Agenda Item #: 32-2

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date: Fe	bruary 4, 2014	[X] []	Consent Ordinance	[]	Regular Public Hearing
Department: Submitted By: Submitted For: =========	Administration Risk Management Administration				

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to *a*dopt: A Resolution of the Board of County Commissioners of Palm Beach County, Florida, designating Palm Beach County, a Political Subdivision of the State of Florida, a "Hybrid Entity" for the purposes of the HIPAA Privacy Rule.

Summary: Palm Beach County is an organization that performs both covered and noncovered functions under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). As a Covered Entity, the County has a legal responsibility to comply with the Privacy Rule. Under HIPAA, the County is provided the option to restrict the application of the Privacy Rule to certain parts of its organization. By designating only health care components of the County, which include the Fire Rescue Department, the Department of Senior Services, the County's health, dental, and flexible spending plans, and the Employee Assistance Program, this designation will make the County a "Hybrid Entity" under the Privacy Rule. This action will administratively separate the County's healthcare components from its non-healthcare components for purposes of the Privacy Rule. <u>Countywide</u> (TKF)

Background and Justification: On January 25, 3013, the Department of Health and Human Services (HHS) published the "HIPAA Omnibus Rule," a set of final regulations modifying the HIPAA privacy, security and enforcement rules to implement various provisions of the Health Information Technology for Economic and Clinical Health (HITECH) act. To ensure the County's compliance with all relative portions of the HIPAA law, a formal review was performed of all County operations by two private firms. It was determined that the healthcare components of the County's health, dental and flexible spending plans, and the Employee Assistance Program. It was recommended that the County designate itself as a Hybrid Entity to administratively separate these functions from the non-healthcare components of the County, which will restrict the legal responsibility of compliance to the healthcare components only.

Attachments:	Attac	:hme	ents:
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1) Resolution

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Recommended by:	Vanay L. Bolton	1/9/14
	Department Director	D'ate'
Approved By:	Phlum	
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years	<u>2014</u>	2015	<u>2016</u>	<u>201</u> 7	<u>2018</u>
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
Net Fiscal Impact					
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included In Curre	ent Budget?	Yes No	o		
Budget Account Exp No	: Fund De	epartment	_ Unit	Object	
Rev No	: Fund De	epartment	_Unit	Object	
B. Recommended Sourc	es of Funds/S	ummary of Fis	cal Impact:		
No Fiscal Impact					
			0		

all

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

OFMB 1/13 1/14

Contract Administration

B. Legal Sufficiency:

Departmental Fiscal Review:

Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, DESIGNATING PALM BEACH COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, A "HYBRID ENTITY" FOR THE PURPOSES OF THE HIPAA PRIVACY RULE

WHEREAS, Palm Beach County provides healthcare services to seniors in Palm Beach County through its Division of Senior Services, and bills for such services electronically which results in Palm Beach County being a "healthcare provider" and a "covered entity" under the HIPAA Privacy Rule definitions; and

WHEREAS, Palm Beach County provides emergency medical services to Palm Beach County residents and visitors through its Department of Fire Rescue, and bills for such services electronically which results in Palm Beach County being a "healthcare provider" and a "covered entity" under the HIPAA Privacy Rule definitions; and

WHEREAS, Palm Beach County maintains its own health plan providing health and dental insurance, a flexible spending benefit for medical expenses and an Employee Assistance Program through its Department of Risk Management, which results in Palm Beach County being a "covered entity" under the HIPAA Privacy Rule definitions; and

WHEREAS, Palm Beach County performs many other functions and has numerous other departments that, if part of a separate legal entity, would not qualify as a "covered entity" under the HIPAA Privacy Rule definitions; and

WHEREAS, these other departments and functions of Palm Beach County would not be required to comply with HIPAA regulations if declared "nonhealthcare components" of Palm Beach County; and

WHEREAS, by making this "hybrid designation," the County may administratively separate those functions that are "healthcare components" under the HIPAA Privacy Rule from those that are not subject to the HIPAA Privacy Rule requirements.

WHEREAS, the HIPAA Privacy Rule allows entities that have "healthcare components" and "non-healthcare components" within the same organization to declare in writing that they are a "hybrid entity" and specify which components

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are healthcare and which are non-healthcare.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

- Palm Beach County, Florida is hereby designated as a "Hybrid Entity" for purposes of the HIPAA Privacy Rule.
- The Departments of Risk Management and Fire Rescue, and the Division of Senior Services are hereby designated "healthcare components" of the Palm Beach County.
- 3. All other departments, organizations or functions of Palm Beach County that do not fall under the definition of a "covered entity" pursuant to 45 CFR Section 160.103 are hereby designated as "non-healthcare components" of Palm Beach County.

The foregoing Resolution was offered by Commissioner who moved its adoption. The motion was seconded by Commissioner , and upon being put to a vote, the vote was as follows:

Commissioner Priscilla A. Taylor, Mayor	-
Commissioner Paulette Burdick, Vice Mayor	-
Commissioner Hal R. Valeche	-
Commissioner Shelley Vana	-
Commissioner Steven L. Abrams	-
Commissioner Mary L. Berger	-
Commissioner Jess R. Santamaria	-

The Mayor thereupon declared the Resolution duly passed and adopted

this _____ day of _____, 2014.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

SHARON R. BOCK, CLERK & COMPTROLLER

By: _____ Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By:_____ County Attorney
