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Who Pays $100,000 and goes to jail if a medical record gets out — the employee, your CEO — or you?

I'm Suzanne Corrales, Editor of Inside Healthcare Computing. My report, IN THIS ENVELOPE, can save you from ever having to ask.

No, this is not an exaggeration. Federal fines and jail terms for even unintentional data security breaches are now the environment you work in. If you don't know that, it's because you haven't been reading my newsletter. But the report you need to avoid trouble is **FREE, INSIDE THIS ENVELOPE...**

Suzanne Corrales

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Who pays $100,000 and goes to jail if a medical record is leaked--the employee, your CEO--or you?   Answer: <u>any or all of you</u>.

Suzanne Corrales

This is shocking stuff--fines and jail terms for even <u>accidental</u> leaks of patient data...But because you opened this envelope, you have time to head off legal trouble over patient data breaches...

HIRASE
Mail Code 39
13405 Floyd Cir Ste 100
Dallas, TX 75243-1515

Dear HIRASE,

Vaporware...Vendors hiding shaky balance sheets...consultants who work for you and the vendor across the table at the same time...Y2K problems in legacy software...MIS budget crunches...Software retired by vendors...the FDA cracking down on clinical software...

Your colleagues' only reliable warning system on these pitfalls for the past eight years has been <u>Inside Healthcare Computing</u>.

But your challenges at your organization just got tougher... they're talking about $50,000 fines and a year in jail for even <u>accidental</u> leaks of patient medical data and $100,000/five years if your data is leaked under false pretenses.

I'm Suzanne Corrales, Editor of Inside Healthcare Computing. I'm so concerned about your potential exposure that I've enclosed, free of charge, my report to help you deal with these new HCFA rules. This report is just one example of how Inside Healthcare Computing subscribers stay forewarned and forearmed.

We Mark Our 200-Issue Anniversary...You Save $60 or More...

I co-founded Inside Healthcare Computing in 1990...Today, as we publish our 200th issue, we're cutting back prices to celebrate.

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Today, your subscription includes much more than just the biweekly newsletter. You'll also receive...
- the IHC Electronic Library on the Internet...
- 22 hot new HIS reports on line (plus 3 more to 1st 50 subscribers...a $1,118 value)...
- personal access to our experienced research team

News Flash: Year 2000 Problems in Interface Engines...

You're fixing applications and devices...But surprise...Learn which interface engines aren't Year 2000 ready and how to keep them from corrupting your organization's vital data.

Your Vaporware Fume Detector...

3439Z H3439HUE

systems. Subscribers get more advance warning on upcoming federal rules affecting your clinical and other systems...PLUS many of the original government documents are available at our web site.

   Plan ahead for HIPAA, but watch for changes. The official word from the feds is that you're going to have to change the identifying number of every single patient in your ADT and clinical systems.

   But as always, we dug deeper...Subscribers learned why the National Patient Identifier is certain to be delayed and may be sidetracked permanently.

   But you will have to meet HCFA data security rules...There's a hot news report waiting for you--and also full text of the proposed rules and HCFA's rationale--in the IHC Electronic Library, waiting for you to input your password. (It comes with newsletter issues.)

Some Talk The Talk...IHC Walks the Walk...

   Frankly, I was more than a little surprised when an editor new to this field claimed that his audience gets "first word on the FDA's growing crackdown on clinical software." The fact is, Inside Healthcare Computing was picking up its second national journalism award for coverage of FDA crackdowns on clinical systems about the time that fellow began covering this troubling but vital topic.

Inside Healthcare Computing subscribers know (and you can, too)...

the #1 problem you'll face with any new **call management** system.
the **dial-in security problem** inherent in certain Meditech servers.
the HCFA rule forcing your system to match ICD-9 codes with CPT codes.
what early users say about **HBOC Pathways Decision Support**.
which vendor's clients are happiest...which scored only 4.4 on a 1-9 scale.
which **interface engine** vendor isn't up to snuff on customer support
the holes in **HBOC Pathways Scheduling** V. 6.0...and the fixes
why a $1.7-million browser-based patient care system is a bust

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   Here's the dirty little secret of newsletter sales pitches like the one you're reading: they try to persuade you to buy future issues by telling you what they already sent to their readers. In other words, you won't get the very reports that led you to buy. Except...

   Except when you subscribe to Inside Healthcare Computing.

Subscribers receive up-to-the-instant inside information on clinical, financial, and departmental systems--carefully researched pros-and-cons reviews and advice from your colleagues.

"Breached virtually every promise it made…" Learn who said this about which clinical department system vendor before you sign for its software...Just search this phrase in the IHC Electronic Library.

Clinical software that saved $3 million. Charles Watts, M.D., chief of clinical affairs, tells how the University of Michigan Medical Center is slashing $3 million a year from clinical costs while improving results…and MDs don't even have to enter data!

