



# COMPASS

The Newsletter for the Association of Private Practice Therapists

## Questions to Assess Whether You Are "HIPAA Ready"

HIPAA compliance is required by Monday, April 14, 2003. Assess your practice's readiness by answering the following questions:

- Do your practice's policies and procedures — and its actual practices — reflect your clients' privacy rights under federal and state law?
- Does everyone who works in your practice understand the basic rules to preserve those rights?
- Does everyone understand the basic rules for physical security?
- Does everyone understand the basic rules for oral communications?
- Does everyone understand the basic rules for telephone use?
- Does everyone understand the basic rules for security of paper information?
- Does everyone understand the basic rules for using fax machines?
- Does everyone understand the basic rules for using electronic mail?
- Does everyone understand the basic rules for non-routine uses and disclosures?
- Does everyone understand the basic rules of computer security?
- Does everyone understand how to get more information and report problems?

Source:  
[http://www.miami.edu/ethics2/privacy/tutorials/xt\\_basic\\_questions.htm](http://www.miami.edu/ethics2/privacy/tutorials/xt_basic_questions.htm)

## Time Is Running Out to Become HIPAA Compliant

Therapists and office staff members who attended Sara Juster's "HIPAA Basic Training" on Friday, February 21, came back with a wealth of information — and some reassurance that they would survive the implementation of the HIPAA Privacy Rule.

The following is excerpted from Juster's presentation. For the complete write-up (and accompanying handouts), see the "HIPAA Resources" box on page 2.

### *HIPAA Basic Training* **What is HIPAA?**

The HIPAA Privacy Rule creates national standards to protect individuals' medical records and other personal health information.

The goal of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) is to make health insurance more portable (eliminate pre-existing restrictions).

- HIPAA gives clients more control over their health insurance.
- It sets boundaries on the use and release of health records.
- HIPAA establishes appropriate safeguards that health care providers and others must achieve to protect the privacy of health information.

Basically, you must have client authorization to do certain things.

HIPAA is supposed to be flexible and scalable. *There are no specific requirements to meet — it just sets a standard to achieve.*

And HIPAA strikes a balance when public responsibility supports disclosure of some forms of data — for example, to protect public health.

It balances your need to provide treatment with the public's right to privacy.

HIPAA gives clients more ability to direct how information is used. *Except for treatment*, it limits release of data to information necessary — i.e., not releasing the whole client record.

HIPAA enables clients to find out how their information may be used, and about certain disclosures of their information that have been made.

If you suspect someone of abuse or neglect, you have to log that disclosure and let the client know this, if asked for an accounting. There are some exceptions; for example, if the disclosure would not be beneficial to the client or victim.

Federal law gives clients the right to access and copy their medical records, with few exceptions. (Many state laws, including Nebraska and Iowa, do not specifically give clients the right to access their data.) Clients also have the right to see who personal information has been released to.

### **Who is Covered?**

Health providers who conduct certain financial and administrative transactions electronically.

*Not every mental health provider is a "covered entity" (meaning HIPAA applies to you).*

If you are a paper-only practice, HIPAA probably won't affect you. However, if you conduct even one type of electronic transaction, you're included. If you use a billing service that does your filing electronically, then HIPAA also applies to you, because the billing service is a "business associate" doing the filing on your behalf. (Note: faxing is not electronic transfer, according to HIPAA rules.)

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# Not All Practices Will Need To Be HIPAA Compliant

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**Basic HIPAA Requirements**

1. Notify clients about their privacy rights and how their information can be used.
2. Adopt and implement privacy procedures for your practice. How you achieve those is up to you. If you are investigated, they will want to see your HIPAA policies.
3. Train employees so they understand the privacy procedures. This includes part-time staff, volunteers, and trainees under your control. (Anyone with patient contact.) Can do training in person, by Internet or written information. However, you must document it — people must sign off that they received training.
4. Designate an individual to be responsible for seeing that the privacy procedures are adopted and followed. This “privacy officer” will document training and procedures. You can also designate a day-to-day person to handle stuff.

5. Secure patient records containing individually identifiable health information so that they are not readily available to those who do not need them. This includes locked file cabinets and/or locks for doors for rooms containing medical records (i.e., records storage rooms).
  - Prepare your Privacy Notice:
    - Provide to clients at first service (*if it's an existing client, give it to them at first office visit after April 15*).
    - Post in office (*where clients can read it*).
    - Post on web site (*if you have one*).
    - **Obtain Acknowledgment of Receipt.** You need to give clients a receipt: “I have received a copy of the privacy notice.” Signed and dated.
      - You do not have to send the privacy notice to existing clients, but you do have to give it to them when they come in.
      - If you offer a hotline or provide treatment

- over the phone, you would need to mail out a notice within 24 hours of contact.
- There is no requirement on font sizes or how the notice should be posted.
- Clients must be given a copy and sign a document that says they received it.

