# A BILL FOR AN ACT

RELATING TO HEALTH CARE INFORMATION.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that the privacy of
- 2 health information has been greatly enhanced by the federal
- 3 Health Insurance Portability and Accountability Act ("HIPAA")
- 4 and related federal laws and regulations. HIPAA encourages the
- 5 timely, secure, electronic transmission of individually
- 6 identifiable health information, with important benefits for
- 7 patients. The legislature also finds that HIPAA and related
- 8 federal regulations provide a comprehensive regulatory scheme
- 9 that protects the privacy of patients' health information while
- 10 allowing reasonable access by health care providers, health
- 11 plans, and health-oversight agencies.
- 12 The legislature further finds that the safety and
- 13 protection of the health care consumer are paramount. The
- 14 federal Health Information Technology for Economic and Clinical
- 15 Health Act promotes the development of statewide health care
- 16 information architecture that allows health care providers to
- 17 share health care information, improve health care consumer
- 18 safety, and reduce instances of redundant tests and procedures,



- 1 leading to an overall reduction of health care costs while
- 2 maintaining privacy and confidentiality in accordance with
- 3 HIPAA.
- 4 Hawaii has over fifty different laws and rules, however,
- 5 that govern health care privacy. This complex array of state
- 6 laws and rules unduly burdens health care providers who attempt
- 7 to share or access critical information at the point of care and
- 8 imposes unnecessary administrative costs and daunting regulatory
- 9 burdens without countervailing benefits.
- 10 The purpose of this Act is to ensure that covered entities
- 11 and their business associates subject to HIPAA, who use or
- 12 disclose health information in a manner permitted by and
- 13 consistent with HIPAA's Privacy Rule (45 C.F.R. Part 164,
- 14 subpart E) shall be deemed to be acting in compliance with state
- 15 privacy laws and regulations, including section 334-5, Hawaii
- 16 Revised Statutes, regarding the use and disclosure of mental
- 17 health records; section 333E-6, Hawaii Revised Statutes,
- 18 regarding the use and disclosure of developmental disabilities
- 19 records; and section 325-101, Hawaii Revised Statutes, regarding
- 20 the use and disclosure of records related to the human
- 21 immunodeficiency virus, acquired immune deficiency syndrome
- 22 (AIDS), and AIDS-related complex.

HB1957 HD2 HMS 2012-2387

- 1 SECTION 2. The Hawaii Revised Statutes is amended by
- 2 adding a new chapter to be appropriately designated and to read
- 3 as follows:
- 4 "CHAPTER
- 5 HEALTH CARE PRIVACY HARMONIZATION ACT
- 6 § -1 Applicability. This chapter shall apply, unless
- 7 amended by specific reference to this chapter or any section
- 8 thereof.
- 9 S -2 Definitions. As used in this chapter:
- 10 "Breach" has the same meaning as in 45 Code of Federal
- 11 Regulations section 164.02, as may be amended.
- "Business associate" has the same meaning as in 45 Code of
- 13 Federal Regulations section 160.103, as may be amended.
- 14 "Covered entity" has the same meaning as in 45 Code of
- 15 Federal Regulations section 160.103, as may be amended.
- 16 "Disclosure" has the same meaning as in 45 Code of Federal
- 17 Regulations section 160.03, as may be amended.
- 18 "Health information" has the same meaning as in 45 Code of
- 19 Federal Regulations section 160.103, as may be amended.
- 20 "Individually identifiable health information" has the same
- 21 meaning as in 45 Code of Federal Regulations section 160.103, as
- 22 may be amended.

HB1957 HD2 HMS 2012-2387

•

- 1 "Unsecured protected health information" has the same
- 2 meaning as in 45 Code of Federal Regulations section 164.402, as
- 3 may be amended.
- 4 "Use" has the same meaning as in 45 Code of Federal
- 5 Regulations section 160.03, as may be amended.
- 6 § -3 Privacy of individually identifiable health
- · 7 information. (a) Notwithstanding any law to the contrary, any
  - 8 use or disclosure of individually identifiable health
  - 9 information by any covered entity or business associate that is
- 10 permitted by 45 Code of Federal Regulations Part 164, Subpart E,
- 11 shall be deemed to comply with all state laws relating to the
- 12 use, disclosure, or confidentiality of such information.
- (b) Notwithstanding any law to the contrary, an
- 14 authorization for release of individually identifiable health
- 15 information that complies with 45 Code of Federal Regulations
- 16 section 164.508 shall be deemed to comply with all state laws
- 17 relating to individual authorization.
- (c) Notwithstanding any law to the contrary, any notice of
- 19 breach of unsecured protected health information that complies
- 20 with 45 Code of Federal Regulations Part 164, Subpart D, shall
- 21 be deemed to comply with all state laws relating to notice of
- 22 breach of protected health information.

HB1957 HD2 HMS 2012-2387

1	S	-4 Relationship to other laws. Nothing in this
2	chapter s	hall be construed to:
3	(1)	Authorize the disclosure of individually identifiable
4		health information to the extent that disclosure is
5		restricted by federal law or regulations, including
6		federal regulations about the confidentiality of
7		information about drugs and alcohol, as set forth in
8		42 Code of Federal Regulations Part 2;
9	(2)	Compel the disclosure of individually identifiable
10		health information that is not required by law to be
11		disclosed;
12	(3)	Require a written authorization for release of
13		individually identifiable health information or de-
14		identified information to the extent that the Health
15		Insurance Portability and Accountability Act (42
16		U.S.C. 201 et seq.), and its related regulations, as
17		may be amended, does not require such authorization;
18	(4)	Limit or otherwise affect any state law that:
19		(A) Requires persons or entities to report disease,
20		injury, child abuse, elder abuse, domestic
21		violence, birth, or death; or

## H.B. NO. 1957 H.D. 2

1		(B) Governs public health surveillance,
2		investigation, or intervention;
3	(5)	Limit or otherwise affect health plan reporting,
4		including reporting required for purposes of state
5		management or financial audits; or
6	(6)	Limit or otherwise affect any evidentiary privilege,
7		limitation on discovery, or confidentiality protection
8		provided by any state law, decision, or order in
9		relation to individually identifiable health
10		information sought, used, or produced in any judicial
11		or administrative proceeding."
12	SECT	TON 3. This Act shall take effect on January 1, 3000.

### Report Title:

Health Care Information; Privacy

### Description:

Clarifies that persons and entities governed by the Health Insurance Portability and Accountability Act (HIPAA), who use or disclose individually identifiable health information that is consistent with HIPAA regulations, shall be deemed to be in compliance with Hawaii's privacy laws and rules. Effective January 1, 3000. (HB1957 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.