IBM

Get ready for HIPAA requirements today—and be prepared for tomorrow.

Meet fast-approaching HIPAA deadlines with a flexible, low-risk solution

Since its passage in 1996, the Health Insurance Portability and Accountability Act (HIPAA) has become a primary focus of the healthcare industry—involving providers, payers and clearinghouses. HIPAA mandates a three-part foundation for national health information processing: uniform standards for electronic transactions, security of transmitted data and individual privacy rights. Current projections indicate that electronic data interchange (EDI) will reduce the estimated 17 to 20 percent of healthcare costs attributed to administration and overhead. But with electronic transmission of healthcare data comes anxiety over the privacy of this critical data. As a result, HIPAA has also mandated security and privacy standards to protect the confidentiality of personal health information.

HIPAA is designed to improve the efficiency and effectiveness of the nation's healthcare system by encouraging:

- *The widespread use of EDI in healthcare*
- *The elimination of costly paper processing, multiple forms and formats*
- *A greater focus on delivering cost-effective, high-quality healthcare*
- *Protection of confidential, patient-identifiable health information*
- *Protection of electronic information flow among employers, health plans, providers and patients*

The HIPAA challenge

HIPAA is effecting major changes among the disparate health insurance provider and payer networks. Even government agencies—many of them acting as healthcare providers and payers—are not immune from HIPAA. HIPAA has challenged your organization to transform how you conduct e-commerce. And how you ensure the privacy and security of protected health information.

But time is running out. Transaction standards, including diagnosis and procedure codes, must be implemented no later than October 2003. Privacy standards must be implemented by April 2003. And meeting all initial HIPAA mandates is expected two years after final publication.

The implementation of HIPAA standards is not simply a one-time task. The decision you make today will affect your organization well into the future. The U.S. Department of Health and Human Services will issue updates to the HIPAA requirements in October of each year. So your healthcare organization needs to be flexible enough to meet successive HIPAA requirements. And to be prepared to add new function-ality and applications to your IT environment to help ensure you meet HIPAA guidelines. Your organization can face criminal and civil penalties if HIPAA requirements aren't met by the published dates. While there are short-term deadlines to meet, HIPAA will remain a long-term issue for the health-care industry as regulations evolve. Your organization must conform now and continue to meet requirements through each revision of HIPAA regulations. You need a complete solution from a longstanding, committed company. One that will help you implement new standards for today's require-ments and help your IT environment stay flexible enough to integrate new and legacy applications and to prepare for HIPAA regulations in the years to come.

Everything you need to meet HIPAA requirements

IBM offers all the HIPAA components—from a full EDI transaction engine to security and privacy products—built on established, mature and stable technologies. As a trusted leader with exceptional expertise in the healthcare industry, IBM can help your organization prepare to meet HIPAA mandates.

The U.S. Department of Health and Human Services reports that HIPAA implementation costs are expected to range between $5.3 billion and $17.3 billion, with projected savings of $29.9 billion to the healthcare industry over the next ten years.[1]

IBM has preconfigured the hardware, software and services you need into one HIPAA solution offering. The components of the IBM HIPAA solution offering are built on open standards to help facilitate fast implementation and to better integrate your existing or disparate systems—whether inherited or purchased. And to free you from being tied to any one vendor or platform that may—or may not—be compatible with your future business strategies. Few new skill sets are needed to implement and maintain the IBM HIPAA solution. Because it is designed to accommodate new applications and HIPAA regulations, this solution can result in a low total cost of ownership. If you've already purchased a solution that isn't meeting all your needs, IBM can offer you a quick, complete, low-risk solution that incorporates the investments you've already made.

Integrate fast to meet approaching deadlines

The core of the IBM HIPAA offerings is IBM WebSphere® Business Integration for HIPAA, an innovative solution that delivers industry-specific business process templates and integration capabilities to help you meet new HIPAA transaction guidelines quickly and efficiently. WebSphere Business Integration for HIPAA helps mitigate risks associated with the complexity of HIPAA. Reduce the need to change existing back-office systems by connecting and reusing existing components and HIPAA investments. And accelerate the process of meeting scheduled HIPAA deadlines with prebuilt content that's ready to implement.

Implement a proven, low-risk solution that evolves with your needs

Many healthcare organizations have already selected a HIPAA solution. And many are quickly realizing that the solutions they've chosen don't help them meet all HIPAA requirements or don't offer a complete, scalable solution. When you need to add new trading partners or applications in the future, these issues can become costly. Possibly causing you to incur more costs than you had anticipated to meet HIPAA transaction mandates.

With WebSphere Business Integration for HIPAA, you assume less risk. According to the Integration Broker Vendor Magic Quadrant in a recent Gartner report, IBM is listed as a leader in the ability to execute a HIPAA integration solution.[2] IBM offers industry understanding, in-depth HIPAA knowledge, project management and technical expertise in security, privacy, integration, transaction mapping and architecture design. IBM can deliver a proven HIPAA solution built on a solid foundation of WebSphere technology and IBM services. Which can help you stay current on HIPAA requirements in the future—without losing money or functionality. If you require only specific components to meet the guidelines, WebSphere Business Integration for HIPAA can provide and install exactly what you need, customized for your environment. Giving you the flexibility to use only what you need, when you need it.

"We'll be a year ahead of the companies that elected to take the one-year extension, and that should put us in a position to win additional business."

