

BOARD NEWS

Fall / Winter 2002

Dear Physical Therapists and Assistants:
(By: Sally B. Oxley PT, CHT, OCS and Board Chair)

Many thanks to those of you who returned the Quality of Service Survey. We were please with most of the responses and will continue to strive to improve our services to you. Included in this newsletter is a compilation of the survey results for your review.

Regards,
Sally Oxley, Board Chair

Fall Meeting of the Federation of State Boards of Physical Therapy (FSBPT)

(By: Frankie S. Cayton, Board Administrator)

The fall Annual Meeting of the FSBPT was held in Chicago, Illinois, Sept. 27 through Sept. 30, 2002. Funded by the Federation and attending this meeting representing WV was myself and Sally Oxley PT our Board Chair. The meeting was held in the Knickerbocker Historical Hotel right in the heart of Chicago. Just around the block from the hotel was the famous Madison Avenue with plenty of shopping and excellent restaurants. Typically for Chicago, the weather fluctuated between warm and really windy and cool and really windy. The theme of this meeting was "Regulation in the Face of Change: Practice, Discipline and Data". As always participants had opportunity to select teaching tracks according to their personal interests. Sally went to sessions dealing with "a Uniform Pathway", "Continuing Competence:", "Foreign-educated Course Work Evaluation Tool", "Credentials Evaluation", and "Credentials Fraud". My courses included an all day meeting with other State Board Administrators, "Investigative Training" and "Sexual Mis- conduct and Boundary Violations". During the all day meeting with the Administrators, I saw an excellent presentation concerning "On-Line Registration for Exam Applicants". The Federation began a couple of years ago making this feature available to State Boards and their candidates. I thought it best to wait until all the "bugs" were worked out of it before WV signed up as a participating State. I believe that now is the time to move in this direction. So, effective during the month of December 2002, WV will begin on-line Exam registration. The candidate will be able to access forms and pay by credit card thus eliminating the need for the office to keep stacks of forms that continually get mailed out or picked up. We as the Regulatory Body will still have to approve each candidate that applies, but all of this will be done by our office via computer.

The candidate will then be able to access the Federation Web Site to track the status of his/her application and subsequent outcome. The results of the Exam will be transmitted to our office electronically and when we issue the license, the evidence of that as well will show up on the Federation Web Site. In order to keep the site secured, we as the Board Office will have an assigned password that will enable us to access the site. I believe that this will prove to be beneficial in cutting costs at the office as well as expediting the whole Exam and Licensure process for the candidates. (We have been making it our practice to buy a complete set of audio tapes of all the sessions in order that other Board Members can avail themselves of the information that is presented.)

- Frankie S. Cayton -

(For information about future Federation Meetings, please check their Web Address at www.fsbpt.org)

Administrative Simplification (HIP AA):

(By: Robert L. Coffield, Esq. of Flaherty, Sensabaugh & Bonasso, PLLC)

The Administrative Simplification Sections under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) are transforming the healthcare industry. HIP AA is changing the manner in which virtually all Physical Therapists and other health care providers use and disseminate health, medical, statistical, and billing data. Physical Therapists must make a key strategic decision to decide whether they will address HIPAA as a compliance program only, or whether they will identify and take advantage of the potential benefits, including potential financial savings.

HIPAA reduces administrative costs for physical Therapy practices by creating national standards for electronic billing and reimbursement. HIP AA creates a national framework for health privacy protection to enhance the protection of patient medical and health information. physical Therapists must revise procedures and policies to ensure patient privacy under the new standards. The standards change the way Physical Therapists interact with their patients. With the increase usage of technology in healthcare. HIPAA will also sets new standards for the security of the physical Therapist's office and computer technology used in his or her practice.

HIPAA does not just apply to Physical Therapists. The new standards apply to all health plans (including HMO's, Medicare, and Medicaid), healthcare clearinghouses and other healthcare providers that transmit information electronically in connection with standard transactions (such as hospitals, physicians,

HIPAA will also have a surprising impact on many non-healthcare businesses that conduct or do business with entities in the health care industry. Billing services, insurance brokers, medical record companies, attorneys, accountants, consultants, and many others directly or indirectly involved in the health-care industry will be affected by HIPAA. For example, many non-healthcare businesses will be required to enter into written business associate agreements (containing statutorily mandated contract language) with providers.

