

Health Information Compliance Alert

Studies & Surveys: BANKS BEHIND THE HIPAA CURVE

A new survey has found that banks servicing health care providers are not prepared to comply with Health Insurance Portability and Accountability Act's privacy provisions.

Financial institutions can form business associations with covered entities when performing a variety of financial services for those entities.

The study, conducted by the **Medical Banking Project**, measured the HIPAA preparedness of 18 of the nation's largest commercial banks. Among the survey's most worrying findings:

1. More than 31 percent of institutions surveyed have not begun internal HIPAA education of affected departments. Nearly 44 percent had begun training, while more than 12% were unsure of the current status of HIPAA training. Only 12 percent had completed HIPAA training in the relevant departments.
2. Only 5.9 percent of respondents feel they have all the information needed to assess HIPAA's impact on their banking operations. Nearly 53 percent believe they lack the necessary information, while over 17 percent want more guidance on the issue from the **Department of Health and Human Services**;
3. More than 56 percent of the banks surveyed are unsure whether HIPAA classifies all, or just a portion, of their payment processing operations as forming a business association with a covered entity;
4. Over 88 percent have not yet assessed potential HIPAA training programs for staff that served health care organizations;
5. More than 46 percent of respondents were uncertain whether they would meet HIPAA deadlines.