

<b>POLICIES AND PROCEDURES</b>
<b>TOPIC:</b> Permissible Purpose - Payment
<b>DOCUMENT NUMBER:</b> 1100
<b>EFFECTIVE DATE:</b> November 21, 2015



## **I. BACKGROUND AND PURPOSE**

The purpose of this policy is to establish how the WVHIN’s Health Information Exchange may be used as a source of Protected Health Information for a legitimate Payment purpose. In addition, the policy also sets forth the requirements that must be met in order for a Participating Organization to access Protected Health Information maintained in the Health Information Exchange for Payment purposes in compliance with the HIPAA Privacy Rules and other applicable laws.

## **II. POLICY**

One of the fundamental principles identified by the Office of the National Coordinator for Health Information Technology is the need for appropriate limits on the collection, use, and disclosure of Protected Health Information by a Health Information Exchange organization such as the WVHIN. The WVHIN must establish limitations on Participating Organizations to ensure that Protected Health Information will only be disclosed for a Permissible Purpose.

The term “Payment” has the same meaning as such term is defined in 45 C.F.R. Part 164, as may be amended. Payment is defined under HIPAA as any activity undertaken by a Health Care Provider or Health Plan to obtain or provide reimbursement for the provision of health care to a Patient. For the purposes of the Health Information Exchange, Payment includes but is not limited to activities arising out of billing, claims management, and collection activities, obtaining payment under a contract for reinsurance, obtaining premiums for Health Plan coverage, determining eligibility or coverage, coordinating benefits with other Health Plans, performing Health Plan risk adjustment based on enrollee health status and demographic characteristics, reviewing medical necessity, providing precertification or preauthorization of services, utilization review, and other similar activities.

The Permissible Purpose of Payment allows the exchange of Protected Health Information between Participating Organizations for Payment-related activities which relate to the Patient who is the subject of the Inquiry. The exchange of Protected Health Information in response to an Inquiry for information related to Payment must contain only the Minimum Necessary amount of Protected Health Information as is required or authorized for the specific requested Payment purpose (see Policy and Procedure Number 1400 – Minimum Necessary). A disclosure for the Permissible Purpose of Payment may occur through the Health Information Exchange only if the Patient has not elected to Opt-Out.

### **III. PROCEDURES**

#### **A. Patient Procedures**

1. A Patient who has not Opted-Out will be deemed to have given his or her Consent to participate in the Health Information Exchange, and his or her Protected Health Information may be exchanged for the Permissible Purpose of Payment.

2. The Protected Health Information of a Patient who has Opted-Out of the Health Information Exchange will not be exchanged for any Permissible Purpose (including Payment) except Public Health Reporting.

3. A Patient may pay in full for goods and services received from a Participating Organization, and request the Participating Organization not to disclose such information to a Health Plan for Payment purposes. Such information will constitute Out-of-Pocket Goods and Services, and will be governed by Policy and Procedure Number 102 for Sensitive Health Information, and by Policy and Procedure Number 1000 for Patient Restrictions on Disclosures.

4. A Patient may request a Participating Organization to restrict the disclosure of Protected Health Information for a Payment Purpose. If granted, such information will constitute Patient-Restricted Information, and will be governed by Policy and Procedure Number 102 for Sensitive Health Information, and by Policy and Procedure Number 1000 for Patient Restrictions on Disclosures.

#### **B. Participating Organization Procedures**

1. Each Inquiry seeking a Patient's Protected Health Information through the Health Information Exchange must be limited to a Permissible Purpose. All Inquiries must be submitted electronically.

2. When submitting an Inquiry under Paragraph 1 above for Payment, a Participating Organization must certify electronically to the WVHIN that it has an existing Treatment or Payment relationship to the Patient sufficient to justify the Permissible Purpose of Payment.

3. Any Protected Health Information obtained by a Participating Organization through the Health Information Exchange as a result of an Inquiry must be used only for the Permissible Purpose for which it was sought. An Inquiry for the Permissible Purpose of Payment must be limited to the Protected Health Information of the Patient who is the subject of the Inquiry (except in the case of mother/infant).

4. Participating Organizations seeking the exchange of Sensitive Health Information for Payment must comply with the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102), and where necessary, must obtain the specific written authorization of the Patient.

5. When engaged in the Permissible Purpose of Payment, a Participating Organization must comply with the Minimum Necessary policies and procedures (see Policy and Procedure Document Number 1400) to limit its Inquiry for Protected Health Information to the Minimum Necessary which is reasonably necessary to accomplish the intended Payment purpose.

6. A Participating Organization must grant a request from a Patient for a restriction on the disclosure of Protected Health Information to a Health Plan for Payment purposes if the Patient has paid in full for the goods and services in question. Such a request will constitute Out-of-Pocket Goods and Services.

7. The Participating Organization will cooperate with the WVHIN to electronically tag all Out-Of-Pocket Goods and Services to block them from being disclosed through the Health Information Exchange for Payment purposes in compliance with the Patient Restrictions on Disclosures policies and procedures (see Policy and Procedure Document Number 1000) and the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102).

8. A Participating Organization may grant any other request from a Patient for a restriction on the disclosure of Protected Health Information for any Permissible Purpose, including Payment. Such a request, if granted by the Participating Organization, will constitute Patient-Restricted Information.

9. A Participating Organization will cooperate with the WVHIN to electronically tag all Patient-Restricted Information (if it has agreed to a Payment restriction) to block it from being disclosed through the Health Information Exchange for Payment purposes in compliance with the Patient Restrictions on Disclosures policies and procedures (see Policy and Procedure Document Number 1000) and the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102).

### **C. WVHIN Procedures**

1. Each Inquiry seeking a Patient's Protected Health Information through the Health Information Exchange must be limited to a Permissible Purpose. All Inquiries must be submitted electronically.

2. If a Patient has not Opted-Out, the WVHIN's Health Information Exchange will share Protected Health Information in response to an Inquiry from a Participating Organization for Payment if the Participating Organization certifies electronically to the WVHIN that it has an existing Treatment or Payment relationship to the Patient sufficient to justify the Permissible Purposes of Payment.

3. The WVHIN will require that all Inquiries seeking the exchange of Sensitive Health Information are in compliance with the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102).

4. For a Patient who has Opted-Out of the Health Information Exchange, the WVHIN will ensure that no Protected Health Information will be shared for Payment purposes. Instead, the Participating Organization that submitted the Inquiry will receive a message that the Patient has Opted-Out of the WVHIN's Health Information Exchange.

5. The WVHIN will develop protocols designed to disclose only the Minimum Necessary amount of Protected Health Information needed for Payment purposes. These protocols will seek to facilitate the compliance of a Participating Organization with the Minimum Necessary requirement when submitting an Inquiry through the Health Information Exchange.

6. Under no circumstances may Protected Health Information be used, disclosed, or sold by the WVHIN for marketing or other commercial purposes without the prior written authorization of the affected Patient.

7. The WVHIN will not disclose any Protected Health Information tagged as Out-of-Pocket Goods and Services for Payment purposes to a Health Plan in accordance with the Patient Restrictions on Disclosures policies and procedures (see Policy and Procedure Document Number 1000) and the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102).

8. The WVHIN will not disclose any Protected Health Information tagged as Patient-Restricted Information for Payment purposes (if the Participating Organization has agreed to a Payment restriction) in accordance with the Patient Restrictions on Disclosures policies and procedures (see Policy and Procedure Document Number 1000) and the Sensitive Health Information policies and procedures (see Policy and Procedure Document Number 102).

9. The WVHIN will not disclose any Protected Health Information to consumer reporting agencies for Payment purposes.