

HIPAA Life Cycle and Project Plan

A roadmap to becoming Compliant with HIPAA Transactions and Code Sets

Model Compliance Plan for Extension and Project Plan

The Centers for Medicare & Medicaid Services (CMS) issued a model compliance plan that will allow health plans, health care clearinghouses and health care providers to receive a one-year extension to comply with the HIPAA rule governing electronic health care transactions.

The original deadline for compliance with the electronic transactions rule is Oct. 16, 2002 for all covered entities except small health plans, which by law had an additional year. Last year, in the Administrative Simplification Compliance Act, Congress authorized a one-year extension – to Oct. 16, 2003 – for those covered entities required to comply in 2002. To obtain the extension, a covered entity must submit a compliance plan on or before Oct. 15, 2002. Covered entities can use the model plan for this purpose.

A covered entity will be able to submit its extension plan electronically through the CMS Web site and CMS will provide an electronic confirmation of receipt of the plan. Covered entities also have the option of submitting their own version of an extension plan that provides equivalent information and can submit a plan on paper. Instructions for filing a plan are available on the Web site.

Under the Administrative Simplification Compliance Act, health care plans and providers must submit information on their compliance activities, including budget, assessment of compliance concerns, whether a contractor or vendor might be used to help achieve compliance, and a schedule for testing to begin no later than April 16, 2003.

The model compliance plan, and instructions on how to complete it, is available at www.cms.hhs.gov/hipaa/hipaa2/ascaform.asp. Electronic submission capability is available on the Web site. The model compliance plan and instructions were published in the April 15, 2002 Federal Register.

Awareness

The following are key components that should be considered when establishing your organization's HIPAA education practices:

% Complete	Task Name	Start Date	End Date
100%	A general HIPAA overview (the basics)	Wed 08/01/02	Wed 08/01/02
%	A general discussion of transactions, code sets, identifiers, security, and privacy		
%	A functional and technical discussion of transaction sets		
%	A functional and technical discussion of security		
%	A functional and technical discussion of privacy		
%	Training on technical detail, translation comparisons, EDI mapping tools, and vendor interfaces		
%	Identify and develop custom education to meet your organizations specific needs		

Benefits:

- **Establish a common ground from which the organization can discuss strategies and plans**
- **An understanding of HIPAA's scope and requirements**
- **An initial understanding of HIPAA's impact on the organization's future**

Impact Assessment and Gap Analysis

The following components are key when evaluating the current operational and technical environments to identify areas of impact, gaps in processes or skills, and risks associated with meeting HIPAA regulations.

% Complete	Task Name	Start Date	End Date
100%	Conduct interviews and discussions with key personnel	Wed 08/01/02	Wed 08/01/02
%	A review of your organization's business and IT processes, policies, systems and data		
%	Compare HIPAA requirements to you current data capabilities		
%	Prepare a presentation of key findings, gaps, cost estimates, and tactical recommendations		
%	Develop Assessments		
%	EDI and Security Quick Assessments		
%	Security and Privacy Risk Assessments		
%	Operational Assessments		
%	Application and Data Assessments		
%	Vendor/Product Assessments		

Benefits:

- **Gives a snapshot of the organization's readiness and level of compliance across all aspects of the HIPAA regulations**
- **Creates a real baseline from which to develop strategic and tactical plans**
- **Provides focus to the organization**

Strategy Development

Identifying an overall organizational strategy for HIPAA compliance at the executive level, including privacy, security, code sets, identifiers, transaction formats and content will require the following key components.

