

Corrections Officials Grapple with Confusing Rules

According to an article in *Corrections Professional*, corrections officials are grappling with questions about how the medical privacy rules of the Health Insurance Portability and Accountability Act of 1996, due to become effective in 2003, will affect prison health care. Some are uncertain the law applies to prisons because “correctional institutions are not health plans established to pay the cost of care, nor do they perform clearinghouse functions.” However, all correctional institutions are directly or indirectly health care providers; and, because some correctional institutions “transmit health information in electronic form in connection with a standard transaction, such as coordination of benefits or injury reports,” they must comply with the law’s health information privacy provisions.

Compliance may prove costly. An official must be appointed to oversee privacy matters. Policies and procedures must be put in place to address the handling of health information. Personnel must be trained to follow the policies and procedures. Mechanisms must be put in place to allow inmates to obtain access to their medical records. All translate into new financial burdens on correctional systems. The majority of states have provided no additional funding to cover the new expenses.

The law will not apply to many institutions. “Most correctional institutions are self-insured and self-pay, so they do not engage in standard transactions and therefore, are exempt.” This is little comfort for the institutions that face the uncertainty of new demands on already stretched resources.

For additional information on HIPAA, see www.access.gpo.gov/su-docs/fedreg/frcont02.html.

Source: “HIPAA Medical Privacy Rules Take Effect in Early 2003: Corrections Officials Grapple with Confusing Rules,” *Corrections Professional*, 8(7): December 16, 2002.

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