

ORGANIZATION POLICY

POLICY TITLE: ONSLOW MEMORIAL HOSPITAL USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION TO CARRY OUT TREATMENT, PAYMENT OR HEALTHCARE OPERATIONS

POLICY NUMBER: 186

(1) **AUTHORITY:** This Policy is enacted pursuant to authority delegated to the management of Onslow Memorial Hospital, Inc. (“OMH”) by its Authority Board.

(2) **DEFINITIONS:** Certain terms having specific definitions are used in this Policy, and these terms and definitions are as follows:

- a. Individually identifiable health information means information that is a subset of health information, including demographic information collected from an individual, and:
 - i. Is created or received by a healthcare provider, health plan, employer, or healthcare clearinghouse; and
 - ii. Relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and
 1. That identifies the individual; or
 2. With respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- b. Protected health information means individually identifiable health information:
 - i. Except as provided in paragraph (ii) of this definition, that is:
 1. Transmitted by electronic media;
 2. Maintained in any medium described of *electronic media* at § 162.103; or
 3. Transmitted or maintained in any other form or medium.
 - ii. Protected health information excludes individually identifiable information in:
 1. Education records covered by the Family Educational Right and Privacy Act, as amended, 20 U.S.C. 1232g; and
 2. Records described at 20 U.S.C 1232g(a)(4)(B)(iv).

(3) **APPLICABILITY:** This Policy shall apply to all employees and agents of OMH. This Policy shall become effective when approved and signed by the President and Chief Executive

Officer of OMH.

(4) **PURPOSE AND APPLICABLE LAW:** The purpose of this Policy is to establish OMH's use and disclosure of protected health information to carry out treatment, payment or healthcare operations.

OMH is permitted to use and disclose protected health information without patient authorization for treatment, payment, or healthcare operations as described in this Procedure. All use and disclosures shall follow the "minimum necessary" standard.

PROCEDURE:

OMH is not required to obtain an Authorization from a patient prior to the use or disclosure of protected health information if such use or disclosure is for the purpose of carrying out treatment, payment, or healthcare operations as follows:

- For use by OMH in its own treatment, payment or healthcare operations;
- For treatment activities of another provider;
- To another covered entity (e.g., healthcare provider, payer, or clearinghouse) for payment activities;
- To another covered entity for its healthcare operations as long as the entity either has (or had) a relationship with the patient, the information pertains to such a relationship and the disclosure is either:
 - For the purposes of conducting quality assessment and improvement activities or reviewing the competence or qualifications of healthcare professionals, evaluating practitioner and provider performance, conducting training programs in which students, trainees, or practitioners in areas of healthcare learn under supervision to practice or improve their skills as healthcare providers, training of non-healthcare professionals, accreditation, certification, licensing or credentialing activities; or
 - For the purpose of healthcare fraud and abuse detection or compliance.
 - To another covered entity that participates in any Organized Healthcare Arrangement of OMH for any healthcare operations activities of the Organized Healthcare Arrangement.

Treatment is defined as the provision, coordination, or management of healthcare and related services by one or more healthcare providers, including the coordination or management of healthcare by a healthcare provider with a third party; consultation between healthcare providers relating to a patient; or the referral of a patient for healthcare from one healthcare provider to another.

Payment includes the activities undertaken by:

- (i) a health plan to obtain premiums or to determine or fulfill its responsibility for coverage and provision of benefits under the health plan; or
- (ii) a covered healthcare provider or health plan to obtain or provide reimbursement for the provision of healthcare.

The activities referenced in the definition of payment relate to the patient and include, but are not limited to:

- Determinations of eligibility or coverage (including coordination of benefits or the determination of cost sharing amounts), and adjudication or subrogation of health benefit claims;
- Risk adjusting amounts due based on enrollee health status and demographic characteristics;
- Billing, claims management, collection activities, obtaining payment under contract for reinsurance (including stop-loss insurance and excess of loss insurance), and related healthcare data processing;
- Review of healthcare services with respect to medical necessity, coverage under a health plan, appropriateness of care, or justification of charges;
- Utilization review activities, including pre-certification and preauthorization of services, concurrent and retrospective review of services; and
- Disclosure to consumer reporting agencies of any of the following protected health information relating to collections or premiums or reimbursement: Name and address, date of birth, social security number, payment history, account number and name and address of the healthcare provider and/or health plan

Healthcare Operations is defined to include any of the following activities of OMH to the extent that the activities are related to covered functions, and any of the following activities in which OMH may participate:

- (i) Conducting quality assessment and improvement activities, including outcome evaluation and development of clinical guideline, provided that the obtaining of generalizable knowledge is not the primary purpose of any studies resulting from such activities; population-based activities relating to improving health or reducing healthcare costs, protocol development, case management and care coordination, contacting of healthcare providers and patients with information about treatment alternatives; and related functions that do not include treatment;
- (ii) Reviewing the competence or qualifications of healthcare professionals, evaluating practitioner and provider performance, health plan performance, conducting training programs in which students, trainees, or practitioners in areas of healthcare learn under supervision to practice or improve their skills as healthcare providers, training of non-healthcare professionals, accreditation, certification, licensing, or credentialing activities;
- (iii) Most underwriting, premium rating, and other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, and ceding, securing, or placing a contract for reinsurance of risk relating to claims for healthcare (including stop-loss insurance and excess of loss insurance);
- (iv) Conducting or arranging for medical review, legal services and auditing functions,

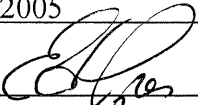
including fraud and abuse detection and compliance programs;

- (v) Business planning and development, such as conducting cost-management and planning-related analyses related to managing and operating the entity, including formulary development and administration, development or improvement of methods of payment or coverage policies; and);
- (vi) Business management and general administrative activities of OMH, including, but not limited to:
 - o Management activities relation to implementation of and compliance with the requirements of this subchapter;
- (vii) Customer services, including the provision of data analyses for policy holders that protected health information is not disclosed to such policy holders, plan sponsor, or customer:
 - o Resolution of internal grievances;
 - o Due diligence in connection with the sale or transfer of assets to a potential successor in interest, if potential successor in interest is a covered entity; and
 - o Creating de-identified health information, fundraising for benefit of the covered entity, and marketing for which an individual authorization is not required.

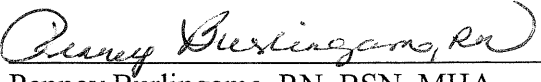
Minimum Necessary Disclosure

When disclosures for payment or healthcare operations as described in the Procedure are made, OMH shall limit the protected health information disclosed to the amount reasonably necessary to achieve the purpose of the disclosure. Except for treatment purposes, OMH may not disclose an entire medical record, except when the entire medical record is specifically justified as the amount that is reasonably necessary to accomplish the purpose of the disclosure.

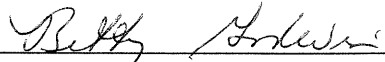
EFFECTIVE DATE: June 2005

APPROVED BY: 

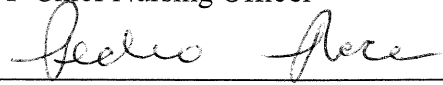
Ed Piper, Ph.D.
Chief Executive Officer



Penney Burlingame, RN, BSN, MHA
Senior VP Nursing and Clinical Services



Betty Godwin, RN, MSN
VP Chief Nursing Officer



Pedro Roca, M.D.
Chief of Staff

This document has been reviewed for
Onslow Memorial Hospital, Inc. by
Sumrell, Sugg, Carmichael, Hicks & Hart, P.A