

# Using Electronic Document Delivery Technology To Enhance HIPAA Compliancy

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**BETTER DOCUMENTS. BETTER DELIVERY. BETTER TOGETHER.**

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## Introduction

### Why We Need HIPAA

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With only the rarest exceptions, everyone becomes a patient and enters the health care system. Usually starting at childhood and continuing on into old age, we fill out thousands of forms for doctors, insurance companies, hospitals, and on and on.

At any given time, dozens of different organizations control documents containing personal and medical information, and we assume that our doctors, hospitals, insurers, and employers keep this information under lock and key while making referrals, performing procedures, and administering billing and appointments. Considering the sensitive nature of the information we share, it's amazing how much faith the average patient places in the medical industry when it comes to security and privacy.

While the healthcare industry does make privacy a top priority, the system itself has eroded slowly due to a dependence on old, incompatible technology; a general lack of standards governing privacy and security; and a massive bureaucracy where human error (and sometimes malicious intent) can flourish.

Like an old dam, healthcare had developed numerous leaks while a finite number of fingers exist to plug the holes. Put together, these weaknesses have resulted in a growing number of cases where private patient data is lost, sent to the wrong location, and sometimes seen by the wrong eyes. Aside from the obvious concern over patient privacy, health care organizations spend millions of dollars correcting mistakes in addition to the overall management of the bureaucracy.

The growing severity of this problem was recognized and addressed by Congress and the healthcare industry in the mid 1990s, resulting in the passage Health Insurance Portability & Accountability Act (HIPAA).

### HIPAA: A Summary

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HIPAA, passed by Congress in 1996, represents the most comprehensive piece of legislation ever put in place to reform health care transaction and administrative information systems, limit fraud and abuse, and protect confidential patient information.

One of the most significant aspects of HIPAA is that *compliance is not optional*. It is required of every entity involved in electronically managed and transferred health care information including health care providers, health plans, employers, public health authorities, life insurers, clearinghouses, billing agencies, information systems vendors, service organizations, universities, and even single-physician offices.

HIPAA also contains numerous compliance deadlines. HIPAA privacy guidelines were scheduled to be implemented by April 14, 2003 for all but small health care plans, which have until April 14, 2004. Specific HIPAA requirements and deadlines for security have recently been finalized and take effect on April 21, 2005.

If you are a health care entity, you should have already made significant progress toward HIPAA compliance. The law itself contains incentive to do so. Failing to comply with final HIPAA regulations can generate fines as little as \$100 for each general violation, or as high as \$250,000 or 10 years in prison for wrongful disclosure of Protected Health Information (PHI).

According to HIPAA, PHI includes "any information that identifies (or could be used to identify) an individual, and relates to the past, present, or future, or condition (physical or mental); or the past, present, or future payment for the provision of health care." The "Administrative Simplification" provisions address the PHI privacy and security requirements in more detail and identify two key related objectives:

- Improve the efficiency and effectiveness of the healthcare system by standardizing the interchange of electronic data for specified administrative and financial transactions.
- Protect the security and confidentiality of electronic health information.

HIPAA goes further and gives patients the right to view, copy, and monitor disclosures of PHI by any entity falling under HIPAA regulations. It also provides patients with the right to report infractions and mistakes made with their PHI. It's more than apparent that the days when patients assumed the secure storage and management of their PHI are over.

In this white paper, we will examine HIPAA's core principles, how new technology can be used to fulfill those principles, and how a covered entity can use new technology to both save time and money as well as increase HIPAA compliance.

The important thing to remember is that HIPAA compliance is a moving target. No one service, vendor, or product can guarantee HIPAA compliance. But by selecting dependable, scalable systems that are user friendly and secure, a covered entity can maximize compliance while minimizing training and cost associated with change management.

## Three HIPAA Tenets

While HIPAA is one of the most scaleable pieces of health care reform to be enacted, it does revolve around certain core values.

### Confidentiality

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Confidentiality goes hand-in-hand with authorization and the ability to guarantee that patient information is shared only with certain appropriate individuals. Confidentiality measures include everything from installing locks on doors to installing security software that verifies the identity of any user attempting to access PHI.

### Integrity

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Integrity relating to HIPAA refers to two main areas:

1. The safety, validity, and timeliness of PHI. Of course, HIPAA requires that all PHI be secure, but HIPAA compliance also entails the ability to recover data in the event of a system failure. HIPAA compliance is further improved by implementing systems that allow covered entities to track who entered and accessed what data and when.
2. The ability to quickly update and test security systems. The authorization to change, create, delete, or even view data or records must be restricted to certain users. HIPAA compliance improves if system-wide security authorizations can be assigned at the user profile level thus allowing one modification to determine security across all platforms and from any location.

