



Who and What Are Covered Entities?

Covered Entities

Let's say you work as an epidemiologist at the local health department. Does HIPAA prevent you from sharing information from your investigation of a foodborne illness outbreak with the local paper? The privacy regulations only apply to covered entities and their business associates. To find out whether you, as an epidemiologist, could share information, let's first look at the definition of a covered entity.

To be classified as a covered entity your organization must fall into one of the following three categories:

1. **A health plan** - individual or group plans that provide or pay the cost of medical care;
2. **A health care clearinghouse** - billing services, re-pricing companies, and community health information systems; or
3. **A health care provider** - medical or health services, (physicians, hospitals, clinics, dentists), but only those who **transmit health information in electronic format with a transaction DHHS has created standards for**. For example, a hospital that files electronic claims for health care services with Medicare and Medicaid would qualify as a covered entity.

To answer the question above, you wouldn't be able to share information with the local paper if your health department provided medical services, transmitted health information electronically, and if the information was connected to something DHHS had created a standard for. However, you could share the information if your health department didn't provide services that fall into any of the three categories listed above.

If you are a covered entity, you must then protect the privacy of any individually identifiable health information in your possession, regardless of its format (including information in electronic, paper and oral formats). Business associates are individuals or organizations (such as accountants or law firms) that perform certain tasks that require protected health information for or on the behalf of a covered entity. Covered entities are responsible for making sure their business associates follow the HIPAA privacy rules when handling protected health information.

Hybrid Entities

Does your agency have to follow the privacy rules when conducting surveillance and investigations? If your agency provides the services of a covered entity, then, yes, you are subject to HIPAA's Privacy Rule. For example, if your agency is responsible for food safety and also runs a health clinic that provides health care services, then your entire agency is covered as a health care provider.

However, if your agency provides covered and non-covered functions, it can file to become a hybrid entity. A covered function is a function that makes an entity a health plan, a health care provider, or a health care clearinghouse. As a hybrid entity, your agency could separate out its covered and non-covered functions for Privacy Rule purposes. For example, a health department may have a public health clinic that qualifies as a health care provider and an environmental health office. On its own, the environmental health office doesn't qualify as a covered entity. If the health department files as a hybrid entity, the environmental health office is not subject to privacy rule. However, this will limit the department's ability to share protected information between offices.

To determine whether your agency is subject to HIPAA, you should consult with your counsel.