



TO: BMC Medical Staff Members

FROM: Karla Seaborn, HIPAA Privacy Officer

SUBJECT: HIPAA Privacy Rule – Organized Health Care Arrangement / Provider Portal

In accordance with the Health Insurance Portability and Accountability Act, Standards for Privacy of Individually Identifiable health Information (HIPAA) that became effective April 14, 2003, Bay Medical Center instituted some operational changes, including distribution of a Notice of Privacy Practices during the admission process, which describes the patient privacy rights and the hospital's privacy process for use and disclosure of protected health information. Each covered entity (hospitals and Physicians) must provide a written notice to their patients.

Bay Medical Center's Notice of Privacy Practices specifically states that patient information will be used and disclosed without the patient's signed authorization to Bay Medical Center Staff treating physicians. **However, it is the physician and his/her office staff's responsibility to handle any information that they received as confidential at all times. Access to patient information via the BMC Provider Portal/HPF will be audited.**

Additionally, per this letter, Bay Medical Center is acknowledging that the facility and its medical staff are an Organized Health Care Arrangement (OCHA) under the Rule. The OCHA is defined as a clinically integrated care setting in which individuals typically receive health care from more than one health provider. The OCHA covers activities only at the integrated delivery setting in the hospital. The physician's private practice is not part of the OCHA. Physicians, therefore, must issue their own notice and develop and comply with their own policies and procedures specific to their practice.

Physician agrees to indemnify and hold harmless Facility and its affiliates, directors, officers, employees and agents (individually and collectively, "Facility Indemnitee") against any and all losses, liabilities, judgments, penalties, awards and costs (including costs of investigation and legal fees and expenses) arising out of or related to (a) breach of PHI by Physician or Physician's office, including any claims for invasion of privacy, data breach or identity theft, and (b) any negligent or wrongful acts or omissions of Physician or Physician's employees, directors, officers, subcontractors, or agents, including failure to perform their obligations under this Agreement. Facility likewise agrees to indemnify and hold harmless Physician and its affiliates, directors, officers, employees and agents (individually and collectively, "Physician Indemnitee") against any and all losses, liabilities, judgments, penalties, awards and costs (including costs of investigation and legal fees and expenses) arising out of or related to (a) a breach of PHI by Facility, including any claims for invasion of privacy, data breach or identity theft, and (b) any (negligent or wrongful acts or omissions of Facility or Facility's employees, directors, officers, subcontractors, or agents, including failure to perform their obligations under this Agreement.

The benefits of an OCHA for Medical Staff members are:

- The Bay Medical Center Notice of Privacy Practices will serve as a joint notice for both the hospital and physician when the patient presents for treatment or hospitalization.
- A Business Associate Agreement will not be required for you to serve on Medical Staff Committees.
- The hospital can continue to work with you and share information to get you paid for the services.

Bay Medical Center assumes that the OCHA is in place between BMC and the individual Medical Staff members unless the physician specifically chooses to opt out of the OCHA in writing. If you decide to opt out of the OCHA, please contact Karla Seaborn, Bay Medical Center Privacy & Security Officer, to request the "Physician OCHA Opt Out Request Form." For additional information on this option, please contact Karla at 747-6670.

Physician Name (please print)

Physician Signature

Date