HIPPA Enforcement and Penalties

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HIPPA

The federal agency that is responsible for enforcing HIPPA standards is the Department of Health & Human Service, also known as HHS Office for Civil Rights (OCR). The Health Insurance Portability and Accountability Act (HIPPA) was made in 1996 and has three major provisions: Portability, Medicaid integrity program/fraud and abuse, administrative simplification. The portability provisions give renewable health coverage that remove any preexisting conditions that are under the guidelines that are for individuals who change employers or health plans. The medicated Integrity program, also known as MIP, guarantees that Centers for Medicare & Medicaid Services (CMS) has funding for integrity and authority to obtain contractors that specialize in anti-fraud.

The administrative simplification provision gives standards for transactions, code sets, identifies, security, and privacy rules that span across all the healthcare industry. The requirements of the Administrative Simplification Requirements for HIPPA are code sets and transactions. This gives standards for any electronic transaction and medical code sets. Identifiers give a standard that is unique to the employer for identification, which is a standard for National Provider Identifiers (NPIs). Security gives the administrative, technical, and physical requirements that are for covered entities used for safeguarding health information. Privacy gives national standards for protection. Some health information like this is used to disclose people's health information and outlines people's privacy rights, and for people to understand and control the way their health information is used.

For HIPAA violations, there are four tiers that range in price depending on the violation. The first tier is where the covered entity wasn't aware of the breach. In HIPPA, the penalty can range, depending on the incident, from \$100-\$50,000 per incident. The second tier is where the

covered entity knew or could have known of the violation but neglected to act. The penalty can range from \$1,000-\$50,000 per incident. The third tier is where the covered entity acted illegally and corrected the problem in a 30-day time period. The penalty can range from 10,000-\$50,000 per incident. The Fourth and final tier is where the covered entity acted with willful neglect and failed to make corrections in a timely manner and can range up to \$50,000 per incident. Every year, organizations violate HIPPA regulations. And in 2018, there were nine organizations that violated HIPPA who were fined, resulting in a total loss of \$28,683,400, as a total from the nine organizations that violated HIPPA.

References

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