

# Blue Cross and Blue Shield of North Carolina Ensures Patient Privacy

## HIPAA Compliance Initiative Wins Insurer Recognition by Industry

### Abstract

Committed to the confidentiality of protected health information for its members, Blue Cross and Blue Shield of North Carolina (BCBSNC) sought to address the broad privacy requirements of the Health Insurance Portability and Accountability Act (HIPAA), while minimizing the cost of the initiative and maximizing the business benefits.

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**“Keane provided a solution that not only achieved HIPAA readiness on time, but helped establish best practices, which are now entrenched in our organization and have received excellent comments from an external auditor.”**

Harry Reynolds, Vice President of HIPAA and Information Compliance Officer, BCBSNC

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Based on the company’s ongoing successful relationship with Keane and Keane’s HIPAA Practice, BCBSNC extended the partnership to address the impact of HIPAA’s privacy regulations on its enterprise. Keane provided the project management oversight and best practices that enabled BCBSNC to smoothly implement its HIPAA privacy initiative on time.

### Client

Blue Cross and Blue Shield of North Carolina (BCBSNC) is the largest health insurer in North Carolina with a membership of 2.9 million, or approximately one-third of the State’s population. For 70 years, the company’s mission has been to offer its members innovative healthcare products,

information, and services that promote good health. BCBSNC also offers life, dental, longterm care, and disability insurance products.

### Challenge

A costly and complex HIPAA standard, the Privacy Rule regulates electronic as well as non-electronic forms of protected health information (PHI).

BCBSNC looked to implement a cost-effective, enterprise-wide HIPAA privacy program that would address vendor contracts, internal policy and procedural changes, systems enhancements, and workforce training related to PHI. Due to the vastness of the legislation and the severe liability penalties for noncompliance, BCBSNC required a partner with the necessary HIPAA knowledge and project management expertise to oversee the program.

Leveraging its existing relationship and Keane’s dedicated HIPAA Practice, BCBSNC partnered with Keane to lead the implementation strategy in order to support the privacy regulations before the fast-approaching April 14, 2003 deadline.

### Solution

Keane worked closely with BCBSNC’s HIPAA Project Management Office and Privacy Office to develop an enterprise-wide plan to support HIPAA’s Privacy Rule. From the formalized plan, Keane created sub-projects, along with the tools and guidelines needed to effectively execute the plan. Leveraging expertise in project planning, project management, and business analysis,

Keane led the efforts within BCBSNC’s various departments, including:

### Business Process Compliance

The Privacy Office and Keane worked

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**“Keane consultants provided us with privacy expertise while functioning as valuable team members who understand our goals and operational realities. Their contributions were key to our success.”**

Jackie Boydon, Senior Counsel, Chief Privacy Official, BCBSNC

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together to define a policy framework that would serve as the basis for BCBSNC’s privacy practices. Keane then managed the development of corporate privacy procedures by cross-functional workgroups. Keane provided the oversight for the implementation of these policies and procedures across all of the affected business units through project plan development, weekly meetings, and progress tracking.

### Contract Compliance

Keane developed a process for establishing “business associate” agreements with vendors who perform services for, or on behalf of, BCBSNC that involve the use or disclosure of PHI. Working with the Privacy Office, Keane developed privacy guidelines for BCBSNC vendor relationship owners, as well as the vendors that were identified as business associates. These guidelines outline how business associates are expected to support BCBSNC’s new privacy practices.

### Training

With BCBSNC’s Corporate Training department, Keane developed an education strategy for more than 3000 workforce members. This program included analyzing and

implementing online tools, training, and metrics. The online training enabled stakeholders to monitor completion and update course information, and complete the training at significant cost savings well before the deadline.

### **Systems Compliance**

Keane coordinated the implementation of technology changes to BCBSNC's existing business systems to support HIPAA requirements. As part of this project, automated system functions were introduced to enable BCBSNC to efficiently respond to customers exercising their newly established privacy rights, such as requesting confidential communications or an accounting of disclosures made by BCBSNC.

### **Benefits**

BCBSNC's partnership with Keane enabled BCBSNC to achieve HIPAA privacy readiness on time and establish a solid privacy infrastructure that is well integrated into BCBSNC's daily operations. Keane's solution equips the company to:

- Offer improved customer service through upgraded systems that promote patient privacy
- Assist its business associates in easily understanding their privacy obligations with BCBSNC through comprehensive compliance guidelines
- Minimize workforce disruptions through convenient computer-based

training A recent quarterly industry benchmarking survey, conducted by an independent third party, rated BCBSNC as "above industry standards" with respect to best practices adopted as part of a HIPAA privacy implementation.

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*Keane is a global services firm that specializes in enabling transformation of its clients' business and IT functions.*