% Complete	Task Name	Start Date	End Date
100%	Facilitated strategic meetings and discussions	Wed 08/01/02	Wed 08/01/02
%	Strategic and tactical discussions		
%	Business goals and objectives		
%	Operational processes		
%	Data architectures		
%	Technical infrastructure		
%	Current and planned projects		
%	Budget constraints		
%	Existing gaps		
%	Development of a high level approach to HIPAA compliance, including		
%	Executive sponsorship		
%	Tactical and practical projects to close gaps		
%	Funding parameters		
%	Overall timeliness		
%	Resource needs		

Benefits:

- **Establishes executive sponsorship**
- **Provides an overall roadmap to guide the organization's tactical activities**
- **Integrates HIPAA into the overall strategic planning process for the organization**

Tactical Planning and Program Management

The following key components will ensure that the over all program management structure and strategic projects are accomplished as envisioned.

% Complete	Task Name	Start Date	End Date
100%	Define detailed business requirements and scope	Wed 08/01/02	Wed 08/01/02
%	Develop detailed work plans		
%	Identify skill and resource requirements		
%	Established detailed budgets		
%	Establish overall program management office to coordinate activities and timelines across varying projects		
%	Develop project and program standards, reporting and tracking mechanisms		
%	Establish overall accountabilities for results		
%	Provide regular status communications		
%	Facilitate inevitable mid-stream adjustments		

Benefits:

- **Results in realistic and specific plans for closing the gaps**
- **Program management structures ensure consistency and integration of varying efforts**
- **Specific benchmarks and metrics are defined**

IT Remediation and Implementation Support

The following components are key when implementing new solutions identified in the tactical planning phase. This will help to maximize the value of your organization's IT systems and infrastructure as well as achieve HIPAA compliance.

% Complete	Task Name	Start Date	End Date
100%	HIPAA Appliance Selection and Implementation	Wed 08/01/02	Wed 08/01/02
%	Application Support		
%	Assessment		
%	Selection		
%	Design and customization		
%	Implementation		
%	Upgrade		
%	ASP outsourcing		
%	Integration		
%	Interface development		
%	Data mapping and translation		
%	EAI tool selection and implementation		
%	Network security architecture design and integration		
%	Policy and procedure development		
%	Unit and system testing		
%	Training		

Benefits:

- Retains investment in legacy systems
- Results in HIPAA compliant IT systems and infrastructure
- Creates new efficiencies through standardized transaction processing
- Results in increased member trading partner confidence

Business Process Improvement and Design

The following key components apply when creating and/or redesigning business processes, operations, and policies/procedures to realize new levels of success as well as achieve HIPAA compliance.

% Complete	Task Name	Start Date	End Date
100%	Redefine and re-architect business processes to achieve maximum efficiency and value.	Wed 08/01/02	Wed 08/01/02
%	Modify existing business processes, workflows and operations		
%	Update policies and procedures		
%	Evaluate provider, business associate, and trading partner agreements and contracts		
%	Review and redefine organizational structures to eliminate barriers and risks		
%	Develop and conduct user training		

Benefits:

- Business processes are not only HIPAA compliant, but maximize efficiency
- Results in improved organizational alignment
- Creates a more efficient and empowered organization

Compliance Measurement and Monitoring

The following components are key in creating a defensible, due diligence position for the organization demonstrating a good faith effort to comply as well as preparing the organization to address HIPAA's evolving demands.

% Complete	Task Name	Start Date	End Date
100%	Develop compliance criteria and measurement mechanisms	Wed 08/01/02	Wed 08/01/02
%	Establish procedures to monitor and maintain compliance		
%	Define responsibilities to track ongoing HIPAA modifications		
%	Develop ongoing operational support structures to integrate future HIPAA mandates into the organization		
%	Design HIPAA compliance tests and review HIPAA testing schedules for all internal systems and applications with HIPAA mandated changes		
	Demonstrate and document successful testing of all individual internal systems that have had HIPAA modifications made to them		
	HIPAA Test Managers design and review system wide test schedules and procedures for HIPAA Compliance once all individual systems have been tested		
%	Compliance checkups and audits		

Benefits:

- Establishes a due diligence track record
- Creates an effective internal compliance monitoring mechanism
- Positions the organization to successfully pass audits
- Enhance ability to integrate future HIPAA mandates