The time line for compliance with the HIP AA standards is fairly short. Physical Therapists must comply with the Transaction and Code Set standards by October 16,2002, unless the Physical Therapist files for the extension under the Administrative Simplification Compliance Act at :

(<http://www.cms.hhs.gov/hipaa/hipaa2/ascaform.as>).

Filing for the extension will delay compliance with the Transaction and Code Set Standards by one full year, until October 16,2003. Physical Therapists are required to comply with Privacy Standards by April 14,2003. No date is set for compliance with the Security Standards because DHHS has not issued a final rule.

A summary follows of the three key HIPAA regulations issued by the Department of Health and Human Services (DHHS) under HIPAA and a short explanation of additional regulations that Congress has mandated the DHHS issue under HIPAA.

Standards for Electronic Transactions

The Standards for Electronic Transactions more commonly referred to as the "Transaction and Code Set Standards" create a national standardization of transactions. The regulations standardize the formats for administrative and financial healthcare transactions, including identifiers, code sets, and data transaction formats.

All electronic transactions submitted by providers and insurers must adhere to these industry defined standards by the compliance date of October 16, 2002 (unless the covered entity files for the one year extension). Physical Therapists and other covered entities must analyze and upgrade their systems, if needed, to send, receive, and process transactions in accordance with the new standards. The standards are intended to minimize the overall administrative expenses and effort associated with the enrollment eligibility, claim process, account posting, claim follow-up, referral and prior authorization process. By creating universal and wholly electronic systems, providers, insurers and health plans should see administrative and financial benefits.

One study that examined twenty medical groups, most of them with eight or more physicians, estimated an average annual potential benefit of \$7,200 per provider, exclusive of implementation and annual operating costs. The potential business operations savings were identified in the following areas: business office - 51 %, managed care - 12%, and bad debt, postage, etc... - 37%. These types of savings can be obtained by increasing the utilization of electronic claims submission to most health plans, implementing electronic remittance advice, eligibility inquiry at the time of registration/appointment scheduling, electronic referral authorization processing and claims status inquiry.

Standards for Privacy of Individually Identifiable Health Information

The Standards for Privacy of Individually Identifiable Health Information more commonly referred to as the "Privacy Standards" create a national framework for health privacy protection to enhance the protection of patient medical and health information.

The Privacy Standards evolved when Congress recognized a need for additional protections of private health information due to increasing technological advances and ease with which medical and health data is transmitted, stored and used by multiple parties. There was also the absence of national standards for the confidentiality of health information. The Privacy Standards now create a new national standard of care related to the confidentiality of patient information. Physical Therapists will be forced to make fundamental changes in the internal operation of their practices and adjust how they and their employees deal with patients, businesses and other organizations that want access to patient information.

The Privacy Standards regulate the internal use and external disclosure of protected health information, patient information and medical records. Included are new special rules for providing a Notice of Privacy Practice to the patient prior to treatment and obtaining an acknowledgement of receipt of the policy from the patient, obtaining an authorization from the patient to use and disclose medical information under certain circumstances and the ability to release information without an authorization from the patient for certain public health activities, health oversight activities, judicial and administrative proceedings, law enforcement, etc

The Privacy Standards create individual patient rights to inspect and copy their own health information, to amend erroneous or incomplete information, to obtain an accounting of disclosures of the information under certain circumstances, to request a restriction of the use or disclosure of their records for treatment, payment, and healthcare operations, to receive notice of a healthcare provider's privacy practices and to file written complaints.

Through the business associate provisions of the standards, providers are required to closely examine the relationships with third parties that may have access to individually identifiable health information and place new restrictions and requirements on such third parties. Further, the Privacy Standards impose numerous administrative requirements on healthcare providers, including extensive written privacy policies to protect health information, the appointment of a "privacy official" to develop and oversee the policies, and training of employees regarding the privacy policies.

The Privacy Standards provide for substantial federal penalties against covered entities that fail to comply. The enforcement will be the duty of the Office for Civil Rights under DHHS. It is likely that these standards, and any potential violation of them by providers, will be a new tool in the arsenal of attorneys litigating issues on behalf of patients.

