

USING AND DISCLOSING INFORMATION FOR PAYMENT PURPOSES

Policy Number: [Enter]

Effective Date: [Enter]

I. Policy:

A. Purpose

This policy establishes guidelines to be followed by *[Organization]*'s workforce when using and disclosing information for payment purposes.

B. Policy Implementation – Use of PHI for Payment Purposes

[Organization] may use PHI for payment purposes without obtaining prior HIPAA authorization from the patient. Note that use for payment in this context is limited to those internal activities undertaken to obtain reimbursement for the provision of health care services.

C. Disclosure of PHI for Payment Purposes

[Organization] is generally required to disclose PHI to obtain reimbursement for the treatment and services it provides. *[Organization]* may disclose PHI for payment purposes without obtaining HIPAA authorization from the patient. *[Organization]* may also disclose PHI to another covered entity or health care provider for the payment activities of that entity.

“Payment” includes activities undertaken by a health care provider, such as *[Organization]*, or a health plan to obtain or provide reimbursement for the provision of health care. In addition, “payment” includes the following activities:

1. Determinations of eligibility or coverage (including coordination of benefits or the determination of cost sharing amounts), and adjudication or subrogation of health benefit claims;
2. Risk adjusting amounts due based on enrollee health status and demographic characteristics;
3. Billing, claims management, collection activities, obtaining payment under a contract for reinsurance (including stop-loss insurance and excess of loss insurance), and related health care data processing;
4. Review of health care services with respect to medical necessity, coverage under a health plan, appropriateness of care, or justification of charges;
5. Utilization review activities, including precertification and preauthorization of services, concurrent and retrospective review of services; and

[Enter Organization Logo]

6. Disclosure to consumer reporting agencies of any of the following protected health information relating to collection of premiums or reimbursement:
 - a. Name and address;
 - b. Date of birth;
 - c. Social security number;
 - d. Payment history;
 - e. Account number; and
 - f. Name and address of the health care provider and/or health plan.

This list of payment activities is not exclusive—additional activities may be performed to obtain reimbursement for [Organization]’s services. Workforce should consult with the [compliance officer/privacy officer/other designee] as appropriate.

Minnesota Law. Minnesota law generally requires [Organization] to obtain signed and dated patient consent prior to releasing health records, unless certain exceptions apply. [Organization] includes general language in its standard consent form indicating that [Organization] can disclose patient information for payment purposes. This satisfies the consent requirement under Minnesota law. [Organization] states in its Notice of Privacy Practices that it may use and disclose information for payment purposes; if there is language by which patient acknowledges and consents to the activities described as set forth in the Notice of Privacy Practices in [Organization’s] consent form, this would be an alternative option for the patient to provide the necessary consent under Minnesota law.

Alcohol and Drug Abuse Records. Unique rules apply when [Organization] seeks to disclose alcohol and drug abuse records for payment purposes. [Organization] must generally obtain signed consent that satisfies Part 2 requirements prior to disclosing information for payment purposes, and each disclosure must be accompanied by a written statement that prohibits third party payers from redisclosing the records. This written statement language and the consent form requirements are set forth in policy number [Enter], Disclosures of Alcohol and Drug Abuse Records.

[Organization] may disclose payment information without patient consent to:

1. A qualified service organization, provided certain requirements are met. Staff should review policy number [Enter], Disclosing Information to Business Associates, for more detail;
2. An entity with direct administrative control over [Organization]; or

3. A person for audit and evaluation activities, including a third party payer, when the disclosure complies with the requirements set forth in 42 CFR § 2.53.

D. Disclosure of Minimum Necessary

When [Organization] and its workforce use and disclose PHI for payment purposes it must comply with the minimum necessary rule. This means that [Organization] can use or disclose only the information that is necessary to achieve the purpose of the disclosure (e.g., to obtain reimbursement for services).

II. Procedure:

When using or disclosing health information for payment purposes, [Organization] and its workforce shall:

- A. Confirm that the tasks and activities are being performed to obtain reimbursement for the provision of services and constitute “payment” activities in accordance with this policy;
- B. Ensure the patient has signed and dated [Organization’s] consent form that includes language addressing the disclosure of health records for payment purposes or if not has signed and dated [Organization’s] consent form that includes language acknowledging and consenting to the activities described in [Organization]’s Notice of Privacy Practices;
- C. If alcohol or drug abuse records are involved, disclose information for payment purposes only in accordance with this policy.