To provide a 1-year extension of the date for compliance by certain covered entities with the administrative simplification standards for electronic transactions and code sets issued in accordance with the Health Insurance Portability and Accountability Act of 1996.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 14, 2001

Mr. Dorgan (for himself, Mr. Craig, Mr. Baucus, Mr. Grassley, Mr. Bayh, Mr. Bennett, Mr. Carper, Ms. Collins, Mr. Crapo, Mr. Ensign, Mr. Hollings, Mr. Hutchinson, Mr. Inhofe, Mr. Kyl, Mrs. Lincoln, Mr. Murkowski, Mrs. Murray, Mr. Smith of Oregon, and Mr. Frist) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide a 1-year extension of the date for compliance by certain covered entities with the administrative simplification standards for electronic transactions and code sets issued in accordance with the Health Insurance Portability and Accountability Act of 1996.

Be it enacted by the Senate and House of Representa-

1. tives of the United States of America in Congress assembled,
SECTION 1. 1-YEAR EXTENSION OF DATE FOR COMPLIANCE
BY CERTAIN COVERED ENTITIES WITH ADMINISTRATIVE SIMPLIFICATION STANDARDS
FOR ELECTRONIC TRANSACTIONS AND CODE SETS.


(1) a health care provider shall not be considered to be in noncompliance with the applicable requirements of subparts I through N of part 162 of title 45 of the Code of Federal Regulations before October 16, 2003; and

(2) a health plan (other than a small health plan) or a health care clearinghouse shall not be considered to be in noncompliance with the applicable requirements of subparts I through R of part 162 of title 45 of the Code of Federal Regulations before October 16, 2003.

(b) SPECIAL RULES.—

(1) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

(A) as modifying the October 16, 2003,
subparts I through R of part 162 of title 45 of
the Code of Federal Regulations; or

(B) as modifying—

(i) the April 14, 2003, date for com-
pliance of a health care provider, a health
plan (other than a small health plan), or a
health care clearinghouse with subpart E
of part 164 of title 45 of the Code of Fed-
eral Regulations; or

(ii) the April 14, 2004, date for com-
pliance of a small health plan with subpart
E of part 164 of title 45 of the Code of
Federal Regulations.

(2) APPLICABILITY OF PRIVACY REQUIREMENTS
TO CERTAIN TRANSACTIONS PRIOR TO STANDARDS
COMPLIANCE DATE.—

(A) IN GENERAL.—Notwithstanding any
other provision of law, during the period that
begins on April 14, 2003, and ends on October
16, 2003, a health care provider or, subject to
subparagraph (C), a health care clearinghouse,
that transmits any health information in elec-
tronic form in connection with a transaction de-
scribed in subparagraph (B) shall comply with
the then applicable requirements of subpart E
of part 164 of title 45 of the Code of Federal
Regulations without regard to section 164.106
of subpart A of such part or to whether the
transmission meets any standard formats re-
quired by part 162 of title 45 of the Code of
Federal Regulations.

(B) TRANSACTIONS DESCRIBED.—The
transactions described in this subparagraph are
the following:

(i) A health care claims or equivalent
encounter information transaction.

(ii) A health care payment and remit-
tance advice transaction.

(iii) A coordination of benefits trans-
action.

(iv) A health care claim status trans-
action.

(v) An enrollment and disenrollment
in a health plan transaction.

(vi) An eligibility for a health plan
transaction.

(vii) A health plan premium payments
transaction.

(viii) A referral certification and au-
thorization transaction.
(ix) A transaction with respect to a first report of injury.

(x) A transaction with respect to health claims attachments.

(C) APPLICATION TO HEALTH CARE CLEARINGHOUSES.—For purposes of this paragraph, during the period described in subparagraph (A), an entity that would otherwise meet the definition of health care clearinghouse that processes or facilitates the processing of information in connection with a transaction described in subparagraph (B) shall be deemed to be a health care clearinghouse notwithstanding that the entity does not process or facilitate the processing of such information into any standard formats required by part 162 of title 45 of the Code of Federal Regulations.

(c) DEFINITIONS.—In this section—

   (1) the terms “health care provider”, “health plan”, and “health care clearinghouse” have the meaning given those terms in section 1171 of the Social Security Act (42 U.S.C. 1320d) and section 160.103 of part 160 of title 45 of the Code of Federal Regulations;
(2) the terms “small health plan” and “trans-
action” have the meaning given those terms in sec-
tion 160.103 of part 160 of title 45 of the Code of
Federal Regulations; and

(3) the terms “health care claims or equivalent
encounter information transaction”, “health care
payment and remittance advice transaction”, “co-
ordination of benefits transaction”, “health care
claim status transaction”, “enrollment and
disenrollment in a health plan transaction”, “eligi-
bility for a health plan transaction”, “health plan
premium payments transaction”, and “referral cer-
tification and authorization transaction” have the
meanings given those terms in sections 162.1101,
162.1601, 162.1801, 162.1401, 162.1501,
162.1201, 162.1701, and 162.1301 of part 162 of
title 45 of the Code of Federal Regulations, respec-
tively.