**What HIPAA Means to You:**

- An additional layer of administrative work that is clearly defined in scope.
- The added impact of telling your client what they can expect.
- Failure to comply can subject you to civil and criminal penalties.

— *Compiled by Bridget Ann Weide on behalf of the Association of Private Practice Therapists (APPT). This information is meant to provide an overview of the HIPAA compliance procedures for private practice mental health therapists in Nebraska. For specific legal advice, please contact an attorney.*

## HIPAA Resources

**Write-up of Feb. 21 HIPAA Workshop** (Microsoft Word):  
<http://www.privatepractice.org/HIPAABasicTraining.doc>

**Write-up of Feb. 21 HIPAA Workshop** (Adobe Acrobat PDF):  
<http://www.privatepractice.org/HIPAABasicTraining.pdf>

**Questions to Assess Whether You are HIPAA Ready** (Microsoft Word):  
<http://www.privatepractice.org/AreYouHIPAAReady.doc>

**Questions to Assess Whether You are HIPAA Ready** (Adobe Acrobat PDF):  
<http://www.privatepractice.org/AreYouHIPAAReady.pdf>

**Sample Privacy Notice** (Methodist Health Systems) – (Microsoft Word):  
<http://www.privatepractice.org/MethodistSamplePrivacy.doc>

**Sample Privacy Notice** – (Acrobat PDF):  
<http://www.privatepractice.org/MethodistSamplePrivacy.pdf>

**Sara's Original PowerPoint file** (without my annotation of her comments during the Feb. 21 workshop) — must have PowerPoint to access:  
<http://www.privatepractice.org/HIPAAPowerPointSlides.ppt>

**General HIPAA information**  
<http://www.cms.hhs.gov/hipaa/hipaa2/default.asp>

**To determine if you are a “covered entity”** (decision tree):  
<http://www.cms.hhs.gov/hipaa/hipaa2/support/tools/decisionsupport/default.asp>

**The latest interpretative guidance from OCR:**  
<http://www.hhs.gov/ocr/hipaa/privacy.html>  
 or  
<http://www.hhs.gov/ocr/hipaa/finalreg.html>

**Other resources/recent developments:**  
<http://www.bricker.com/hipaa/>

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- Submissions may be edited for content, clarity and/or length. Subscriber comments are welcome.

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• Subscription to *The Compass* is a benefit of membership in APPT. Write or call if you have questions about membership.

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## Do You Want to Get Paid Faster?

It is possible to get your payments from Medicaid and insurance companies faster, says mental health billing specialist Susie Romanik.

"I can remember before I was electronically filing my clients' Medicaid claims, sometimes it would take months to finally get your money," Romanik notes. "Now, claims filed by Friday get paid the following week. As one of my clients said, 'It's like getting a weekly paycheck.'"

Filing electronically can dramatically increase how quickly you are paid by Medicaid and insurance companies. However, Romanik said that because there are several options available for electronic billing, it can be wise to investigate the choices carefully.

"I don't use a Clearinghouse to file claims electronically. I file directly into the insurance company so the therapist's claims get processed much faster. There is no middleman. There are still many insurance companies not yet set up to get claims electronically. Of course, you have to file those by paper."

It's also important to stay focused on client contributions. Romanik also sends out statements for co-pay amounts, deductibles,

and private pay patients for therapists without a billing person on staff.

Using a billing service frees up your time to spend with clients so you don't have to worry about tracking down money or fighting with insurance companies. Therapists who have a large amount of money outstanding from insurance companies, Medicaid and/or clients may benefit from retaining a billing service. Many services charge a small percentage of the claim amount, so you only get paid if they get paid. Some therapists choose to use a billing service for all their accounts, while others turn over only difficult accounts.

Choosing the right billing provider is crucial. The billing service has to take collecting your money very seriously.

"My clients are my number one concern," says Romanik. "I am similar to a bulldog when it comes to insurance companies that like to play games. I take it personally. If you don't get your money, I don't get mine. Therefore, I do not let go of the claim until it is settled."

For more information about mental health billing services, contact Romanik at (402) 496-9966.



