

Health Information Compliance Alert

Health Information News: Insurers And Employers On Opposite Sides Of HIPAA

Employers, underwriters and insurance agents are lobbying for a law that will force insurers to give them detailed health claims information that would highlight claims of \$10,000 or more, the Wichita Eagle reports.

The Kansas Association of Insurance Agents, the Wichita Association of Health Underwriters, USD 259, Friends University and Thayer Aerospace are among those pursuing legislation that will open health claims. The information is necessary to manage spending and competitively market the businesses to other insurance carriers, explained **Carole Ochs**, vice president for human resources at Thayer Aerospace.

Though HIPAA does not prohibit the release of information, it does mandate how the data can be used, attorney **Steven Smith** of Hinkle Elkouri in Wichita claims. However, insurers worry the health claims will become fodder for employment-related decisions. Most insurers already provide aggregate information and think that adding any further information to that runs the risk of overstepping the bounds of patient privacy, says **Graham Bailey**, a Blue Cross and Blue Shield of Kansas spokesperson.

Bailey sees the opposition of various groups like the Kansas Association of Health Care Plans, Coventry and the insurance commissioner's office as a strong statement. Blue Cross and Blue Shield specifically objects to the provision that would reveal the prognosis of a patient whose claims exceeded the \$10,000 window.

Smith argues that because employers are health care purchasers, they are entitled to this information. "As long as we have a system under which employers are responsible for shopping for and selecting health coverage for their employees, then employers have a need for this information," he said.

HIPAA Extortionists Pay The Price

Two Florida men who tried to exact money from Kaiser Permanente in exchange for the return of stolen patient medical records have been charged with felony extortion and felony conspiracy to commit extortion, the Tampa Tribune reports.

Kirk Patrick Samuda and **Derm Barrington Bowen** were arrested at the Embassy Suites hotel when they met with **Gary Metzger**, a Tampa police officer posing as a Kaiser Permanente representative. Samuda contacted the insurance company on separate occasions asking for first \$1,500 and then \$15,000 in exchange for the patient information. He referred to the HIPAA regulation in exacting his demands, officials said.

Samuda claims that he obtained the records when he bought a fax machine and other items. The records have been in a box at Health Plan Holding waiting to be shredded, records show. At the time of the arrest, the men possessed approximately 15 pages of patient information, including names, social security numbers and birth dates, Metzger told TT.

Samuda was released from jail on \$15,000 bail Sunday; however, Bowen remains in custody with a \$11,250 bail. Bowen contends that though he drove Samuda to the hotel, he was not a party to scheme.