Security and Electronic Signature Standards

HIPAA demands new requirements relating to information security under the "Proposed" Security and Electronic Signature Standards. The Security Standards are only draft "proposed" regulation and DHHS has not issued a final rule, thus, compliance with these standards is only speculative at this time. However, providers need to be aware of the basic requirements. The Security Standards work in conjunction with the Privacy Standards. The Privacy Standards related to "what" needs protected while the Security Standards are "how" one protects the information.

Other Standards

Besides the three regulations discussed above, HIP AA requires DHHS to develop final regulations in a number of other areas. Currently there is a final regulation on National Employer Identifiers. There are also proposed regulations on national Health Plan Identifiers, National Provider Identifiers, Claims Attachments, and Enforcement that will be published in final form by DHHS in the coming year.

Robert L. Coffield is a healthcare attorney with the law firm of Flaherty, Sensabaugh & Bonasso, PLLC in Charleston, WV. Mr. Coffield provides legal counsel to a variety of healthcare clients including, hospitals, physicians, physical therapists and other healthcare providers. He is one of the leaders in WV on HIP AA issues and recently authored an article for the American Health Lawyers Association entitled "HIP AA Privacy Standards: Practical Guidance on Identifying Business Associates" which is available for purchase through the American Health Lawyers Association. A **one-day** seminar designed for hospital administrators, healthcare providers, business and office managers, attorneys, CEO's, reimbursement analysts, billing managers, privacy officers, government health officials, healthcare clearinghouses, nurses and physicians will be held in Charleston, WV, on Dec. 12, 2002, at the Embassy Suites Hotel located at 300 Court Street. For more information see www.lorman.com (Mr. Coffield may be contacted at (304) 345-0200 or by email at: RCoffield@fsbwv.com)

The Next Article from the Chair of the Disciplinary Committee entitled: "ON THE SUB.TECT OF BEING A WHISTLE BLOWER" will appear in our Spring/Summer 2003 issue.

Recently Asked Questions:

Question:

I am a Physical Therapist in the school setting. My question is: "How frequently are we required to get updated prescriptions for Physical Therapy? We currently get a prescription for Physical Therapy at the time of evaluation, but I am unsure if we need to get new ones within a certain time frame (as some students get PT for consecutive years). I also wondered if there was a difference for students that have Medicaid versus those that don't.

Answer:

1. WV (by Law) does not require that you treat based upon a referral or prescription from a doctor or from anyone else.
2. So, it would depend on the requirements of the particular insurance company that will be paying for the treatments.
3. For instance, Medicare requires that a new prescription/referral be obtained every thirty (30) days.

Reminder:

It is renewal time for those of you who possess a license with an expiration date of December 31, 2002. Please locate and detach Part "C" of the license that you were issued. Part "c" is your renewal certificate that must be completed in its entirety* and mailed into the office along with the appropriate fee. (\$120-PT; \$80-PTA) In order for the office to enter updated information, produce the licenses and mail them out takes considerable time so please - allow us adequate time to do our job. The form says to begin sending them in effective Oct. 1st - so the clock is ticking!!!

*entirety - all fields requiring information must be completed - front and back you must check off that you have fulfilled the continuing ed. requirement you must indicate your preferred mailing address, sign, and date you must submit the required fee
(Failure to do any of the above, will necessitate that we return your form to you)

RESULTS OF QUALITY OF SERVICE SURVEY WEST VIRGINIA BOARD OF PT

(The results of the survey are in 0;0)

This survey has been prepared to gain input from licensees to ensure that the licensing board is meeting your needs.

Please answer the following questions by circling the response that best describes your feelings:

SA=Strongly Agree SD=Strongly Disagree A=Agree DK=Don't Know D=Disagree

I receive a prompt reply when I contact the office.

By telephone SA 13 A 58 D 13 SD 5 DK 11

By mail SA 14 A 39 D 11 SD 0 DK 36

The staff is courteous when I contact the office.

SA 37 A 50 D 5 SD 0 DK 8

When I have filed a complaint the response has been timely.

SA 5 A 11 D 2 SD 0 DK 82

The Board Newsletter is helpful.

SA 45 A 53 D 0 SD 0 DK 2

I have a good understanding of the role of the Board.

SA 46 A 48 D 6 SD 0 DK 0

I would be interested in serving on the Board in the future.

SA 16 A 8 D 24 SD 16 DK 36