have relied exclusively on non-attorney consultants to implement their HIPAA compliance programs. While these consultants may assist in the implementation process, HIPAA is a complex law that should be analyzed by experienced legal counsel. Consultants are not a substitute for a legal analysis of HIPAA any more than they are for a legal analysis of Stark II, the federal Anti-Kickback Statute or any other state or federal law affecting healthcare providers.

HIPAA compliance need not be difficult or expensive, but it must not be oversimplified or ignored. If you have any questions about compliance, please do not hesitate to contact us.