### Availability

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Once a covered entity has implemented numerous security and integrity enhancing procedures, they must then ensure that certain individuals can easily access PHI, including the patients themselves. This balancing act between security and availability is where most covered entities stumble. HIPAA compliance is improved by using tools and techniques that allow easy, system-wide security and contact information updates. In addition, if the transfer of information is rapid, reliable, and secure from the outset, then the quick delivery of PHI to the appropriate recipient is the logical outcome.

While these three terms are easily summarized, implementing them in a real-world business environment is much harder and potentially costlier. Covered entities need to engage in careful research and evaluation to ensure that HIPAA compliance can be achieved alongside meeting ongoing business goals.

Most covered entities will discover that HIPAA compliance will require an investment into new technology and processes. By choosing the right technologies, it's possible to achieve HIPAA compliance while streamlining business processes.

## New Technology

One of the primary problems with the current healthcare system is its dependence on old technologies to manage, deliver, receive, and store PHI. It goes without saying that covered entities will need to invest in new technologies that dovetail with overhauling PHI administration procedures.

### Enterprise Faxing & Email

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Most HIPAA consultants recommend that covered entities avoid fax whenever possible. There is too much risk associated with creating a hardcopy, putting it in a manual fax machine, destroying the hardcopy, and then hoping that the PHI winds up in the right hands on the other end. If fax must be used, they recommend a complex procedure involving prior notification of delivery; formatting, delivery, disposal of the document(s); and then confirming the receipt of documents.

While the reasoning is sound, the assumption that millions of time sensitive medical documents must now pass between various healthcare entities by snail mail or courier is unrealistic and could potentially impede quality patient care.

Instead, covered entities should consider implementing enterprise-level faxing solutions that allow faxable documents to be generated and delivered from secured computer stations.

This eliminates hardcopy disposal for the sender, reduces delivery mishaps because in true enterprise fax solutions the contact information is maintained in centrally managed databases and not keyed in manually, and provides detailed fax status reports to ensure proper delivery.

The best enterprise faxing solutions also include email integration allowing PHI to be delivered to secured email inboxes as well as fax machines. This eliminates hardcopy disposal on both ends while simultaneously increasing HIPAA compliance and ease of use.

Other important features for HIPAA compliance include the generation of audit trails which allows authorized users to track any fax and see what it contained, who delivered it, who received it, and delivery confirmation.

Faxing is not just convenient and easy for the covered entities. It helps to provide quality care in a timely fashion. Using a secure enterprise faxing solution preserves these significant advantages while increasing HIPAA compliance.

### Electronic Forms Solutions

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HIPAA will make it increasingly more difficult and more expensive to operate in a hardcopy environment utilizing pre-printed forms. Overall, HIPAA means that covered entities need to be more adaptable in the future regarding electronic document and information management. Covered entities are never more than one Congressional amendment away from the next HIPAA-related shake up.

This means that covered entities need the flexibility to modify their forms rapidly and without a lot of fuss or expense, while not compromising on quality. This level of changeability and quality control is impossible using pre-printed forms. As expensive as they are to print, they're even more expensive to throw away if they become a HIPAA liability.

Another big problem with using pre-printed forms in a HIPAA-governed environment is hardcopy storage and disposal. HIPAA requires that PHI hardcopies be stored in secured areas which translates into spending time and money on more physical security and storage. HIPAA further requires that PHI hardcopy be thoroughly and verifiably destroyed, meaning the purchase and use of paper shredders or other disposal services.

Many of these headaches can be eliminated or lessened by the implementation of electronic forms software allowing the rapid digital design, modification, and logical data mapping of all forms carrying PHI. This allows a covered entity to quickly eliminate costly pre-printed forms and hardcopy management/disposal issues while simultaneously providing an easier route for converting their old forms to new HIPAA compliant formats.

The best forms solutions are as secure as they are cost-effective. Anyone seeking to increase HIPAA compliancy should only consider forms software that restricts access to certain form designs and data based on centrally managed user profiles. In addition, covered entities can save even more time and money by utilizing a forms solution that integrates seamlessly with all of their electronic print, fax, and email systems.

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## Enhancing Document Security with Email

While fax and print represents a large chunk of how covered entities transfer PHI to one another, the growing importance of email cannot be ignored.

