

CCH Healthcare Compliance LETTER

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On The Front Lines 4

Uncertainty remains over Department of Labor's proposed FLSA regulations
by Richard R. Fritz

HIPAA 1

- Protecting PHI
- Compliance with security, privacy rules lagging

Fraud & Abuse 3

- OIG okays cost-sharing arrangement
- Doctors and "learned professions" immune from suit under Act

Tax 7

- Fifth Circuit opinion on nonprofit/for-profit joint ventures discussed

Protecting PHI

by Catherine Hubbard, MA, Contributing Editor

Health care organizations need to make sure they reduce unauthorized disclosures of personal health information (PHI) by implementing the right policies and procedures and training staff to avoid disclosing protected information. By taking the necessary precautions, directors can avoid expensive lawsuits that threaten not only their companies, but also their own personal assets.

Entities should develop policies and procedures stating their plan for protecting patient-identifiable and sensitive health information, said John Parmigiani, senior vice president for Consulting Services, QuickCompliance, Inc., at a recent International Association of Privacy Professionals conference in Washington, D.C. "The document should be clear, concise and actionable," he said, and must be implemented and enforced. Along with other documents, policies and procedures are a "foundation piece for helping to prove due diligence," he said.

Training. Organizations also should develop programs to increase awareness and to teach all employees what they can do to improve health information security, Parmigiani said. "HIPAA training in privacy and security needs to encompass the entire workforce," he said. He recommended companies set up a training program and establish a certification test for each aspect of the program to ensure employees are learning. This also will help prove the entity reasonably tried to comply with the law. "Documentation is essential to show due diligence," he said.

Before launching a training program, companies should identify the audience and assess what training is needed, who should perform the training and how, Parmigiani said. He reminded providers to train third parties that have access to organizational systems. In addition, he said, the security training program should be updated periodically.

Security and compliance officers should target their training programs to meet the needs of their audience. For example, board members and executives need to understand their oversight role, the consequences of non-compliance, best practices throughout the industry and recent guidance, rulemaking or legislative changes, Parmigiani said.

Moreover, instructors should teach good security practices to the administrative staff and should explain that access to PHI must be terminated when an employee leaves or is reassigned to a new function, said Parmigiani. When training technical staff, instructors should discuss the security mechanisms for protecting both data at rest and in transit and show how to implement authentication and access, disaster recovery and encryption requirements, he said. Support staff, such as cleaning and maintenance staff, should understand that when they encounter PHI on someone's desk or computer screen, they should ignore the information and should not disclose it, Parmigiani said.

Keeping passwords secret. To assess the level of security in a health care setting, it's important to observe work areas for possible exposure of PHI. "Walk around and look," Parmigiani said. He said officers should look for passwords on post-it notes as well as medical charts and PHI strewn about. They should also look for logged-on but unattended workstations, PHI in trash receptacles and dumpsters and uncontrolled access to areas that house IT equipment or PHI. "This is often very revealing as to how security is practiced," he said.

When creating user accounts, companies should establish role-based access rules, and use unique user IDs that are not based on the user's name, department, telephone extension or employee number, Parmigiani said. Systems should prohibit concurrent access of the same user ID, and IDs should be uniform across systems and platforms, he added.

Also speaking at the conference, Frank Ruelas, director of corporate compliance at Gila River Health Care Corporation, Phoenix, Arizona, recommended passwords should be reset every six months. Resetting passwords more frequently will make it nearly impossible for employees to remember them and will encourage people to write them down on post-it notes and leave them visible to passersby, he said.

Angel Hoffman, director of corporate compliance at the University of Pittsburgh Medical Center, Pittsburgh, Pennsylvania, also cautioned providers against leaving too much PHI in phone messages or with a family member who answers the phone. When unable to reach patients by phone, health care workers should leave only necessary information, such as their name, where they're calling from, the bare basics of what the call is about and a contact number, she said. "Don't provide much information over the phone. You have to be really careful," she said.

