

Regulation Overview

Health Insurance Portability and Accountability Act



HIPAA – The Health Insurance Portability and Accountability Act of 1996, also known as the Kennedy-Kasselbaum Act, requires healthcare organizations and businesses that deal with patient health information to take steps to simplify and standardize data exchange and to protect the confidentiality and security of all health data managed by the organization. This means a move towards the electronic exchange of information, and encryption and security to protect those transmissions.

WHO IS AFFECTED BY HIPAA?

All entities that handle, maintain, store, or exchange private health or patient related information, regardless of size, are subject to HIPAA. This includes, but is not limited to:

Healthcare organizations, health service providers, employers maintaining health records, public health authorities, health plans, life insurers, blood, sperm, organ donation banks, pharmacies, long-term care facilities, billing agencies, clearinghouses, clinics, physician offices, etc.

WHAT ARE THE REQUIREMENTS OF HIPAA?

Though HIPAA's requirements affect a broad range of areas, ZL Technologies focuses primarily on the Security Rules. The final Security Rule, published on February 20, 2003, provides a uniform level of protection of all health information that is:

1. Housed or transmitted electronically and that
2. Pertains to an individual.

The Security Standard mandates safeguards for physical storage and maintenance, transmission, and access to individual health information. It applies not only to the transactions adopted under HIPAA, but to all individual health information that is maintained or transmitted.

Additional requirements relate to disaster recovery, comprehensive user authentication, data protection, security, and audit trails.

WHEN IS HIPAA LAW?

HIPAA is law today. Deadlines for compliance with various sections are varied. The Privacy Rule deadline is April 14, 2003. The Transactions Rule deadline is October 16, 2003.

WHAT ARE THE PENALTIES FOR HIPAA NON-COMPLIANCE?

Patients have the right to file a formal complaint with the U.S. Department of Health and Human Services (DHHS) if they believe a covered entity has violated HIPAA requirements. DHHS has the authority to investigate and penalize covered entities. There are civil and criminal penalties associated with HIPAA noncompliance.

If a covered entity is found in violation of HIPAA, potential consequences are:

1. Civil Penalties: \$100 per violation, up to \$25,000 per person, per year for each requirement or prohibition violated.
2. Criminal Penalties: For knowingly violating patient privacy, the following federal criminal penalties apply:
 - Up to \$50,000 and 1 year in prison for obtaining or disclosing protected information.
 - Up to \$100,000 and up to 5 years in prison for obtaining or disclosing protected information under false pretenses.
 - Up to \$250,000 and up to 10 years in prison for obtaining or disclosing protected information with the intent to sell, transfer, or use it for commercial advantage, personal gain, or malicious harm.

HOW DO ORGANIZATIONS COMPLY WITH HIPAA?

Compliance with HIPAA requires a comprehensive effort within an organization including the development of many internal policies, ongoing training and audits of personnel and practices. ZL Technologies provides a comprehensive set of tools to aid companies in becoming compliant for the purposes of security, data protection, audit trails, disaster recovery, user authentication, access control, to PHI and other patient data.

A detailed matrix of the relevant sections of HIPAA, their requirements, and the components of the ZL Technologies platform that address them is listed in the ZL - HIPAA Security Rules Matrix.

WHAT DOES ZL TECHNOLOGIES PROVIDE?

ZL Technologies' compliance platform provides a comprehensive set of tools for small and large businesses to comply with HIPAA including:

- Email archiving and WORM storage
- Email retention policy management

- Email search and discovery
- Email storage management
- Email attachment management
- Instant messaging archival

ZL Technologies provides an all-in-one solution, which stores data on virtually any non-rewriteable device library, jukebox, etc. (CD-R, DVD-R, and magneto optical disc, et al). ZL Technologies automatically generates a comprehensive and hierarchically searchable index for headers, message body, size, and attachments. ZL Technologies' advanced search with proximity and context sensitivity matching allows companies greater granularity of searches according to use within sentences, paragraphs, and whole documents. Simultaneous cross-alias searching easily prevents multiple searches of the same user, reducing time and resources spent in the event of a pressing audit. ZL Technologies also provides a full auditor application, which enables internal or external auditors to capture specific mails and generate an annotated thread for tracking the entire review lifecycle. The quick summary for lexical analysis and compliance Analysis for reviewers provides easy summarization of compliance review logs, frequency and occurrences. Additional advantages with ZL Technologies are optional performance enhancements, data compression, data encryption, attachment staging and management, and a parallel mail system for disaster response.

ABOUT ZL TECHNOLOGIES

Established in 1999, ZL Technologies, Inc. (ZL) provides cutting-edge enterprise software solutions for email archiving, regulatory compliance, litigation support, corporate governance, content management, file archiving, and secure email. ZL's flagship product, the Unified Archive, offers comprehensive email and file archiving and management for companies using Lotus Notes/Domino, Microsoft Exchange, Bloomberg, and others. The suite provides a highly flexible framework that is fully scalable, enabling organizations of all sizes to meet legal discovery, compliance, and storage management requirements. With a proven track record and an impressive list of clients, including Walgreens, Bank of New York Mellon, Pacific Life, and Morgan Keegan, among other top global institutions, ZL has emerged as the premier provider of email archiving and compliance solutions. For more information, please visit www.ZLTI.com

To learn more about how ZL Technologies can help you take control of your data, call us at 408.240.8989 or visit us online at www.ZLTI.com