According to a recent survey conducted by Pew Research Center, about 73 million adults in the US go online to research prescription drugs and medical procedures, seek healthcare advice, and prepare for upcoming procedures and appointments. In addition, some 6 million Americans go online every day to seek medical advice. According to information provided by the American Medical Association, this means that more people use the Internet for health advice on a daily basis than actually visit health care facilities.

There is a myth that email and HIPAA do not mix because the security concerns are too great. The fact is that choosing the right software solution makes email just as secure and effective as faxing.

When shopping for an enterprise fax solution, look for a product that includes email integrations for all major email clients (Outlook, Exchange, GroupWise, Notes, SMTP, etc) and will allow delivery to other email clients, fax machines, printers, and supports all popular attachment formats including .tif and .pdf.

## Quadrant Software Increases HIPAA Compliance

Quadrant Software's Electronic Document Distribution (EDD) solutions fulfill all of the requirements listed above and more in an integrated iSeries 400 environment. Quadrant Software's EDD architecture encompasses three modular solutions that can be optionally integrated to perform as a single document management solution.

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## Formtastic Fusion5: Forms and MICR Checks

The first step in EDD is implementing a forms design solution that is easy to use and customizable. The right forms solution eliminates pre-printed forms as well as pre-printed checks.

### ***Formtastic Fusion5***

This solution makes document design and production easy for novices while giving experienced users expanded design and delivery functionality. Utilizing a split-screen design interface, users can simultaneously view and make modification in either a raw data or WYSIWYG mode. Formtastic Fusion5 incorporates numerous tools for version management, synchronization, data and graphic positioning, layer management, as well as installing custom commands and logic. Many of these tools operate in the background allowing the designer to take advantage of their functionality without adding steps to the design process.

In addition to the rapid creation of new document designs, Formtastic Fusion5 handles major and minor document revisions with equal ease. This means that any minor or major revisions required by HIPAA can be made quickly and put into production almost instantly.

Changes to graphics, data mapping, stored signatures, and other elements can be quickly tested and then put into production. The finished product is immediately available to all authorized users and automatically updated on all platforms.

Formtastic Fusion5 easily delivers any document type ranging from standards like invoices and purchase orders to healthcare industry documents like insurance documents, research reports, and medical reports.

### ***Formtastic Checks***

Along with tackling HIPAA issues, Formtastic can also be multi-tasked to streamline and cut costs when printing MICR checks. Formtastic Checks centrally manages all MICR check design, creation, and printing with complete security. The solution converts business application output to accounts payable checks, payroll checks, and direct deposit receipts automatically while eliminating the costs and risks of using pre-printed checks. Instead, Formtastic Checks merges spooled data with electronic check overlays and signatures to create checks on blank check stock for secure batch or interactive check printing. Additional security features include the ability to generate Positive Pay reports, built-in audit logs to track all check activity, and restricted access to the MICR font, among many others.

### ***Formtastic's No Programming Architecture***

Formtastic works with your business applications with no programming or source code changes by extracting and remapping data already available in spooled files. Formtastic contains an automated forms generation feature that monitors the forms output queue. When it finds spooled data it will merge the data with the specified forms and print/distribute automatically.

## FastFax/Enterprise: Email, Fax, & Print with Seamless Application Integrations

A flexible and reliable faxing solution streamlines workflow and should integrate seamlessly with any business application. It should also allow users to send/receive, track, and manage their faxes without time and space consuming filing procedures. To accomplish these goals, FastFax/Enterprise fully integrates LAN and iSeries 400 document distribution by fax, print, or email according to easily defined preferences.

FastFax/Enterprise handles fax traffic from one central location and eliminates the dependency on stand-alone fax machines, client-based fax solutions, or the need to have separate fax solutions for different computing platforms. FastFax/Enterprise also utilizes Central Repositories consisting of PhoneBooks for contact data; AttachmentBooks for attachable static documents; and NoteBooks for cover sheet notes. FastFax manages these repositories without duplication of data across the enterprise. Instead, FastFax/Enterprise maintains a virtual link to the physical data, providing access to only authorized users and reducing traffic by processing multiple physical updates.

Controlling authorities from these centrally managed and secure user profiles enhances HIPAA compliance while making the entire system easier to monitor, backup, and update.

***eDocMail/E-Mail Gateways*** - Email continues to grow as a means of distributing incoming and outgoing documents and plays a key role in shortening business cycles. Using eDocMail/E-Mail Gateways, FastFax/Enterprise utilizes the email client to deliver mission-critical documents to remote or local printers, fax machines, or email recipients with little or no user intervention. Users receive documents as easily as they can send them, and delivery can occur in batch or interactively. This can all be accomplished from any platform and these tools feature transparent integrations with Microsoft Exchange, Lotus Domino, Novell GroupWise, or any SMTP server.

