



# Whom Can You Trust with Your Electronic Claims?

EHNAC SETS STANDARDS FOR SECURITY *By Renae D. Price CPA*

**It's** the kind of story that makes compliance officers shudder: sixteen years of medical records covering 2.2 million patients—with 1.3 million social security numbers—stolen from a Salt Lake City hospital due to vendor neglect.

Nearly every vendor makes security claims. They go something like this: "Protecting your data is our highest priority." But public relations crises like the one above raise the question: How can you be certain that a vendor's security and HIPAA-compliance assurances are real? For hospitals, billing companies, medical groups, and other healthcare organizations, the question is increasingly difficult to answer with confidence.

One answer comes from an independent, non-profit accreditation organization called the Electronic Healthcare Network Accreditation Commission (EHNAC). For 15 years, EHNAC has promulgated standards for secure and efficient processing of healthcare transactions. Part of the commission's core mission is to ensure that clearinghouses, electronic health networks (EHNs), and other vendors adhere to a range of standards regarding management of claims data. These standards are the product of transparent, voluntary collaboration among EHNs, payors, security organizations, hospitals and health systems, physicians, consumer groups, financial services firms, and vendors.

As technologies and best practices have changed, EHNAC standards have evolved as well. Version 9.4 of the EHN standards is freely available online, and EHNAC uses these guidelines for its accreditation activities. Somewhat comparable to Joint Commission accreditation, the first step in the process is a self-assessment. EHNAC's independent reviewers then perform site visits to ensure that physical and organizational safeguards are in place and operational—not just filed away in a three-ring binder.

EHNAC has accredited more than 40 claims clearinghouses and electronic health networks, and that number is growing

precisely because companies have found it's a practical way to gain confidence in their business partners' security and quality practices. Payors like Aetna, United Health Group, and Kaiser Permanente, for example, require accreditation. And as a proactive measure, New Jersey and Maryland require that payors in those states use EHNAC-accredited clearinghouses.

"We have to ensure that our members' data is secure and privacy is protected," says Tony Rizzi, an EHNAC commissioner and compliance director for National EDI Business Operations at Kaiser Permanente. "The EHNAC process allows for a low-cost, private-sector solution that allows us to have greater trust in our EHN vendors. In addition, the EHNAC structure allows security requirements to evolve as we learn more about the implications of conducting business electronically. Input from the EHNAC commissioners and the public allows us to steadily refine data-protection standards that are only generally described in the HIPAA legislation."

EHNAC commissioner Dave Schinderle, vice president of finance at Children's Hospital of Orange County, considers EHNAC an efficient mechanism for better business. "EHNAC is the industry's answer to the development and promotion of best practices within the private sector in a cost-effective fashion. Commissioners are unpaid, and fees paid by accredited entities are kept low by our non-profit approach. At Children's Hospital, we insist that our clearinghouses are EHNAC accredited. We feel that this eliminates substantial risk because we have taken the extra step of having our vendor prove to an external body that security procedures are in place and effective."

Among the many questions that arise from HBMA members on the HBMA message board is this: "How do I know that my clearinghouse transmits my claims on a timely basis?" The answer is that EHNAC clearinghouses must demonstrate compliance with rapid transaction *(continued on page 23)*

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turnaround and present logs and documentation to site assessors. For HBMA members who are choosing a clearinghouse provider, such requirements for timely transaction processing translate into better service for their ultimate customers, the medical provider.

The EHNAC seal of approval is spreading to other industries. EHNAC also accredits EHNs that provide e-prescribing services. Draft criteria are also under development for third-party medical billers. The availability of EHNAC certification for third party medical billers will provide an external certification of an organization, a complement to HBMA's certification of individuals (CHBME). External certification allows billing companies to prove they are serious about security and confidentiality.

If you're dealing with a clearinghouse that is not EHNAC accredited, you may want to reconsider your risk exposure. If

your billing company finds it important to "prove" to customers that your security measures follow "best practices," you should consider EHNAC certification for your organization.

As healthcare information exchange grows, the importance of building trust among trading partners increases. At no cost to providers, EHNAC offers a proven, private-sector solution for establishing business relationships with confidence. It's an extra level of security that can help you avoid the kind of episodes that make compliance officers shudder. ▲

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