– Tommy Gurganus, Director of Regulatory Compliance, NASCO

After implementation, IBM will work with you to help keep your solution running smoothly and to keep your organization HIPAA-ready for the future. You can access 24x7 customer service for all your questions. And experienced teams of HIPAA practitioners are available to provide assistance at any level—from staff augmentation to full implementation.

Four key functions help streamline data exchange

WebSphere Business Integration for HIPAA performs four key functions to prepare you to meet HIPAA guidelines.

- *Protect communication*
  IBM WebSphere Business Integration Trading Partner Interchange software helps protect communication. With multiple methods of file-and-transaction receipt, delivery and processing, it helps protect health information from unauthorized disclosure or modifications.
- *Translate data*
  IBM WebSphere Data InterChange software translates all electronic exchanges of administrative and financial data into standardized HIPAA formats—helping you accept and process HIPAA transactions.
- *Manage data*
  IBM CrossWorlds® InterChange Server lets you reference, cross-index, route and store data properly by managing several discrete business applications as one. Because CrossWorlds InterChange Server creates and maintains unique systemwide claim IDs, each transaction occurs only once. And transactions that don't meet HIPAA guidelines are automatically rejected, returning notification to the sender.
- *Automate business processes*
  IBM WebSphere MQSeries® Workflow provides e-business process automation and tracking to reduce work handoff and cycle time. It enables your system to store data according to the HIPAA mandate and helps make data available to integration systems for accurate routing and processing.

"Large enterprises must choose full-featured integration brokers with strong workflow as the basis for their [enterprise nervous systems] ENSs." [3]

– Gartner, Inc.

Lower your total cost of ownership

WebSphere Business Integration for HIPAA can help provide a more valuable business integration platform—with business process automation, business integration and flexible standards—than a simple HIPAA-only solution *at about the same cost*. The ability to leverage your existing IT investments—and HIPAA investments—eliminates the need to purchase additional applications. As does the translation function of WebSphere Business Integration for HIPAA, which lets you translate HIPAA-formatted EDI messages into almost any existing application format.

With a flexible hub-and-spoke architecture, WebSphere Business Integration for HIPAA can help prepare you to meet each generation of HIPAA requirements. So you can build and implement new e-business applications. Avoid having to purchase additional solutions in the future. And meet future business requirements with minimal effort. WebSphere Business Integration for HIPAA can help reduce overall costs by streamlining business processes. The solution includes prebuilt business logic that automates claims processing and integrates insurers with their agents. Insurers can tie new and legacy systems together to speed critical business functions and give managers a more comprehensive view of their businesses. And with the reusability, scalability and processing capacity of WebSphere Business Integration for HIPAA, you can protect your IBM investment as you move forward.

Integrate a HIPAA solution at your own pace

In complex organizations and IT environments, striving to meet HIPAA mandates in small, controllable portions may be the most viable strategy. Application and EDI engine vendors may not be prepared at the same time. And all your trading partners may not be prepared for testing or meet requirements at the same time. WebSphere Business Integration for HIPAA accommodates a phased deployment to allow interoperability among healthcare organizations. And enables you to implement a solution in manageable portions.

> *"Compliance is a much larger challenge than you envision at first, and you're going to need help. It has been invaluable to have IBM as part of our team, and their participation has been a key to our success."*
>
> – Tommy Gurganus, Director of Regulatory Compliance, NASCO

Leverage IBM expertise in healthcare and health insurance

Vendor reputation is as important as the solution you select. IBM has decades of experience working with the largest health insurers. As a trusted, well-established solutions provider, IBM can help you deliver a timely, forward-looking HIPAA solution. And with the recent purchase of PricewaterhouseCoopers Consulting, IBM has thousands of healthcare consultants as well as enhanced capabilities and services teams, making IBM a clear choice for HIPAA solutions and services.

IBM will spend over $1 billion on WebSphere development and product growth—so the investments you make today will be protected tomorrow. A long-term, proven solution from IBM can help you meet the new HIPAA mandates as they are established. Capitalize on IBM industry experience from multiple insurance and healthcare engagements. And on IBM proficiency and its track record in creating best-of-breed integration solutions. Assume less risk. Get the service you need to support your HIPAA initiatives.

Implementing a fast, flexible, scalable HIPAA solution from IBM can help you meet requirements now. And help you avoid the risk and high cost of replacing inadequate solutions in the future.

For more information

To learn more about IBM WebSphere Business Integration for HIPAA, call 888 685-0947. Or visit:

ibm.com/websphere/integration/hipaa

IBM®

[1] Impact Analysis. U.S. Department of Health and Human Services. June 19, 2001. http://aspe.hhs.gov/admnsimp/nprm/npi10.htm; Administrative Simplification in Health Care: 2000. Fourth Annual Report to the Congress on the Implementation of the Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act. National Committee on Vital and Health Statistics. March 22, 2001. http://www.ncvhs.hhs.gov/yr4-rpt.htm.

[2,3] "Architectures for HIPAA compliance," *Gartner, Inc. Strategic Analysis Report*, W. Rishel and N. Frey, September 26, 2002. The 2Q02 Gartner Magic Quadrant in this report evaluates integration broker vendors with HIPAA capabilities. According to Gartner, Inc., leaders are vendors who are performing well today, have a clear vision of market direction and are actively building competencies to sustain their leadership positions in the market.

*e*business software