Legal exposure. Health care attorney Richard Marks, McLean, Virginia,

said the new HIPAA security rule creates heightened legal risks. "Directors and senior officers are going to start looking at legal liability in a way they never have before," he said. Directors will have to factor litigation risk into their rate of return on investment (ROI) as never before, he predicted.

In one case Marks discussed, a virus entered a provider's network through a single open port between a provider and a partner. "Every doctor's office is a potential back door," he said, adding that information sharing with vendors and research hospitals also can open the door to viruses and hackers.

Providers need to be more concerned with liability than with penalties imposed by HHS, Marks said, adding that plaintiffs are going to argue that directors and senior officers should be held personally liable for damages. Their lawyers will try to show bad faith or gross negligence, which would allow them to go after the plaintiffs' personal assets. "No one's worried about HHS. They're not a big threat," he said. "Civil lawsuits by real smart lawyers that's a different story. They're motivated by money."

Likely plaintiffs include shareholders and people exposed to defamation, invasions of privacy or financial or physical harm, Marks said. "There are plenty of people in a position to sue," he emphasized.

Marks recommended that organizations create an effective program to prevent and detect violations of law. The program should:

- Establish compliance standards.
- Assign overall responsibility to high-level personnel.
- Avoid delegating substantial discretionary authority to those with propensity for illegal activity.
- Communicate standards effectively.
- Take reasonable steps to achieve compliance with standards.
- Enforce standards consistently through appropriate disciplinary mechanisms.
- Take all reasonable steps to respond once an offense is detected. ■

CCH Washington Bureau, March 1, 2004

Letters to the Editor

The CCH Healthcare Compliance team welcomes comments or questions regarding articles published in the CCH Healthcare Compliance Letter. Send comments to Sharon Sofinski, Coordinating Editor, at sofinsks@cch.com. For more information about the CCH Healthcare Compliance Portfolio visit our online store at <http://health.cch.com>.



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Unless otherwise noted, all paragraph references are to the CCH Healthcare Compliance Reporter.

OIG okays cost-sharing arrangement

by Sharon Sofinski

The Office of the Inspector General (OIG) determined that a proposed cost-sharing arrangement by a blood glucose testing products supplier would not result in sanctions under section 1128 of the Social Security Act.

Under the proposed arrangement, the supplier would waive cost-sharing obligations under Part B of the Medicare program for self-monitored blood glucose equipment and supplies used by Medicare beneficiaries who participate in the Bypass Angioplasty Revascularization Investigation 2 Diabetes clinical trial (BARI 2D).

BARI 2D is a scientific study of public health and clinical issues regarding the treatment of individuals who have Type II diabetes and coronary artery disease. It will focus on the best medical approaches for addressing coronary artery disease in those who have Type II diabetes. BARI 2D will compare (1) the effectiveness of two different drug therapy approaches and (2) the effectiveness of drug therapy combined with early bypass or angioplasty surgery to drug therapy alone.

Approximately 2800 patients will participate in the study, which will be conducted over a seven-year period at forty clinical centers.

Under the proposed arrangement, all participants will have to self-monitor their blood glucose level in accordance with the study treatment protocol. All supplies for the participants will be provided through an agreement between the National Heart, Lung, and Blood Institute (NHLBI) and a specified manufacturer. Neither the NHLBI nor the manufacturer will be involved in planning the study or in determining the frequency of testing, the governance of the trial, or the selection of the participants. NHLBI will waive cost-sharing obligations for the participants to encourage them to participate in the BARI 2D trial.

The OIG noted the following in making its determination:

- (1) BARI 2D is a National Institutes of Health (NIH) sponsored scientific study initiated, organized, funded and managed by NLHBI.
- (2) BARI 2D is not a commercial, product-oriented or product-specific study and is not intended to develop, study, or benefit a commercial product.
- (3) The NHLBI believes that the resolution of public health and clinical issues addressed by the study will likely have significant consequences for the medical treatment of all affected patients, including Medicare beneficiaries.

