

January 2003

Dear Colleague:

The April 14, 2003 deadline for complying with the final Health Insurance Portability and Accountability Act (HIPAA) medical privacy requirements is almost here. The AHA is working with our state, regional, and metropolitan association partners to do what it takes to help you prepare for compliance with the rule. That's why we've developed *HIPAA Privacy Standards*. This members-only tool is designed to provide a framework for thinking about and organizing your HIPAA privacy compliance initiatives. We've also included an update on the electronic transactions and security components of HIPAA.

Working with member hospitals and state, regional, and metropolitan associations, the AHA secured hospitals' top priority changes in the final privacy regulation. But we're concerned that the final rule's August 14, 2002 publication date leaves hospitals little time to come into full compliance. Many aspects of the final rule are confusing, burdensome and costly to implement as the Department of Health and Human Services (HHS) seemingly acknowledged by extending the compliance date for renegotiating certain business associate agreements. We're urging HHS to be flexible and concentrate its enforcement resources on technical assistance and education.

Our efforts to encourage HHS to use this non-punitive approach to enforcement compliance have already garnered significant interest in Congress and with the administration. We're now working with member hospitals to bolster the case for flexibility by identifying reasonable compliance milestones for marking a hospital's progress over a reasonable period. And we'll continue working with HHS, the administration and Congress to ensure a smooth transition.

Many thanks go to members of our HIPAA Advisory Group for providing tools and resources for this binder and their gracious review and helpful comments on other content. We also appreciate the contributions and support of Siemens. Last but not least, credit goes to our outside privacy counsel, Hogan & Hartson LLP, for the work that formed the basis of the compliance framework described in the binder.

Contact us at (800) 424-4301 with questions and comments, or to share your concerns and experiences as you work toward HIPAA compliance. Be sure to take advantage of the many resources we've made available on the AHA Web site at www.aha.org, click on the "HIPAA" icon under "Key Issues."

Hope you find the enclosed material helpful.

Sincerely,

Dick Davidson
President