***True EDD = True Integration*** - The backbone of EDD is across-the-board integrations between EDD components, business applications, and PC applications. This reduces training, troubleshooting, human error, and the creation of complex processes that mitigate the benefits of EDD. Quadrant

Software provides this kind of functionality using snap-in integration modules for all major business applications. Plug-and-play integration modules also exist for image archiving solutions like Gauss Interprise and Real Vision Imaging (RVI). These integration modules provide a seamless integration with easy plug-and-play installation. Using FastFax Extractor and other robust programming tools, Quadrant Software's EDD solutions also integrate invisibly into any other vendor application or proprietary solution.

## How Quadrant Software Helps Decrease HIPAA Expenditures

HIPAA's complexity and far-reaching requirements means that compliance for any covered entity could be both expensive and time consuming. Using EDD solutions provided by Quadrant Software, a covered entity can do more than control HIPAA expenditures, then can actually turn HIPAA compliance into an initiative that saves money and time across numerous processes and departments.

Here are some areas where HIPAA compliance could hurt the bottom line, and how EDD turns those negatives into benefits.

### Training

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Doctors, lab techs, nurses, administrative assistants, and IT professionals will all need additional and precise training on new HIPAA policies, procedures, as well as the use of new technologies.

- *Quadrant Software solutions minimize training through seamless integrations with health-care specific solutions as well as common PC email applications. Your users operate within familiar application screens and require less training.*

### Technology (hardware & software)

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Secure VPNs, data backup equipment, updated archiving and storage solutions, document delivery solutions will all add to the expense column for HIPAA compliance.

- *Quadrant Software combines document design, security, backup, electronic delivery, and print delivery in one package. One software / hardware solution does the work of several with one source for 24 hour support.*

### New Vendors

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Depending on the size of your operation, HIPAA compliance could add dozens of new vendors with separate areas of expertise, integration issues, support and maintenance policies, and then what happens when one of them goes out of business?

- *Quadrant Software can help minimize your number of new vendors because we provide forms design, faxing, emailing, security, application integration, and 24-hour support in one package. Quadrant Software never passes the buck to another vendor when it comes to support issues. In addition, Quadrant Software has been an IBM Business Partner and the leader in Electronic Document Distribution solutions for over a decade. Quadrant Software has the history and integrity to stand by our customers for the long term.*

### IT Administration

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Managers, support staff, and IT staff will have to spend more time and money maintaining and testing HIPAA compliance. Tasks like managing authorities, performing backups, producing change audits, and managing security threats, means that less time will be spent tackling other critical issues or it could require that a covered entity hire more staff to manage the workload.

- *Using Quadrant Software's EDD solutions, backups can be performed for several platforms at once. Authority issues can be managed from a centralized location. Backups, reports, and internal diagnostics can run automatically. HIPAA-related changes to documents can be implemented quickly using Formtastic. Using EDD from Quadrant Software, HIPAA's most time consuming procedures become effortless.*

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## Construction & Physical Facility Changes

Purchasing fire-proof filing cabinets, building remote facilities to back up hardcopies, buying shredders for hard-copy disposal, upgrading locks and doors throughout your facility. These are all potential physical requirements that a covered entity would have to implement under HIPAA regulations.

- *Quadrant Software helps minimize the amount of physical changes required for HIPAA compliance. The solutions are physically compact and inherently secure. In fact, Quadrant Software solutions can eliminate the need for manual fax machines and shredders to open up valuable space.*

## Conclusion

HIPAA manages to be the most vital and necessary piece of healthcare legislation while also being a major source of dread for covered entities facing the impact to their budget, workflow, and ongoing efforts to remain HIPAA compliant.

While no solution, vendor, or strategic plan can make a covered entity fully and effortlessly HIPAA compliant, investing in new technology significantly reduces the short-term sting while making long-term benefits to costs and workflow more than worthwhile.

The ability to turn HIPAA into a success story is well within the grasp of any covered entity operating in an integrated iSeries environment. In almost every vertical industry including healthcare, Quadrant Software's EDD solutions have provided a return on investment in six months on average.

Quadrant Software can help you get started with a free, interactive EDD demo along with an ROI estimate specific to your industry and company. Quadrant Software is an IBM Business Partner and has provided EDD solutions to every vertical industry for over a decade.

Contact us at [sales@quadrantsoftware.com](mailto:sales@quadrantsoftware.com) or visit us online at [www.quadrantsoftware.com](http://www.quadrantsoftware.com). You can also reach us at **800-258-3399** or **508-828-6242**.