While the OIG cautioned that the proposed arrangement could potentially generate prohibited remuneration under the anti-kickback statute, it concluded that it would not impose civil money penalties under the arrangement because the arrangement reasonably accommodates the needs of an important, government-sponsored scientific study without posing a significant risk of fraud and abuse. ■

OIG Advisory Opinion 04-01, January 21, 2004, ¶150,213

Doctors and “learned professions” immune from suit under Act

A doctor who owned laser surgery centers could not be sued under the New

Jersey Consumer Fraud Act by patients who alleged that a center violated the Act by using a professional who was not fully licensed because the Act did not apply to representations made by doctors, according to the state's highest court. (*Macedo*, N.J. S.Ct.)

The patients did not allege that their treatment fell below appropriate medical standards or that they were physically injured. They based their claim on the centers' representation that the professionals they used were fully licensed and alleged that they suffered “mental anguish” as a result of being seen by an unlicensed provider. The Act was passed to create liability for advertising fraud in 1960, 20 years before doctors were permitted to advertise. Therefore, the state legislature could not have intended the Act to apply to physicians, the court reasoned. Similarly courts have consistently held that the “learned professions” were exempt from coverage.

So long as doctors functioned in their professional capacities, they were immune from suits under the Act, the court concluded before inviting the state legislature to modify the Act if it felt that professionals should fall within its scope. ■

CCH Chicago Bureau, March 2, 2004

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Uncertainty remains over Department of Labor's Proposed FLSA Regulations

by Richard R. Fritz

In March 2003, the United States Department of Labor (DOL) issued proposed changes to update and revise the regulations issued under the Fair Labor Standards Act (FLSA) implementing the exemption from minimum wage and overtime pay for the so-called "white collar" exemptions. The proposal was met with a great deal of criticism from labor unions, employee groups, and many Democratic members of Congress. Last fall, legislative battles over the proposal resulted in the Senate withholding funding to the DOL in an effort to stop the proposal from being implemented. Many observers doubt that the proposal will be implemented during the current election year, but the DOL has not backed away from its plan to introduce the new regulations in March 2004.

The following is a summary of the current regulations and the proposed changes, as well as a discussion on the possible effects of the changes. In addition, this article is accompanied by three charts which highlight the specific differences between the current regulations and the DOL's proposal.

The FLSA was enacted in 1938, and requires most employers to pay their employees at least the federal minimum wage (currently \$5.15 per hour). The law also mandates that employers pay overtime wages of one-and-one-half times the employee's regular rate for all hours worked in excess of forty in one week. These provisions do not apply, however, to an "employee employed in a bona fide executive, administrative, or professional capacity." The law itself does not define the terms "executive," "administrative," or "professional." Instead, the DOL has promulgated several tests to define these exemptions which have remained virtually unchanged since 1954.

Because of the lack of any substantial change to the FLSA's regulations, the white collar exemptions have become somewhat outdated, and have not kept pace with the ever-changing landscape of the American workplace. Unions and employee activists have criticized the Act because the tests for the exemptions result in too many exempt employees (who are not eligible for overtime) because the salary requirements have remained unchanged for decades. Employers, on the other hand, complain about the ambiguities in the regulations causing managers to guess about which employees are really exempt under the law. Often, employers find themselves with two classifications of employees performing the same work, but only one will be considered exempt because of the employer's confusion or uncertainty.

As it stated in a recent proposal, even the DOL suspects that today's employers have classified too many employees

as exempt. After three years of debate and commentary, the DOL published for notice and comment proposed regulations to replace the current regulations governing the FLSA's white collar exemptions on March 31, 2003. The proposal, which would overhaul the current regulations in several respects, is the most ambitious DOL regulatory initiative on the issue since 1940. As with any bold proposal for reform, the proposal has been met with skepticism and distrust from almost all groups involved.

