HIPAA's SCOPE

Definition of Protected Health Information (PHI)

The definition of PHI is best understood as having three parts:

(1) individually identifiable health information

(2) in any form – oral, electronic, paper

(3) relates to any past, present, or future health condition or to healthcare or to payment for healthcare

Covered Entities (CEs)

HIPAA's primary scope applies to what HIPAA calls "covered entities" (CEs).

Covered entities include:

(1) health plans

(2) health care clearinghouses
(entities that process data from claims)

(3) health care providers
(such as doctors and hospitals)

HIPAA only applies when entities engage in "**electronic processing**," which means that they use the "standard format" under HIPAA.

Most health care providers use the standard format – it is essential for insurance coverage. Thus, nearly any entity that takes health insurance will be engaging in electronic processing and be covered by HIPAA.

Business Associates (BAs)

HIPAA also applies to "business associates" (BAs).

A business associate (BA) is a person or entity that creates, receives, maintains, or transmits protected health information in fulfilling certain functions for a covered entity or for another business associate.

HIPAA authorizes HHS's Office for Civil Rights (OCR) to enforce directly against BAs. OCR has the power to audit, investigate, and fine BAs.