

NCPDP and Privacy: Why Develop a Protocol Document



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NCPDP



- National Council for Prescription Drug Programs
- Telecommunications Standard V5.1 and Batch Standard 1.0(to change to 1.1) named in Transaction and Code Set Final Rule

What does the Privacy Regulation Do?



- Gives patients more control over their health information
- Sets boundaries on the use and release of health records
- Establishes safeguards to protect privacy
- Holds violators accountable

What must providers and plans do?



- Provide information to patients about their privacy rights
- Adopt clear privacy procedures
- Train employees so that they understand the privacy procedures
- Designate an individual to be responsible for ensuring that privacy procedures are followed
- Secure patient records so they are available and accessible only to those that need them.

Who must Comply, and by when?



- Health Plans
- Health Care Clearinghouses
- Health Care Providers who conduct certain financial and administrative transactions electronically
- Compliance is required by April 14, 2003

Minimum Necessary



- Covered entities must take reasonable steps to limit the use or disclosure of, and requests for PHI to the minimum necessary to accomplish the intended purpose.
- The Minimum Necessary Provisions do not apply to the following:
 - Disclosures to or requests by a health care provider for treatment purposes
 - Disclosures to the individual who is the subject of the information
 - Uses or disclosures made pursuant to an authorization requested by the individual
 - ***Uses of disclosures required for compliance with the standardized HIPAA transactions***
 - Disclosures to the US DHHS when disclosure is required under the rule for enforcement purposes
 - Uses or disclosures that are required by law

Minimum Necessary - Uses and Disclosures



- Minimum Necessary Policies should be based on a “reasonableness” standard, consistent with best practices and guidelines already used by many providers today.
- Minimum Necessary Policies Must Identify:
 - Persons or classes of persons who need access to the information to carry out their job duties
 - Categories of types of PHI needed
 - Conditions appropriate to such access
- ***For routine or recurring disclosures, the policies may be standard protocols. Individual review is not required.***
- For non-routine disclosures, covered entities must develop reasonable criteria for determining, and limiting disclosure to, only the minimum amount of PHI necessary to accomplish the purpose of the non-routine disclosure. Non-routine disclosures must be reviewed on an individual basis in accordance with these criteria.

Privacy Final Rule



- Under Sec. 164.502 (b) (2) (v), covered entities are not required to apply the minimum necessary standard to the required or situational data elements specified in the implementation guides for HIPAA administrative simplification standard transactions in the Transaction Rule. The standard does apply for uses or disclosures in standard transactions that are made at the option of the covered entity.

Privacy Rule



- We make an exception to the minimum necessary disclosure provision of this rule for the required and situational data elements of the standard transactions adopted in the Transaction rule, because those elements were agreed to through the ANSI-accredited consensus development process. The minimum necessary requirements do apply to optional elements in such standard transactions, because industry consensus has not resulted in precise and unambiguous situation specific language to describe their usage. This is particularly relevant to the NCPDP standards for retail pharmacy transactions referenced by these commenters, in which the current standard leaves most fields optional.

NCPDP Action



- **Telecommunication Standard *Protocol*
For Version 5.1 Draft 10**

Transactions in Protocol Document



- Eligibility Verification
- Claim or Service Billing
- Encounter
- Claim or Service Reversal
- Rebill
- Medicaid Subrogation
- Prior Authorization Request and Billing
- Prior Authorization Reversal
- Prior Authorization Inquiry
- Prior Authorization Request Only
- Associated Responses to all transactions

Transactions in Protocol Document



- Controlled Substance Reporting
- Controlled Substance Reporting Reversal
- Controlled Substance Reporting Rebill
- Information Reporting
- Information Reporting Reversal
- Information Reporting Rebill

Steps



- Defined situations for optional segments in a transaction
- For each optional data element in a segment for a transaction, listed without merit, each situation
- Currently reviewing each data element situation for merit

Additional Steps



- Ballot protocol document for membership approval
- Incorporate situations into next version of Telecommunication Standard
- DSMO Process

How to Become Involved



- Attend NCPDP meetings
- Discuss document with pharmacy contractor to ensure requirements are met in the situations
- www.ncpdp.org

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The End