Current Tests

Although the DOL's current regulations contain separate tests for the three white collar exemptions, the tests contain three similar components. The first concerns the employee's salary level. The second concerns the employee's duties and responsibilities. The third concerns the manner in which the employee is compensated. For the most part, each test must be satisfied for an employee to be considered exempt.

Salary level test. There are two different salary rates for the executive, administrative, and professional exemptions. The higher of the two rates is accompanied by a "short test" of duties that the employee must perform in order to be exempt. The lower rate carries with it a stricter "long test" setting forth the employee's duties and responsibilities. The lower salary rate for executive and administrative employees is \$155 per week and \$170 per

week for professional employees. The higher salary rate for all exemptions is \$250 per week.

Notably, the salary test does not apply to physicians. Therefore, doctors, including interns and residents, are still considered exempt even if they do not meet the salary thresholds.

These salary levels, last adjusted almost thirty years ago, no longer serve as a useful guideline for identifying the employees most likely to meet the duties tests. A minimum wage worker who works forty hours a week currently earns \$206 per week—well above the lower rates, and almost as high as the so-called “higher rates.”

Duties test. Because the salary thresholds are so low by today’s standards, the long duties test is almost never used to determine whether an exemption applies. The short duties test focuses on the employee’s job functions and responsibilities. Different functions and responsibilities are required for each exemption category.

Salary basis test. In addition to satisfying the duties test, an exempt employee must also be paid on a “salary basis.” This means that the employee must regularly be paid a fixed, predetermined salary “without regard to the quality or quantity of work performed.” Further, an exempt employee is entitled to his or her full salary for any week in which he or she performs any work, regardless of the number of days or hours worked. The one exception to this requirement applies to professional employees, who can be paid on a “fee basis,” meaning that the employee earns a set sum for a certain project.

The Proposed Regulations

Under the proposed changes to the white collar regulations, the DOL has modified the three tests required to meet each particular exemption.

Salary level test. The proposed regulations do away with the “short” and “long” tests. Generally, employees earning less than \$425 per week cannot be exempt no matter what job duties they perform. Again, however, the salary level test does not apply to physicians, including medical interns and residents.

In addition, the proposed regulations introduce a new provision under which a “highly compensated employee” may be exempt. If the employee earns at least \$65,000 per year and performs office or non-manual work, the employee will be considered exempt if they meet any one of the specified duties set forth in the executive, administrative, or professional exemption tests.

Duties test. As noted above, each exemption is accompanied by only one test. An employee must meet each aspect of the exemption, unless the employee is considered “highly compensated,” in which case, only one of the aspects must be satisfied.

Salary basis test. The DOL’s proposal still includes a salary basis test, but includes several key modifications intended to give employers more flexibility in their compensation practices. If the proposed regulations are accepted, an employer will be permitted to deduct pay for unpaid disciplinary suspensions of a full day or more imposed in good faith for violations of workplace conduct rules. The proposed regulations also will not penalize an employer for making an improper deduction so long as the employer is not engaged in a pattern or practice of such infractions. Like the current regulations, the proposed regulations allow extra pay above the employee’s salary level if the employee is guaranteed a minimum above threshold level (\$425 weekly) regardless of the time he or she actually works.

Other DOL Initiatives

As with the current regulations, the proposal includes tests for exemptions related to “computer professionals” and “outside salespersons,” which are not addressed in this article. In addition, the DOL is expected to issue substantial revisions to its child labor regulations

Implications of the Proposed Changes

Predictably, there has been a great deal of political fallout over the DOL’s pronouncement. While the proposal clearly updates the regulations in several respects, employer and employee groups cannot agree on what consequences will result from the proposal. According to the DOL, the raising of the minimum salary requirement “will automatically guarantee overtime to 1.3 million additional low wage workers,” and the changes will make overtime payments “more certain” for 10.7 million workers. The DOL also believes that the proposed changes will make employers “better able to understand their obligations” under the FLSA.