## Calendar of Events

Tuesday, May 6, 2003  
 Mini-Practice Series Workshop  
 Olive Garden (76 & Dodge - Omaha)  
 \$13.50 - APPT Members  
 \$16.00 - Non-Members  
 - Cost includes salad, entrée, breadsticks, and water/tea/lemonade.  
 CALL 393-4600 to RSVP!

*Watch for further details in your mailbox and in future issues of The Compass!*

## Free Legal Consultation

Remember, each APPT member is entitled to a free legal consultation with an attorney from Erickson & Sederstrom, P.C. (up to one hour) per year. Call Chuck Sederstrom, attorney at law at (402) 397-2200.

If you access this service, please give us feedback! Call Bridget at the APPT Office at (402) 393-4600 and let us know!

**NOTE: NEW OFFICE LOCATION!**

### Jeanette R. Banahan, PLMHP

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# APPT Offers Scholarships For Continuing Education

Ever want to attend a particular workshop or seminar but find yourself saying, "It sure would be nice to attend that workshop — but boy, that's an awful lot of money"?

Well, APPT has an answer for your dilemma! It's the APPT Scholarship for Continuing Education and it's designed to help APPT members defray the cost of a workshop they attend (up to 75 percent of the cost of the workshop, up to \$100).

Simply complete the scholarship application form and submit it along with a copy of the workshop brochure (if available).

Copies of the scholarship form are available for download from the APPT web site at [www.privatepractice.org](http://www.privatepractice.org).

Your scholarship request will be reviewed by the APPT Scholarship Committee and you will be notified of their decision within 7 days of your application.

If selected, you will be reimbursed for the awarded amount after attending the workshop and sharing the information with APPT members, either through a presentation or by writing an article for *The Compass* summarizing the content of the workshop.

Questions? Call Pam Feldman at (402) 445-9175.

## Application for APPT Scholarship For Continuing Education

Name \_\_\_\_\_

Practice Location \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Phone \_\_\_\_\_

Conference Title and Location (please attach a copy of brochure, if available)

\_\_\_\_\_

Date: \_\_\_\_\_ Cost: \_\_\_\_\_

### *I am willing to:*

- Present a brief summary of the workshop at a mini-practice workshop
- Write an article for *The Compass* summarizing the content of the workshop.

**Please note:** The maximum amount awarded is 75 percent of the cost of the workshop, up to \$100. If selected, you will be reimbursed the awarded amount after attending the workshop and sharing the information with APPT members through a presentation or article.

**Submit completed application to:** Pam Feldman, LPC, 702 North 129th Street, Suite 104, Omaha, NE 68164 or fax to (402) 431-1535. Applications will be considered and a decision reached within 7 days of receiving your application.



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for more information,  
call SUSIE at  
**(402) 496-9966**

# Mental Health Parity Legislative Update

Parity is once again being considered by the Nebraska Legislature. LB 588, introduced by Sen. Lowen Kruse of Omaha (Dist. 13), addresses changes to the mental health parity act.

The following state senators also attached their names to this bill:  
 Dennis Byars (Dist. 30)  
 Jeanne Combs (Dist. 32)  
 Ed Schrock (Dist. 38) and  
 Elaine Stuhr (Dist. 24).

The bill was read for the first time on Jan. 21, 2003 and was forwarded to the Banking, Commerce and Insurance Committee (chaired by State Sen. Mark Quandahl, Dist. 31) for consideration for a hearing on March 3.

LB 588 (Kruse, Byars, Combs, Schrock, Stuhr) would amend provisions throughout sections 44-791 to 44-795 (LB 355 of 1999) to change requirements for health insurance plans regarding coverage for mental health conditions. The bill would amend these sections to provide that all individual and group health insurance plans shall cover health care rendered for treatment of mental health conditions.

**SUMMARY**

*Section 1 would amend section 44-791 which provides legislative findings and intent.*

*The bill would amend this section to find that, among other things, there is a "disparate level" rather than a "lack" of insurance coverage for mental health conditions, and to state intent that persons with health insurance plans be provided with a "nondiscriminatory" rather than a "minimum" level of coverage for mental health conditions.*

*Section 2 would amend section 44-792 which provides definitions.*

*This section would amend the definition of "health insurance plan" so that it would mean an individual as well as a group plan, and so that the act would apply to all employer groups and not just those with fifteen or more employees. This section would amend the definition of "mental health professional" so that it would also include an "advanced practice registered nurse."*

*This section would amend the definition of "rate, term, or condition" so that it would include "medication management, and other financial components or treatment limits" and so that it would no longer exclude "deductibles, copayments, or coinsurance."*

