

# Clinical Social Work

Practice Update from the National Association of Social Workers

Volume 2, Number 6  
July 2002

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## HIPAA ELECTRONIC TRANSACTIONS STANDARDS, CODE SETS, AND THE CLINICAL SOCIAL WORKER

The concept of HIPAA (Health Insurance Portability and Accountability Act) was originally introduced in the early 1990s through the lobbying efforts of health care representatives who desired to simplify reimbursement procedures for providers and others through the use of electronic transactions similar to those used successfully by the banking industry for many years. Passed in 1996 by Congress—and after much delay—HIPAA will soon become a reality for clinical social workers and other health and behavioral health care providers. It brings massive changes to the reimbursement process and will affect the way in which clinical social workers process their electronic reimbursement claims.

To achieve its goal of developing national standards to make financial and administrative electronic health care transactions more efficient, HIPAA has adopted the *International Classification of Diseases, 9<sup>th</sup> Revision Clinical Modification* (ICD-9-CM), as updated and distributed by the U. S. Department of Health and Human Services, for prevention, diagnosis, treatment and management of diseases, injuries, and impairments. HIPAA has also adopted the *Current Procedural Terminology* (CPT-4), as updated and distributed by the American Medical Association, for physician services and other health-related services. As HIPAA becomes operational, local codes are being eliminated and behavioral health care providers, including clinical social workers, will be required to use the ICD-9-CM codes for the diagnosis of mental illness and the CPT-4 codes for the reporting of services and procedures when submitting electronic claim forms for payment.

A code set under HIPAA is used for medical concepts, diagnoses, and procedures. Medical data code systems include coding systems for health-related problems; actions taken to prevent, diagnose, treat, and manage diseases, injuries, and impairments; and any substance, equipment or items used to carry out these actions. Under HIPAA, code sets for medical data are required in the health care transactions standards for diagnoses and procedures. Psychiatric illnesses are included in the code sets. This is all relevant to clinical social workers who are licensed and/or certified under state statutes to diagnose and treat mental illness and use code sets for reimbursement purposes.

HIPAA also requires all insurance carriers to use identical forms for all electronic claims and other transactions. In addition, each provider, health plan, and employer will be assigned a unique identifier number to use with electronic transactions to ensure a user's identity. HIPAA's goal is to have greater security through electronic authentication that will identify each person who enters or alters information in the electronic record.

HIPAA does not mandate clinical social workers nor other providers to use electronic transactions. However, there are several advantages for doing so. A national

### Tips for HIPAA Compliance for the Clinical Social Worker in Private Practice

- Use only HIPAA-compliant computer billing software.
- Ensure that all patient-identifiable information is encrypted before transmittal over the Internet, including transmission via e-mail.
- Use a computer program that automatically logs off when idle for a specified time.
- Maintain physical safeguards for data protection in emergency or natural disaster and store backup data in a secure place.
- Restrict access to patient information through passwords and personal identification.
- Install a firewall on your computer system that provides strong, centralized security and restricts outside access.
- Maintain an audit trail of all clinical information used on your computer.
- Develop privacy procedures for your solo or group practice.
- Provide written information to the patient about privacy rights and how his or her information may be used.
- Secure patient information so that it is not available to those who do not need it.

**The Power of Social Work**



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standard would save time in processing and office expenses, expedite the process for reimbursing claims, and alleviate long delays in receiving payments. Clinical social workers would be able to instantly track a claim submitted electronically. This is a major achievement for most providers who sometimes spend hours on the telephone with managed care and other insurance carriers tracking delayed claim payments.

Clinical social workers should look forward to the implementation of HIPAA, which introduces a reimbursement system that standardizes claim forms and is expected to pay promptly, thus making payment collection less burdensome.

## **Resources**

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