Employee groups—and in particular nurses’ unions—have a contrasting view of the DOL’s proposal. The critics of the proposed regulations believe that over 8 million workers will lose overtime rights if the new regulations are implemented, whereas the DOL estimates this number to be fewer than \$700,000. Arguments against the proposal have gained monumental momentum in recent months, fueling many in Congress to seek to block the new rules.

Uncertainty over when the new rules will take effect, and the final form of the new rules, have kept employers guessing on how to classify and manage their workers. Many employers are waiting to update job descriptions or to create new classifications until the new framework is decided. Once the new regulations are issued, organizations will have a relatively short period of time to come into compliance. ■

On the Front Lines (cont.)

EXECUTIVE EMPLOYEES

	Current Short Test	Proposed Test
Salary Test	At least \$250 per week	At least \$425 per week
Duties Test	The employee's primary duty must be management-related. AND The employee must "customarily and regularly" direct "the work of two or more employees."	The employee's primary duties must be management-related. AND The employee must direct the work of two or more employees, including the "authority to hire or fire" other employees or the employee must be in a position to make "suggestions and recommendations as to the hiring, firing, advancement, promotion or another change of status of other employees" that "will be given particular weight." (employees earning at least \$65,000 must satisfy only one of the requirements)
Salary Basis Test	Must be paid on a salary basis	Must be paid on a salary basis

Rich Fritz is an attorney in the Kansas City, Missouri office of Polsinelli Shalton & Welte. He concentrates his practice in the areas of labor, employment and employee benefits litigation. Mr. Fritz also counsels clients on day-to-day issues involving all aspects of human resources and legal compliance. Mr. Fritz advises management on matters related to hiring and firing, drafting personnel policies, management training, and implementing layoffs. Mr. Fritz focuses much of his practice on representing hospitals, long term care facilities, physician groups and managed care organizations.

Additionally, Mr. Fritz regularly assists employers in fighting union organizing campaigns, in bargaining with unions, and in dealing with other union-related issues. He has successfully defended unionized companies before arbitrators and the Labor Board.

Mr. Fritz represents employers and businesses in jury trials, hearings, arbitrations and mediations. Mr. Fritz has prepared and tried cases involving complex employment law issues, including class action cases dealing with disability discrimination, wage and hour issues, plant closings, non-compete agreements and gender discrimination. He can be reached at rfritz@pswlaw.com.

ADMINISTRATIVE EMPLOYEES

	Current Short Test	Proposed Test
Salary Test	At least \$250 per week	At least \$425 per week.
Duties Test	The employee's primary duty must be "directly related to management policies or general business operations." AND The employee's work must require "the exercise of discretion and independent judgment."	The employee's primary duty must consist of "the performance of office or non-manual work related to the management or general business operations of the employer or the employer's customers." AND The employee must either perform work of "substantial importance" or work "requiring a high level of skill or training." (employees earning at least \$65,000 must satisfy only one of the requirements)
Salary Basis Test	Must be paid on a salary basis	Must be paid on a salary basis

PROFESSIONAL EMPLOYEES

	Current Short Test	Proposed Test
Salary Test	At least \$250 per week	At least \$425 per week
Duties Test	The employee's primary duty must involve "work requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study, as distinguished from a general academic education or apprenticeship, and from training in the performance of routine mental, manual or physical processes." AND The employee's work must "require the consistent exercise of discretion and judgment."	The employee's primary duty must require "knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction, but also may be acquired by alternative means such as an equivalent combination of intellectual instruction and work experience." (employees earning at least \$65,000 must satisfy only one of the requirements)
Salary Basis Test	Must be paid on a salary basis	Must be paid on a salary basis

Fifth Circuit opinion on nonprofit/for-profit joint ventures discussed

by Kimberly Martin Turner,
Contributing Editor

The *St. David's* case (CA-5, 2003-2 USTC ¶150,713) "is significant not only for the healthcare practice but also for other ancillary joint ventures between tax-exempt organizations and for-profit entities," according to Lisa Gilden, Vice President and General Counsel of the Catholic Health Association.

