

**NATIONAL CONFERENCE OF INSURANCE LEGISLATORS
RESOLUTION ON MEDICAL PRIVACY**

Adopted by the NCOIL Executive Committee on July 13, 2001.

WHEREAS, medical privacy is a major issue for insurers and consumers alike; and

WHEREAS, state legislatures and Congress are considering legislation relating to medical privacy; and

WHEREAS, it is critical that insurers and consumers be able to rely, to the fullest extent possible, on one set of uniform and workable standards; and

WHEREAS, it is imperative to safeguard the confidentiality of patients' medical records without disrupting the routine operations of the health care industry and imposing financial burdens on health care providers; and

WHEREAS, the collection and sharing of health care information is required for the efficient operation of workers' compensation systems across the country, for the benefit of the injured workers and for meeting the information requirements of employers and insurers; and

WHEREAS, the federal Department of Health and Human Services (DHHS) has promulgated rules to implement the health privacy provisions of the Health Insurance Portability and Accountability Act (HIPAA); and

WHEREAS, the effective date of those rules was April 14, 2001, and the compliance date for those rules is April 14, 2003; and

WHEREAS, the HHS rules present a national standard to the health information privacy issue and set a very high standard for related administrative, business, and operational standards; and

WHEREAS, the HHS rules are extremely detailed and establish numerous administrative, procedural and training requirements with respect to the collection, maintenance, use and disclosure of health information; and

WHEREAS, the HHS rules include requirements addressing the treatment of health information and individuals' right to access, amend or correct their health information; and

WHEREAS, at the NCOIL 2000 Annual Meeting, the Executive Committee asked the Health Insurance Committee and the Workers' Compensation Insurance Committee to establish a position on medical privacy; and

WHEREAS, the Health Insurance Committee and Workers' Compensation Insurance Committee have solicited comments on the issue from interested parties; and

WHEREAS, interested parties including industry representatives have submitted written comments that advised NCOIL to forego establishing a position until after implementation of the HHS rules; and

WHEREAS, at the 2001 NCOIL Spring Meeting, those representatives provided testimony against the establishment of an NCOIL position until after implementation of the HHS rules; and

NOW, THEREFORE, BE IT RESOLVED THAT NCOIL will aggressively monitor the implementation of the HHS rules; and

BE IT FURTHER RESOLVED THAT NCOIL will address any need for additional legislative action by the states and will report periodically to the NCOIL Executive Committee.