

Health Information Compliance Alert

Health Information News

Bush Calls For Healthcare IT Czar

In a speech to the American Association of Community Colleges annual convention in Minneapolis, **President Bush** laid out plans to both develop an electronic medical record for every American in the next 10 years and appoint a sub-Cabinet-level leader to head the charge, ComputerWorld reports.

Calling the current paper-based system out of date, Bush asserted "medicine ought to be using modern technologies in order to better share information, in order to reduce medical errors, [and] in order to reduce cost to our health care system by billions of dollars."

While industry experts applaud the federal government's embrace of technology, some warn of the pitfalls of implementing technology for the wrong reasons. The healthcare industry must update its entire workflow process or face simply automating "a paper process, which is a mess," cautioned **Lynne Royer**, director of medical informatics at Community Health Network in Indianapolis, IN.

Bush and Department of Health and Human Services Secretary **Tommy Thompson** are expected to announce an appointee to the newly developed healthcare IT office soon, reports ComputerWorld.

Woman Resorts to ID Fraud For Care

Michelle Perez received healthcare treatment at Elgin Sherman Hospital beginning in January and April 22 underwent gall bladder surgery - all under false pretenses. Authorities charged Perez with fraud after she obtained \$37,000 worth of medical treatment while using the health insurance card of a Texas woman with the same name, the Chicago Tribune reports.

While only 4 percent of identity thefts result in medical care fraud, those crimes can be extremely troublesome as victims find their medical histories peppered with incorrect information or their insurance policies drained. "If I'm going to steal your name for theft with a Visa card, why not for health care as well?" says **Bill Mahon**, president of the National Health Care Anti-Fraud Association.

Sherman Hospital officials say they would have treated Perez regardless of health insurance coverage, though they draw the line at theft. "We would never deny care, but we can't endorse fraud," Sherman spokesperson **Chris Priester** told the Tribune.

Government Pulls Medical Records Subpoena

In an attempt to obtain a speedy decision from U.S. District Court Judge **Richard Casey**, government lawyers have withdrawn their subpoena for the medical records of New York Presbyterian Hospital's and New York Weill Cornell Medical Center's abortion patients, Newsday reports.

The government's action follows the Second Circuit Court of Appeals' decision to block Casey's contempt order against the hospital system, which was the result of the hospital's refusal to turn over the requested records.

"The public interest is also served by addressing the asserted privacy and confidentiality concerns presented by the

hospital prior to the production of potentially privileged records," the court wrote.

Assistant U.S. Attorney **Sheila Gowan** indicated that the government did not want to progress the issue to a federal appeals court. "We believe the records are relevant, but the government would like resolution of the important issue before your honor as quickly as possible," she told Casey.

"We take the whole issue of patient privacy very, very seriously. For whatever reason, these subpoenas were withdrawn, we're pleased," New York-Presbyterian spokesperson **Myrna Manners** told Newsday.

URAC Warns Of Security Rule Noncompliance

Many healthcare organizations are unprepared to protect their patients' protected health information from being lost or stolen, according to a report on the URAC Web site.

According to the study, providers will encounter huge barriers to compliance with the security portion of the HIPAA regulation. The report cites both the healthcare industry's lack of a technological standard and its inexperience as reasons for future security rule compliance headaches.

However, many healthcare experts take dire warnings like those of URAC with a large grain of salt. "We are just where we were a year before the privacy rules went into effect, when the forecast was that we were never going to be ready and it was going to be Y2K, but it turned out not to be the case," says **Linda Kloss**, director of AHIMA.

At this point URAC's findings are "a wake up call. The message to healthcare organizations is that it is going to take a lot more effort and commitment than just changing some passwords," former Department of Health and Human Services official **Bill Braithwaite** predicts.

To view the study, go to URAC's Web site at www.urac.org.

WebMD Still Under Fire

The "one-time dot-com darling" WebMD continues to face complaints about lost and incomplete claims from healthcare providers who rely on its software and services to submit their medical claims, MNBC reports.

The nation's largest clearinghouse for medical claims, WebMD has attempted to improve this situation by communicating more effectively with providers about the status of their claims. However, American Medical Association spokesperson **Robert Mills** says that WebMD lacks a universal fix for managing HIPAA-compliant claims, and the complaints keep piling up.

In the face of this claims processing breakdown, many large providers, such as Harvard Pilgrim Health Care, are looking outside of WebMD for clearinghouse services. As many as 48 percent of providers who once used WebMD to process claims now work directly with payers.