

**HEALTH SCIENCE CENTER HANDBOOK OF OPERATING PROCEDURES**

Chapter 11	Patient Privacy Policies	Effective:	April 2003
Section 11.2	Uses and Disclosures of Protected Health Information	Revised:	February 2006
<b>Policy 11.2.4</b>	<b>For Treatment, Payment and Healthcare Operations</b>	Responsibility:	Assistant Vice President for Regulatory Affairs & Compliance

## FOR TREATMENT, PAYMENT AND HEALTHCARE OPERATIONS

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### Policy

The Health Science Center employees may use and disclose protected healthcare information only as allowed in this policy and in other policies in [Section 11.2](#) of the *Handbook of Operating Procedures*.

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### Definitions

**DISCLOSURE:** The release, transfer, provision of access to, or divulgence in any manner of information to parties outside the Health Science Center.

**HEALTH CARE OPERATIONS:** Any one of the following activities to the extent the activities are related to providing health care:

1. Conducting quality assessment and improvement activities, including outcomes evaluation and development of clinical guidelines, 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 health care costs, protocol development, case management and care coordination, contacting of health care providers and patients with information about treatment alternatives; and related functions that do not include treatment;
2. Reviewing the competence or qualifications of health care professionals, evaluating practitioner and provider performance, health plan performance, conducting training programs in which students, trainees, or practitioners in areas of health care learn under supervision to practice or improve their skills as health care providers, training of non-health care professionals, accreditation, certification, licensing, or credentialing activities;
3. Underwriting, premium rating, and other activities relating to the creation, renewal or replacement of a contract of health insurance or health benefits, and securing or placing a contract for reinsurance of risk relating to claims for health care;

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4. Conducting or arranging for medical review, legal services, and auditing functions, including fraud and abuse detection and compliance programs;
  5. 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 covered policies; and,
  6. Business management and general administrative activities which includes:
    - Management activities related to patient privacy compliance;
    - Customer service;
    - Resolution of internal grievances;
    - Due diligence; and,
    - Activities designed to de-identify health information or create a limited data set and fundraising activities for the benefit of the institution.

**INDIRECT TREATMENT RELATIONSHIP:** A relationship between an individual and a health care provider in which:

1. The health care provider delivers health care to the individual based on the orders of another health care provider; and,
2. The health care provider typically provides services or products, or reports the diagnosis or results associated with the health care, directly to another health care provider, who provides the services, products or reports to the individual.

**PAYMENT:** Any activities undertaken either by the Health Science Center or by a health care provider to obtain premiums or fulfill its responsibility for coverage and the provision of benefits or to obtain or

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provide reimbursement for the provision of health care. These activities include, but are not limited to:

1. Determining eligibility, 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, and related health care processing;
4. Review of healthcare services with respect to medical necessity, coverage under a health plan, appropriateness of care, or justification of charges;
5. Utilization review activities, including pre-certification and preauthorization services, concurrent and retrospective review of services; and,
6. Disclosure to consumer reporting agencies of certain protected health information relating to collection of premiums or reimbursement, including 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.

**TREATMENT:** The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to a patient; or the referral of a patient for health care from one health care provider to another.

**USE:** With respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of such information within the Health Science Center.

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**Permitted Use and Disclosure**

The Health Science Center may use and disclose protected health information for treatment, payment or healthcare operations only in the following instances:

- For its own treatment, payment, and healthcare operations as described in this policy.
- For treatment and payment activities of any healthcare provider (an indirect treatment relationship).
- The Health Science Center may disclose protected health information to another covered entity for health care operations of the entity that receives the information, if each entity either has or had a relationship with the individual who is the subject of the protected health information being requested, the protected health information pertains to such relationship, and the disclosure is:
  1. For a purpose listed in paragraph (1) or (2) of the definition of health care operations; or
  2. For the purpose of health care fraud and abuse detection or compliance.
- When an emergency situation exists; or,
- If the Health Science Center participates in an organized health care arrangement, parties may disclose protected health information about an individual to another entity that participates in the organized health care arrangement for any health care operations of the organized health care arrangement.

The Health Science Center is required to give each patient or personal representative a copy of the "[Notice of Privacy Practices](#)". This document informs the patient how his/her information may be used and disclosed.

The patient or personal representative must sign an acknowledgement that he/she has received "[Notice of Privacy Practices](#)". The patient

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or personal representative has the right to review the “Notice of Privacy Practices” prior to signing the acknowledgement.

See [Section 11.3.4](#) of the HOP, “Notices of Privacy Practices” for more information.

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**Incidental Disclosures**

An incidental disclosure is a secondary use or disclosure that cannot be reasonably prevented, is limited in nature, and that occurs as a by-product of an otherwise permitted use or disclosure of protected health information. Incidental uses and disclosures are permissible only to the extent that the Health Science Center has applied reasonable safeguards and has implemented the minimum necessary standard where applicable. This means that staff should conduct discussions regarding patient information in confidential areas when possible; protected health information is discussed only with persons who have a need to know; computer screens and workstations are not accessible to the public; the number of family members allowed in a direct treatment area may be limited; etc. There are situations, however, in which the clinical or support staff may be overheard in a communication with a patient or patient’s family member as part of normal business in a health care setting. Incidental uses and disclosures of protected health information are not required to be included in an accounting of disclosures. See [Section 11.3.1](#) of the HOP, “Accounting of Disclosures of Protected Health Information”.