



THE BOTTOM LINE

VOLUME 1, ISSUE 13
ASSOCIATED COLLECTORS, INC.

OCTOBER 15, 2009

HITECH ACT IN PLAIN LANGUAGE

With the passage of the stimulus package last February, the Health Information Technology for Economic and Clinical Health (HITECH) Act made some changes affecting both medical Providers and their Business Associates (BA) with regard to HIPAA regulations. As the original language of the bill is steeped in legalize and acronym-heavy, we wish to highlight in plain language two of the major changes impacting the HIPAA Privacy and Security Rules.

The most significant change in the rules is that the BA is now held liable for many HIPAA violations in the same way that Providers have been in the past. BAs were not statutorily liable under the old rules, but rather were restricted as to the use and disclosure of Protected Health Information (PHI) by the individual agreements made with Providers.

To satisfy the Security portion of the Rules, BAs must comply with all physical, administrative and technical safeguard requirements and must implement security policies and procedures in the same way as the Provider. If the BA fails to comply with these provisions, the BA will be subject to the same penalties that a Provider would face under the HIPAA regulations. Most notable is the requirement for the BA to appoint a security official who will develop written policies and procedures, document those activities and train their personnel to apply the safeguards.

Under the HITECH Act, the Privacy Rules apply less directly to the BAs than the Security Rules. BAs are required only to use or disclose PHI consistent with the obligations spelled out in the business agreement with the Provider.

New Security Breach notification requirements have also been mandated by the new law. If a Provider becomes aware of an unauthorized disclosure of PHI, the Provider must notify each consumer whose information is believed to have been compromised due to the breach. In turn, BAs must notify Providers of any unauthorized disclosures of PHI. Again, each consumer must be notified by following specific procedures put forth in the statutes. If more than 500 consumers are involved, local news media must be notified of the breach.

At ACI, we take these heightened security requirements very seriously. Dennis Donohue, ACI's HIPAA compliance officer, has taken the necessary steps to ensure that all of the required policy adjustments have been made to accommodate the new legislation. Compliance for all of these changes must be followed by February 17, 2010. Training for all ACI personnel is presently underway.



MILESTONES!

It's always a pleasure to recognize career highlights on our staff as they occur. Anita D. recently celebrated her 25th office anniversary with a thank you dinner in her honor. Collector Nancy H. recently joined the \$100,000 club by collecting \$100k in one month. Congratulations to both on your achievements!

Obviously, these dedicated individuals are two excellent reasons why ACI is so successful at what we do. Their experience and determination keep us among the very best in the collection industry. Let us energize your BOTTOM LINE!!

ASSOCIATED COLLECTORS, INC.

P.O. Box 1039
113 W. Milwaukee Street
Janesville, WI 53547

Tel: 608-754-4425
Toll Free: 800-354-6951
Fax: 608-754-0637
E-mail: aci@jvl.net.com

926 Willard Dr., Ste. 212
Green Bay, WI 54304
Toll Free: 877-365-7374

Larry Bergdoll – Editor



*Efficient, Effective,
Experienced*

Website:
associatedcollectorsinc.com



Historic View of Our
Janesville Location



Renovated Interior – Lower
Level

Joke of the Week

The Seven Dwarfs were marching through the forest one day when they fell into a deep, dark ravine. Snow White, who was following along, peered over the edge of the steep chasm and called out to the fallen dwarfs. From the depths of the dark hole a voice returned, "The Vikings are Super Bowl contenders."

Snow White thought to herself, "Thank God... at least Dopey survived!"

ACIVP Joins in Collection Advisor Q & A

Dennis Donohue, ACI's vice president and general manager, took part in a Q & A for Collection Advisor magazine at ACA International's convention in Las Vegas last summer. Here are some excerpts:

Q: What trends are you seeing in medical collections?

A: The average balances of the debts are increasing as co-pays, deductibles and the cost of healthcare increase. On the other hand, not-for-profit hospitals are more willing to offer uninsured discounts and charity write-downs to their patients.

Q: Are you handling more first-party collections on behalf of doctors and hospitals?

A: Not a lot more. We've been doing

early-out work for a while. We are seeing some medical clients offering financing programs wherein the client charges interest on the patient's unpaid balance.

Q: How do you handle debtor complaints?

A: We determine the exact nature of the complaint and address it. The basic questions are: "Do you owe the debt?" "Have you paid the debt?" Once we have determined that the complaint is a legitimate objection rather than a stall, we check to see if we have the answer available in the listing information. If we don't have it, we get the appropriate statements from our clients and mail them to the debtor. We document everything. Prompt follow-up is essential.