Gilden spoke at the Tax and Finance Practice Group of the American Health Lawyers Association's nationwide teleconference on the Fifth Circuit's recent decision in *St. David's Health Care System*. The *St. David's* case raises issues regarding a charitable organization's tax-exempt status when it enters a joint venture with a for-profit entity.

Gerald Griffith, Honigman Miller Schwartz and Cohn LLP, brought the audience up to speed on the case's status. The Fifth Circuit vacated the district court's summary judgment granting the hospital's claim for a tax refund after the IRS revoked its tax-exempt status because it partnered with a for-profit healthcare company. The case was remanded because the IRS raised material issues of fact.

In summarizing the Fifth Circuit's decision, Griffith noted that the "Fifth Circuit's reasoning is a significant departure from the district court's reasoning." The key issue for the Fifth Circuit was whether the hospital's ability to control its operations exclusively for charitable purposes was hindered by the joint venture arrangement. The

district court had focused on the joint venture's charitable purpose more so than the nonprofit's power and control within the joint venture.

"The Fifth Circuit shifted focus away from the good works the partnership was doing—the control test took precedence over the purpose test," Griffith commented.

Don Spellmann, IRS Senior Counsel, IRS Office of Chief Counsel, Tax Exempt & Government Entities, commented that the IRS's view would be more in line with the Fifth Circuit's ruling and noted that the district court's summary judgment "was more of an aberration." He commented that the IRS is concerned that joint ventures with a tax-exempt organization are operated for a charitable purpose and noted that the Fifth Circuit makes the point to analyze the structure and management of the joint venture.

"We don't have the same rules applying to joint ventures as to tax-exempt organizations so the IRS wants a guidepost to be assured that the joint venture will continue to operate for charitable purposes," Spellmann explained. Spellmann also suggested that when drafting a joint venture agreement it is important that the parties consider how they will ultimately enforce their rights.

Issues raised. James King, of Jones Day, summarized the legal issues raised by the Fifth Circuit, including:

- (1) the test for the nonprofit's level of control;
- (2) issues raised due to the nonprofit's ceding of control; and
- (3) how the control test, as articulated by the Fifth Circuit, plays out in the broader ancillary joint venture context.

King suggested that to demonstrate sufficient control, the nonprofit must be able to initiate action without the for-profit's consent. He also noted that a community-member board requirement is "good," but that a nonprofit could show that it had not ceded control to the for-profit partner even if there is no community board.

The teleconference was opened for questions from the audience, the majority of which were directed to Spellman. A caller asked whether the IRS will publish any guidance on ancillary joint ventures. In response, Spellman explained that the IRS has joint venture guidance on its business plan and will be crafting rulings on joint ventures and UBIT issues. Spellman stressed that the key is whether the joint venture is primarily furthering charitable purposes.

Spellman also commented that perhaps the IRS would issue guidance on whether an ancillary joint venture may still have private inurement and to what degree. He hopes the IRS can provide guidance on this early next year.

Spellman reminded the audience that the Fifth Circuit remanded the *St. David's* case. "We don't have a decision on the factors, but we do have a look at the Fifth Circuit's thinking," said Spellman.

When asked how parties to joint ventures could plan in the meantime, Spellman responded: "My suggestion is to look at the *Redland* case (*Redlands Surgical Services, Inc.*, CA-9, 2001-1 USTC ¶150,271) and the Fifth Circuit's decision, see how many issues of concern you have, then revise joint venture agreements to the degree the partners are willing." ■

CCH Washington Bureau, February 27, 2004

HIPAA Security Guide

One of the most important facets of healthcare compliance is the challenge of being compliant with the Health Insurance Portability and Accountability Act (HIPAA). CCH's *HIPAA Security Guide* is designed to be an expert yet straightforward resource to help you meet the HIPAA compliance challenge.

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Compliance with security, privacy rules lagging

by Sharon Sofinski

An online survey conducted by the Healthcare Information Management Systems Society (HIMSS) and Phoenix Health Systems reveals slow progress for the healthcare industry in complying with HIPAA privacy and security rule requirements.

