Use and Disclosures for Treatment, Payment and Operations

The federal government recently passed a national rule regarding the privacy of health information that impacts the Medical College of Wisconsin’s ability to use this information to carry out its mission and conduct its day-to-day activities. This national rule is called the Privacy Regulation and is part of the Health Insurance Portability and Accountability Act (HIPAA).

To avoid interfering with an individual’s access to quality health care or the efficient payment for such health care, the Privacy Regulation permits a covered entity to use and disclose protected health information (PHI), with certain limits and protections, for treatment, payment, and health care operations (TPO).

In general the Privacy Regulation allows MCW to use PHI for our own TPO without first obtaining a patient’s authorization. This allows MCW to see patients, generate bills and collect payments, and conduct specified operational activities:

**Treatment** - means the provision, coordination, or management of health care and related services among health care providers or by a health care provider with a third party, consultation between health care providers regarding a patient, or the referral of a patient from one health care provider to another.

**Payment** - encompasses the various activities of health care providers to obtain payment or be reimbursed for their services and of a health plan to obtain premiums, to fulfill their coverage responsibilities and provide benefits under the plan, and to obtain or provide reimbursement for the provision of health care.

**Operations** - are certain administrative, financial, legal, and quality improvement activities of a covered entity that are necessary to run its business and to support the core functions of treatment and payment. Examples include quality assessment and improvement; outcomes evaluation and clinical guidelines; protocol development; case management; evaluation of providers; accreditation, certification, licensing, credentialing; training programs (e.g. medical students); or compliance activities.

If you wish to learn more about HIPAA please visit the MCW HIPAA website at [http://infoscope.mcw.edu/display/router.asp?DocID=7961](http://infoscope.mcw.edu/display/router.asp?DocID=7961).