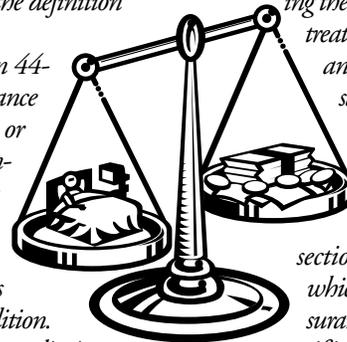
*This section would eliminate the definition of "serious mental illness."*

*Section 3 would amend section 44-793 to provide that a health insurance plan shall not utilize any rate, term, or condition that places a greater financial burden on an insured for access to "evaluation" as well as treatment for a mental health condition than for access to "evaluation" as well as treatment for a physical health condition.*

*This section would provide that no limit except an out-of-pocket limit shall be utilized for either physical health conditions or mental health conditions. This section would repeal language which provides that if a health insurance plan provides coverage for treatment of mental health conditions, it must then provide coverage for treatment of serious mental illness.*

*This section would provide that a health insurance plan shall cover treatment of mental health conditions by, among others, a physician assistant, and an alcohol, drug abuse, or compulsive gambling counselor. This section would require coverage for the spouse and dependents of the insured if otherwise covered under the health insurance plan.*

*Section 4 would amend section 44-794 to provide that a health insurance plan, when mak-*



*ing the determination of whether a treatment is medically necessary and appropriate, shall use the same criteria for treatment of mental health conditions as for physical health conditions under the health insurance plan. This section would repeal language which provides that a health insurance plan does not violate the act if it applies different rates, terms,*

*and conditions or excludes coverage entirely for experimental treatments. This section would repeal language which provides that a health insurance plan is not required to offer nonemergency services outside its network.*

*Section 5 would enact a new section to authorize the Director of Insurance to fine or revoke the license of a health insurance plan for a violation of the act.*

*Section 6 would enact a new section to require the Director of Insurance to submit an annual report to the Legislature and the Governor regarding the state of mental and physical health insurance coverage in the state.*

*The bill provides that it would become operative on January 1, 2004.*

## Representatives at Hearing on March 3

**PROponents:**

Senator Lowen Kruse  
 John O'Nea

Steve Buck  
 Chuck Stepanek  
 Dr. William Spaulding  
 Topher Hansen  
 Judith Knutson  
 Vicki Hahn  
 Denis McCarville  
 Cheryl Crouse

**OPponents:**

Galen Ullstrom  
 Thomas Jenkins  
 Tony Sorrentino

David McBride  
 William Peters  
 Janis McKenzie

**REPRESENTING:**

Introducer  
 Nebraska Advocacy Services  
 and Nebraska Mental Health Parity Coalition  
 National Alliance of Mentally Ill  
 Nebraska Nurses Association  
 Nebraska Psychological Association  
 Nebraska Assn. of Behavioral Health Organizations (NABHO)  
 Self  
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 Children and Family Coalition of NE  
 Self

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 NE Chamber of Commerce  
 and National Federation of Independent Business  
 and Nebraska Bankers Assn.  
 Assn. of Insurance & Financial Advisors-NE  
 Golden Rule Insurance Company  
 Nebraska Insurance Federation

## APPT Book Reviews

We have several books at the APPT office that are available for therapists to review for an upcoming issue of *The Compass*.

Reviewers may keep the book when they are finished. Reviews of between 350 and 750 words must be submitted to the APPT office for publication in the newsletter.

Requests for books will be honored on a first-come, first-served basis. APPT will send you the book and assign you a deadline for an upcoming issue (you will usually have 90 to 120 days to read the book and complete the review).

Call Bridget at (402) 393-4600 to request a current list of books.

In addition, if you have read a book not on our list but would like to review it for an upcoming issue of *The Compass*, please contact Pam Feldman or Bridget Weide.

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## Get Answers to Your Questions On the APPT E-List

Have a question about a particular insurance company's payment practices? Is there a particular resource you've been looking for — but just haven't found yet? Want e-mail reminders about upcoming APPT events?

Then you need to sign up for the APPT E-List! It's a great way to stay connected with other private practice therapists. All current APPT members are eligible to join the E-List, which is a free member benefit.

If you are a current APPT member, you are eligible to join the E-List. We just need your e-mail address to sign you up!

Call Bridget at (402) 393-4600 with your e-mail address, or send an e-mail to [APPT2000@aol.com](mailto:APPT2000@aol.com) (subject: APPT Member E-List). You will receive an e-mail confirming your addition to the E-List.

To post a message on the list, simply address a new e-mail message to [APPTMembers@yahoogroups.com](mailto:APPTMembers@yahoogroups.com).



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