

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 0 - 0
Yeas:	Bonamici, Bruun, Cannon, Flores, Gelser, Kotek, Maurer, Richardson, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/28 (Access sub), 3/26 (Access sub), 4/27 (Full), 4/30 (Full)

WHAT THE MEASURE DOES: Requires covered entities to report annually on system safeguards for protecting confidentiality of individually identifiable health information. Requires health care facility to file a protection of health information report to the Office for Oregon Health Policy and Research no later than 120 days following the close of the fiscal year. Specifies the chief executive officer (CEO) of the health care facilities shall sign the report and specifies information to be reported.

ISSUES DISCUSSED:

- The need for CEOs and chief financial officers to assume responsibility for data security
- Concerns with current language
- Recent cases of lapses in security
- Broad range of authority outlined in the measure
- Review of amendment
- Department of Consumer and Business Services current authority as it relates to insurance companies
- Overview of Health Insurance Portability and Accountability Act privacy officer responsibilities
- Reporting requirement and potential impact on health care costs
- Current executive responsibilities versus day-to-day operations
- Proposed reporting timelines and penalties
- Pending concerns

EFFECT OF COMMITTEE AMENDMENT: Requires health care facility to file a protection of health information report to the Office for Oregon Health Policy and Research no later than 120 days following the close of the fiscal year. Specifies the CEO of the health care facilities shall sign the report and specifies information to be reported.

BACKGROUND: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated the establishment of standards for the privacy of individually identifiable health information. In April 2001 the *Standards for Privacy of Individually Identifiable Health Information* (the Privacy Rule) was enacted, establishing a federal requirement that most doctors, hospitals, or other health care providers obtain a patient's written consent before using or disclosing the patient's personal health information to carry out treatment, payment, or health care operations (TPO). Many health care providers, for professional or ethical reasons, routinely obtain a patient's consent for disclosure of information to insurance companies or for other purposes. The Privacy Rule established a uniform standard for certain health care providers to obtain their patients' consent for uses and disclosures of health information about the patient to carry out TPO.

Health care providers traditionally safeguard private health information. With information broadly held and transmitted electronically, the rule provides clear standards for all parties regarding protection of personal health information.

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This summary has not been adopted or officially endorsed by action of the committee.