

## A HIPAA primer for employers

Any employer who offers group health insurance has heard of HIPAA, the acronym for the Health Insurance Portability and Accountability Act of 1996. The law put in place “administrative simplification” rules that significantly impact how employers and their health plans use, disclose, transmit and secure health information.

The law has three major requirements: (1) standards for electronic health transactions; (2) privacy rules, already in effect; and (3) new security rules going into effect April 20, 2005. All three are designed to protect against unauthorized use or disclosure of protected health information, known as PHI. In general, PHI is individually identifiable information in any form that is created or received by a covered health care provider, health plan or health care clearinghouse. This information could include, for example, a person’s name, date of birth, Social Security number or medical management information.

Businesses have had to distinguish between what is PHI and what is employment-related health information. The rule of thumb is: information employers receive when *administering their health plan* is PHI; information received in an employer capacity is not. For example, claims information would be considered PHI, but records related to workers’ compensation, a Family and Medical Leave Act request, insurance eligibility and drug screenings would not.

Fallon Community Health Plan (FCHP) does not routinely disclose PHI to fully-insured plan sponsors. However, under HIPAA, FCHP may disclose PHI to a health plan that is an Administrative Services Only (ASO) or self-insured account, and may disclose *aggregate data* to plan sponsors with 50 or more subscribers.

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## New product option, benefits ready April 1

*A new product option. Expanded benefits. Attractive premiums.* Fallon Community Health Plan (FCHP) introduced all three on April 1, 2005.

FCHP is committed to offering competitive, creative solutions for health care coverage. Our clear pricing levels offer savings at approximately 5% intervals from the standard FCHP Select Care and FCHP Direct Care product. This allows you to customize a plan for your employees.

### New product option

**Premium Saver Value**, our new product option, gives you another attractive choice to offer. This option gives members more responsibility for their care and presents a pricing menu for employers that can save up to 10% over our standard product. Specifics include tiered copayments for PCP visits; a \$100 individual/\$200 family deductible for prescriptions; and a \$50 copayment for imaging scans.

### New benefits

- **Wellness is free!** Now at FCHP, routine physical exams\* for both children and adults are covered in full—no copayments and no deductibles. We’re proud to be the **only health plan in Massachusetts** to offer this benefit, making preventive care easier and more affordable. Without health care coverage, a wellness visit to a primary care provider would cost your employees an

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## Business buzz

### Taking steps to save lives

Today there is a growing trend among businesses to protect their employees against death by sudden cardiac arrest by installing Automated External Defibrillators (AED). Administering an electronic shock to the heart via an AED is the only known treatment to restore normal heart rhythm and can save lives when administered within five minutes.

Incidences of cardiac arrest in the workplace are all too common, accounting for approximately 15% of on-site fatalities, according to the Occupational Safety and Health Administration (OSHA).

AEDs now on the market are safe and easy to use. The portable defibrillators are about the size of a laptop computer and don't need much maintenance.

AEDs can be leased, or purchased for approximately \$3,000, which includes training.

More Massachusetts companies are taking steps to train employees in defibrillation since legislation providing limited liability for nonmedical AED users was passed in the state recently. Some legal experts advise that having an AED could actually *reduce* a company's risk of liability.

Fallon Community Health Plan recently purchased AEDs for its corporate headquarters in downtown Worcester and trained employees to use the device.

The American Heart Association ([www.heart.org](http://www.heart.org)) is a good resource for implementing an AED program. For more information, visit the association's Web site or call 1-877-242-4277.

## In our corner ...

### FCHP Direct Care network expands

Since its introduction in 2002, Fallon Community Health Plan's FCHP Direct Care has been the plan of choice for more than 1,900 employer groups. Now Fallon Community Health Plan (FCHP) has expanded the FCHP Direct Care network to make this unique, cost-effective health plan available to employer groups in a broader geographic area.

In addition to Fallon Clinic, the FCHP Direct Care network now includes:

- [Acton Medical Associates](#)
- [Charles River Medical Associates](#)
- [Southboro Medical Group](#)

By offering a tailored network of four high-performing group practices, FCHP Direct Care provides more coordinated and efficient care at a lower premium than comparable products. **In fact, our expanded Direct Care product can save employers an additional 10% over FCHP Select Care.**

FCHP Direct Care has the same rich core of comprehensive benefits as FCHP Select Care, supported by additional features, health and wellness programs, and a commitment to delivering exceptional customer service.

### Winter health observances

Tap these resources to promote wellness and keep your employees informed about health concerns. Many of these organizations have free material that can be requested or downloaded for use in your business.

#### April

National Alcohol Awareness Month  
National Council on Alcoholism and Drug Dependence, Inc.  
[www.ncadd.org](http://www.ncadd.org)

#### May

National High Blood Pressure Education Month  
National Heart, Lung and Blood Institute  
[http://hin.nhlbi.nih.gov/nhbpep\\_kit/](http://hin.nhlbi.nih.gov/nhbpep_kit/)

#### June

Men's Health Week  
(June 13 to 19)  
Men's Health Network  
[www.menshealthweek.org](http://www.menshealthweek.org)

## 51% network growth!

We have made Fallon Community Health Plan (FCHP) even more attractive for you with the **expansion of our FCHP Select Care provider network by 51%** to more than 11,500 providers and 39 hospitals statewide. Our members have more choices than ever before.

