

NEW HIPAA REGULATIONS TAKING EFFECT JULY 1

SUNRISE, Fla., June 16 /PRNewswire/ -- Final regulations on employee group plan coverage under the federal Health Insurance Portability and Accountability Act (HIPAA) that were enacted last December go into effect July 1 for most employers using non-calendar-year health plans. Unfortunately for employers, these new regs are neither brief nor simple, says Ashley Kaplan, head of the Sunrise-based G.Neil Corp. labor law team. "The examples in the final regulations regarding an employee's or dependent's right to enroll in a health plan upon losing other health coverage may surprise some plan sponsors," she said. "Employers need to know that their administrative practices and HIPAA-required notices should be reviewed to ensure compliance with these final regulations."

What Employers Need to Know About HIPAA - "Basically," Kaplan noted, "you need to make it your business to be informed about HIPAA - and very soon, because July 1st is almost here." She and the legal team at G.Neil advise employers to be aware of these basics of the new regulations:

A Certificate of Creditable Coverage, with federally revised content, must be given to an employee when he or she loses health coverage (i.e., when changing jobs). When given to the employee, the Certificate of Creditable Coverage must contain an educational statement about the person's coverage portability and other rights under HIPAA.

Before July 1, all group summary plan descriptions (SPDs) and employee communications that define "creditable coverage" need to be revised, and plans' administrative practices should be reviewed to ensure compliance with the new regulations.

All plan and SPD provisions and notices related to pre-existing medical conditions should be reviewed for compliance with the new regs, along with current language regarding specific benefit waiting periods.

The new regulations provide guidance about the frequently complicated interaction between HIPAA's portability rules and employee leave under the Family and Medical Leave Act (FMLA).

Editor's Note: Calendar-year healthcare plans do not become subject to the new HIPAA regulations until January 1, 2006.

G.Neil, which has specialized in labor law and human resource solutions for more than 15 years, offers numerous tools to help employers comply with HIPAA, including its HIPAA Comprehensive Answer Kit. For more information or to request a catalog, call toll-free at 1-800-999-9111 or visit <http://www.gneil.com>