

Optometry Coding & Billing Alert

HIPAA: With Audits Heating Up, Is Your Practice Ready?

Make sure your privacy and security practices are up to date.

If your HIPAA protocols fall short of new information management applications and systems or state laws (such as the Massachusetts privacy regulations), you could come up short under audit, warns **Kenneth Rashbaum, Esq.**, of Rashbaum Associates in New York.

HIPAA Audits Announced

The Office for Civil Rights (OCR) of the Department of Health and Human Services (HHS) is piloting a program to perform up to 150 audits of covered entities to assess privacy and security compliance. Audits conducted during the pilot phase began November 2011 and conclude by December 2012, according to an HHS press release.

With the audit protocols developed last summer and audits begun last November to test the protocols, the OCR expects the results to modify how the remaining audits will be conducted, the HHS said in the release.

The heat is on: The OCR is now conducting the full range of audits using revised protocol materials. From now through December 2012, your practice could be fair game for the audit.

Who Will Be Audited?

Technically all covered entities and their business associates are eligible for an audit. The "OCR will audit as wide a range of types and sizes of covered entities as possible; covered individual and organizational providers of health services, health plans of all sizes and functions, and health care clearinghouses may all be considered for an audit," the HHS website clarifies. Business associates will be included in future audits.

"The new program is a random program, and the selection is not dependent on any prior behavior, violations, breaches or any other factor, so there is no way to take action to prevent being audited under this program," says **Jim Sheldon-Dean**, director of compliance services for Lewis Creek Systems in Charlotte, Vt. There will be up to 150 audits performed by the end of 2012 under this particular program, he added.

There are also audits being performed as a result of complaints or breach reports, outside of this new program, resulting in violations and settlements for fines.

What You Can Expect

The OCR will notify you in writing if you are going to be audited and who your audit contractor will be. The audit process will be outlined and requests for relevant documents and other information will be made at this stage to ensure you are prepared for the audit. How and when you should return the requested information to the contractor will be specified at this stage.

Keep in mind: You will have to return this information within 10 business days of receiving the notice. Also, "OCR expects to notify selected covered entities between 30 and 90 days prior to the anticipated onsite visit," according to the website. "In this pilot phase, every audit will include a site visit and result in an audit report. During site visits, auditors will interview key personnel and observe processes and operations to help determine compliance."

What You Need To Do

Put together your documentation that demonstrates the steps you have taken to be compliant with HIPAA requirements.

"I've seen many organizations big and small lapse in their mitigation and monitoring response. Specifically that they do not review periodically," says **Ester Horowitz, CMC, CITRMS, CIISA**. Organizations followed HIPAA initially from a system wide approach, she adds. New procedures were adopted and others revised. Many of the procedures from that time continue today but some have become outdated or lax.

Every organization is required to periodically review their privacy policies, procedures, and methodologies and to document that they did, points out Horowitz. Included in these reviews is a demonstration that employees were and are trained, not just one time but also periodically.

"In an effort to standardize and make habit a routine that allows the company to deliver care or support care, it must also be acknowledged that routines become obsolete, need adaptation, updating, and should be minimally reviewed," insists Horowitz. "I do not see that occurring at this stage of the HIPAA life cycle across a majority of organizations."

Remember: Following the site visit, auditors will develop and share with the entity a draft report. Audit reports generally describe how the audit was conducted, what the findings were and what actions the covered entity is taking in response to those findings, the HHS says on its website. Prior to finalizing the report, the covered entity will have the opportunity to discuss concerns and describe corrective actions implemented to address concerns identified.

You should "see it [taking corrective action] as valuable labor ... (and) clearly understand that it is a profit center method that will only elevate the organization's reputation and output if followed and measured appropriately," Horowitz advises.

Note: You can read up for further details at www.hhs.gov/ocr/privacy/hipaa/enforcement/audit/index.html.