In January, we announced the addition of the **Greater Milford Health Alliance (GMHA)**, which includes Tri-River Family Physicians, Tri-County Medical Associates and dozens of private practice specialists who admit to the Milford Regional Medical Center.

We will continue to build on our relationships with the 10 popular provider groups who joined us last year:

- **Merrimack Valley Independent Practice Association**, at Saints Memorial Medical Center in Lowell
- **Lawrence General IPA**, in the Merrimack Valley region
- **Charles River Medical Associates**, with offices in Ashland, Framingham, Natick, Hudson, Holliston, Westborough, Marlborough, Medfield and Hopkinton
- **Family Health Center**, in Worcester
- **Great Brook Valley Health Center**, in Worcester, Framingham and Clinton
- **Tri-County Medical Associates**, in MetroWest and the Blackstone Valley

- **CentMass Association of Physicians**, in Fitchburg and Leominster
- **Mount Auburn Cambridge Independent Practice Association**, in Arlington, Belmont, Cambridge, Lexington, Somerville and Watertown
- **South Shore Medical Center**, in Norwell and Kingston, serving patients throughout the South Shore
- **Wing Memorial Hospital** and its physicians, in the Quaboag and Pioneer Valleys

## FCHP introduces online medical tool

Fallon Community Health Plan is proud to introduce the Healthwise® Knowledgebase—one of the nation's leading online resources for helping people become informed about their health and health care in active partnership with their doctors.

Healthwise® covers more than 3,400 topics on health conditions, medical tests and procedures, medications, and everyday health and wellness issues. Every Healthwise® topic is easy and convenient to access and based on the most reliable, most up-to-date medical research. The in-depth medical content is complemented with hundreds of helpful illustrations.

In addition, a feature called **“Decision Points”** guides your employees and their doctors in making wise health decisions about tests and treatment options. Another

feature called **“Actionsets”** provides in-depth information and practical tools to help people take action in managing chronic illnesses.

The Healthwise® Knowledgebase can be accessed **free** by logging on to our Web site, [www.fchp.org](http://www.fchp.org).

## Morrison to lead sales effort at FCHP

Scott Morrison has joined Fallon Community Health Plan (FCHP) in the new position of Senior Director of Sales and Account Management. He is responsible for both new business sales and existing account retention sales. Scott has more than 12 years of experience in sales and account management at both UnitedHealthcare and Tufts Health Plan.



“I am very excited about joining Fallon Community Health Plan at such a dynamic time,” Scott says. “FCHP’s 51% network expansion over the last two years, being the only carrier to design a tailored network that delivers tangible value, and a number of new product options and consumer tools to be launched during 2005 position us as a very strong option in the Massachusetts marketplace.”

## A HIPAA primer for employers *continued*

With few exceptions, an individual's PHI can be used for health-care-related purposes only—that is, treatment, payment and health care operations. It cannot be used by employers to make personnel decisions. Use and disclosure of PHI must be limited to the minimum amount of information necessary to accomplish the intended purpose.

HIPAA's security rule, in effect this month, applies to PHI that is transmitted or stored electronically ("ePHI")—which applies to virtually all information. The rule addresses the integrity and availability of ePHI—such as electronic claim submissions, online insurance eligibility requests and e-mails containing member information. Broadly, employers who fall under the HIPAA umbrella need to establish physical, technical and administrative safeguards.

Compliance would involve everything from having written policies for personnel about the use of PHI, to data encryption and limited access to company computers. Employers have the leeway to decide what is appropriate

based on their technical infrastructure, hardware, software and security capabilities—but must document how they reached their decision.

Needless to say, HIPAA compliance remains an ongoing challenge. For some additional HIPAA guidance, turn to the U.S. Department of Health and Human Services' Web site at [www.hhs.gov/ocr/hipaa](http://www.hhs.gov/ocr/hipaa).



## New product option, benefits ready April 1 *continued*

average of \$79. But when you're covered by FCHP, they pay nothing for routine physical exams.

- **Preventive dental benefits and discounts added** to our Premium Saver 500 and Premium Saver 1000 plan options.

## Attractive premiums

We know you are looking to balance cost with value when making health care decisions. Now, more than ever, you can choose from FCHP's extensive portfolio of product options, which blends customized premium pricing with value-added

benefits. These new benefits and options are available for new employer groups on April 1, 2005, and for our current customers at renewal.

For more information about Fallon Community Health Plan products, networks and programs, please contact us at 1-800-333-2535.

### Recommended guidelines for wellness visits

Age	Frequency
Newborn to 12 months	Age 1 to 2 weeks, and 1, 2, 4, 6, 9 and 12 months; breastfeeding check between the ages of 3 days and 2 weeks
1 to 4 years	Ages 15, 18 and 24 months, then 3 and 4 years of age
5 to 19 years	Annually
Adults 19+	Annually



FALLON COMMUNITY HEALTH PLAN  
[www.fchp.org](http://www.fchp.org)

*Employer Edge* is published quarterly to provide employers with the latest news, trends and marketplace information in health care. Please share this issue with your coworkers. E-mail your comments on *Employer Edge* to [Employer.Edge@fchp.org](mailto:Employer.Edge@fchp.org). For information about products or programs, ask for your account manager at 1-800-333-2535.