Subscribers got the unofficial SMS Invision Bug List and fixes…You can still get it free at http://www.insidehealth.com/buglist.htm.

Turning a clinical system meltdown into a warm fuzzy feeling. Interim CIO Mark Budd tells how his team turned things around at snakebit HBOC Pathways Care Manager client Memorial Medical Center of Savannah (where CIO used to mean "Career Is Over"…3 prior CIOs in 3 years!). Get his three success strategies and the three lingering tactical mistakes he's working on now…and his crucial tip for beating response-time problems in Memorial's HBOC Star Physician View.

Inside story on surgery scheduling systems. Get clients' mixed reviews of Medaphis ORSOS surgery software (some say to avoid Version 8.4 altogether!), why most plan to stick with the product...But why Kaiser Permanente chose a different surgery system for 18 hospitals.

Get the right physician credentialing system. Subscribers know which system "…put every other system to shame" and why, in the words of Larry Koch, CIO of Heartland Health System, St. Joseph, Mo. The keys: strong MD buy-in and no software or hardware to install.

Year 2000 fixes: a magic bullet? Learn which software is "an extraordinary tool," says Mona Infield, branch chief, applications, for Bureau of Indian Affairs hospitals, who used it to fix 1.3 million lines of code for 14 cents per line where others quoted $1.10/line. Learn what this tool and its tricks are…Read on.

Your Colleagues' Best Money-Saving Strategies...

Need hardware for Windows NT? Merely invite a certain vendor to bid, and everyone else's **price drops 5%-10%**. Also learn...

- how a Meditech client is **saving $500,000/year** with materials management EDI...
- how Northside Hospital **saved $6 million** on its clinical information system...
- how Harris Methodist is **saving $900,000/year** on its 6,000 PCs.

Say you're looking at decision support. Susan Johnson of Phelps County Regional gives her rundown of pros and cons of JJO vs. Transition Systems...She says JJO's a better choice for her situation...but this report goes deeper…Learn why TSI was the choice at bigger Owensboro Mercy Health System, where she used to work.

Holding on to your key people. Learn the 7 key steps Trinity Mother Frances Health uses to keep mission-critical Y2K programmers from leaving for jobs paying 20% more in nearby Dallas, Tex.

The Feds Won't Go Away: Stay Ahead of FDA, HCFA Regulations...

Regulators are sweeping relentlessly into health care information

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Inside Healthcare Computing is independently owned. We don't accept advertising. With no commercial ties to any organization in the business, we call the shots straight and publish blunt, frank reviews without worrying about pressure from advertiser or partners.

It is 25 concise biweekly intelligence reports on information systems for hospitals and health care enterprises, vendors, and consultants...user reviews, prices, trends, strategies, how-to tips...

And we don't sensationalize to sell newsletters. For example, we're the one that didn't quote an anonymous "source" uttering the wacky theory that HBOC is no longer financially stable (with $491 million in cash reserves?!!) Such wild hyperbole isn't our style.

SO ACT NOW...Don't hesitate...This offer expires soon!

Sincerely yours,

Suzanne Corrales

Suzanne Corrales
Editor

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How to Negotiate With Meditech, HBOC, and SMS:

The tips and strategies of three experienced HIS negotiators

One's inflexible on terms. One is aggressively low-priced at the outset but can more than make up the discounts in high prices for the customizations you'll need. One puts hidden "time clocks" in the contract that don't match actual delivery of systems. Learn the contracting tactics of these three vendors, and you'll be far ahead of the game in dealing with any vendor.

Plus yet another valuable document FREE*...

Top 16 Healthcare IS Money-Saving Ideas, Technologies, and Systems

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These 16 reports in one reveal how your colleagues save $900,000/year on PC maintenance, $500,000/year using a just-in-time materials management module, $10 million/year with clinical alerts, and $5 million/year with one feature of a new financial system--and more. These are the best money-saving systems, strategies, and ideas we've found in the past 18 months of scouring the country. Available separately for $97 or FREE if you're one of the first 50 to subscribe.

Health Care Information Systems Contracts--Holding the Vendor's Hands to the Fire...

Dear Healthcare Information Systems Professional,

In just 30 concise pages, this report blows the lid off the HIS contracting game. That's partly because it has two years of research behind it. We started by gathering something only a few lawyers had ever seen: hundreds of contracts between hospitals and vendors for software, support, and hardware.

Then, we combed through these contracts for object lessons in how to win a negotiation and how not to. Selecting the best, we interviewed the IS professionals who negotiated these contracts, and learned their strategies and tactics. The report names names, gives prices and comparisons, and reveals where and how these IS professionals won the terms they wanted most.

It also reveals cases in which buyers failed to demand savings that others were winning.

