Laboratories Don’t Need Business Agreements Under HIPAA

One of the requirements of the HIPAA privacy rule is that dentists enter into contracts called business associate agreements, with companies that perform certain functions on their behalf. This process involves the use or disclosure of individually identifiable health information.

While the relationship between dentists and dental laboratories involves the disclosure of individually identifiable health information, the U.S. Department of Health and Human Services, Office of Civil Rights has said dentists and dental laboratories do not have to have signed business associate agreements. This requirement has not changed despite the passage of the American Recovery and Reinvestment Act.

The American Recovery and Reinvestment Act, also known as the federal stimulus bill, included both privacy and security related provisions. These provisions required an amendment to the HIPAA business associate agreements. However, because dental laboratories are still defined as health care providers for purposes of this regulation, you do not need to sign business associate agreements from your dental clients.

Health care providers are permitted by the HIPAA privacy rule to disclose individually identifiable health information to another health care provider as necessary for patient treatment. In the case of a dental laboratory, treatment includes the activities of the laboratory in providing the prosthetic, the communication between the dentist and the laboratory, and supplying prosthesis to the patient.

Effective Date
Revision of the HIPAA rules and accountability for business associates (BAs) became effective Feb. 17, 2010.

What’s Permitted
Health care providers are permitted by the privacy rule to disclose individually identifiable health information to another health care provider for the treatment activities of another health care provider.

Why Have It
“A major goal of the privacy rule is to assure that individuals’ health information is properly protected while allowing the flow of health information needed to provide and promote high quality health care and to protect the public’s health and well being,” according to the U.S. Department of Health and Human Services.

The HHS Office for Civil Rights (OCR) will provide assistance to help covered entities prepare to comply with the rule. OCR maintains a web site with information on the new regulation, including guidance for documents and frequently asked questions, at http://www.hhs.gov/ocr/hipaa/.