The Winter 2004 survey focused on the compliance progress of providers, payers, clearinghouses, and vendors, emphasizing their readiness to conduct HIPAA transactions, prioritization of specific electronic transactions, the impact of the Centers for Medicare & Medicaid Services (CMS) Contingency Plan, and obstacles to compliance progress.

The "major roadblocks" to overall HIPAA compliance as identified in the survey include:

- Interpretation of HIPAA regulations;
- Achieving successful integration of new systems, policies, and procedures; and
- Resolving issues with third parties.

Transactions and code sets. The survey found that many are struggling with external testing obstacles, poor communications, and technical difficulties. Although the deadline for compliance with the transactions and code sets (TCS) rule was October 2003, only 50 percent of respondents have completed external testing. Most respondents said they are ready to accept and transmit one or more standard transactions. However, only 56 percent of payers, 50 percent of clearinghouses, and 40 percent of vendors surveyed are ready to conduct all HIPAA standard transactions. When asked whether CMS's Contingency Plan had an impact on their course of action, only 17 percent of providers survey responded that it had.

Privacy. Though the deadline for Privacy compliance was April 2003, a significant number of payers and providers are still not 100 percent compliant. Clearinghouses and vendors reported the highest compliance rates (100 per-

cent and 98 percent, respectively), while providers' compliance rates are lower, about 80 percent. Small providers are the least compliant (75 percent). When asked if they had experienced privacy

“Though the deadline for Privacy compliance was April 2003, a significant number of payers and providers are still not 100 percent compliant.”

breaches since the April 2003 deadline, approximately one-half of providers responded affirmatively.

Security. There is some improvement, albeit slow, in the security area. Twelve percent of providers and 23 percent of payers surveyed said they have completed security remediation (compared with 6 percent and 14 percent, respectively, in the Fall 2003 survey). The rate of compliance among vendors rose significantly from the Fall 2003 survey, from 17 percent to 63 percent. The majority of those surveyed reported no data security

breaches from October to December 2003. The compliance date for Security Rule compliance is April 2005.

Other findings. Provider participants in the survey were asked if their organization had implemented or planned to implement e-Health strategies. More than 50 percent of the providers responded affirmatively, while 28 percent did not. The survey results also indicated that 49 percent are employing outside consultants to help them comply with HIPAA, especially for HIPAA implementation planning and support services.

Methodology. HIMSS and Phoenix conducted the Winter 2004 U.S. Healthcare Industry Quarterly HIPAA Compliance Survey from January 5 through January 20, 2004. Of the 631 survey respondents, 88 percent said they have an "official" HIPAA compliance role within their organization. The respondents included providers (70 percent), payers (19 percent), vendors (9 percent), and clearinghouses (2 percent).

A copy of the HIMSS survey results can be found at <http://www.hipaadvisory.com/action/surveynew/winter2004.htm>. ■

CCH Chicago Bureau, March 1, 2004

One-third of health workers plan to change jobs

Motivated by the potential to earn more money, find a more positive work experience and advance their careers, one-third of health services workers said they plan to change jobs this year, according to a CareerBuilder.com survey.

With shortages of qualified workers, workload has become a pressing issue for many workers tasked with taking on additional responsibilities. Forty-six percent of respondents said their workloads are too heavy, and more than half feel they work under a great deal of stress.

Compensation remains a primary concern. Forty-three percent say they are dissatisfied with pay despite the fact that 40 percent received a bonus and 68 percent received a raise in 2003. Of those who received a raise, 48 percent reported that it did not meet their expectations. For these workers, 41 percent plan to move on to a new job in 2004.

Career advancement is another key concern. Although 68 percent of health services workers are satisfied with the experience they've gained, more than one-third are dissatisfied with opportunities for career advancement within their current organizations. Of those workers dissatisfied with opportunities for career advancement, 58 percent plan to change jobs this year.