But we didn't stop there. We went to the pros--three of the top HIS contract attorneys working for hospitals. They explain the strategies they use to win the best deals for their clients from HBOC, Meditech, and SMS. This additional report is also included FREE as a bonus with this offer.

...And finally, we found a <u>former marketing VP for a major clinical information systems vendor who tells all the secrets of the game</u>...Questions to ask which will reveal what's being hidden from you...Contract terms you must insist on to protect yourself from vaporware.

I stake my reputation on the claim that this report will save you $100,000 on your next major HIS purchase and 10% to 20% on smaller systems.

Bill Donovan

Bill Donovan

Publisher

P.S. But that's not all I'm staking...We sell this report separately for $227, but if you're one of the first 50 to subscribe in response to this offer, I'll send it and the other two reports to you FREE. And--

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"I share more info from <u>Inside Healthcare Computing</u> with others in the hospital than any other publication."
--*MIS director, name withheld by request*

"Telecom was the one thing we'd left out of disaster planning--then I saw your report."

"I can't believe a resource like this doesn't require separate admission!"

"Except for expense checks or memos from the boss, Inside Healthcare Computing is the only in-box item I get which is always read the day it is received."
-- David L. Wellons, Director, Healthcare Marketing, Bellsouth

"Maybe you should consider positioning your publication in the check-out line in grocery stores."

-- A reader, after we reported that the vendor of all his core HIS systems was for sale...

"Sorry.   You were right.   Forget the check-out lines."

-- Same reader, when the vendor--after five months of denials--was indeed sold.

The time-sensitive report we promised you in this envelope
is on the opposite site of this page...It's an example of just one of the
1,000-plus reports in the IHC Electronic Library

New Proposed HIPAA Security Rules Affect All Electronic Data

New proposed rules just issued by HCFA under the Health Insurance Portability and Accountability Act (HIPAA) provide for penalties of $50,000/1 year in jail for <u>unintentional</u> leaks of patient information, $100,000/5 years in jail for release of patient data under false pretenses, and $250,000/10 years in jail for misappropriating and selling patient medical data. The rules would require, among other things:

If you transmit patient data over an open network such as the 'Net, you **must** encrypt it.

If you use an electronic signature, you must use digital signature technology.

If you have individual electronic patient data, you must audit your system records regularly for security breaches and check for viruses. These rules could be finalized soon. The public comment period was to end Oct. 13. Final rules will be hammered out and published in the Federal Register—possibly as early as the end of this year. Then, 60 days after publication, they would go into effect. But that doesn't mean instant compliance. Most affected entities would get 24 months to comply. Health plans with fewer than 50 members get 36 months. So you have until early 2001 to get ready.

The proposed rules are sweeping. Other security rules have applied only to transmissions of patient data. These security standards apply if you so much as <u>store</u> any "electronic health information that relates to an individual." In HCFA's words:

"The security standard is applicable to all health care information electronically maintained or used in an electronic transmission, regardless of format (standard transaction or a proprietary format); no distinction is made between internal corporate entity communication or communication external to the corporate entity."

Which Rule is Which? Here's The Scorecard And Where To Get Full Details

Under HIPAA, HCFA has now issued several proposed sets of rules and standards, and more are coming. One of these proposed regs, and a future one, deal with security. In addition, HCFA plans to issue a new Internet security policy, which is not specifically either a HIPAA standard or a regulation. The rules, standards and policies affecting healthcare IS are:

1. **National provider identifier:** a uniform national system of identifiers for health care providers. Full details are in **IHC Special Report #8601** (which also includes #2 below), $67. This 254-page report includes complete texts of the HCFA proposed rules and explanations.

2. **EDI transactions:** a set of standards for 10 types of healthcare electronic data interchange (EDI) transactions. **Get IHC Report #8601**, which also includes item #1 above.

3. **National patient identifier:** our summary and HCFA's White Paper on the requirement for a uniform way of identifying all health care patients. **Report #8602**, $57.

4. **National employer ID:** details on HCFA's proposal for meeting the HIPAA requirement for a national employer identifier, **Report #8603**, $47.

5. **Internet security policy:** new draft policy issued 9/98. **Report #8305**, $44).

6. **A national health information security policy.** Including but not only electronic data, it will cover all individually identifiable patient data. If Congress doesn't pass a law on patient information disclosure by August, 1999, the Secretary of Health has until February, 2000 to adopt regulations.

7. **The proposed electronic data security rule** affects all electronic patient data. To get the full formatted text of the HCFA proposals with a table of contents and a longer version of this report, order **Report #8604**, $67.

To order: call (800) 294-6032, or order from our web site at www.insidehealth.com. Prices include shipping but are for <u>prepaid</u> orders; add $20 per order for "bill me" orders; you may return any report for a 100% refund if not satisfied.

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Suzanne Corrales
Editor

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