

HIPAA/HITECH Fine of \$1,215,780 for Copier Breach of PHI



August 16, 2013: Under a settlement with the U.S. Department of Health and Human Services (HHS), Affinity Health Plan, Inc. will settle potential violations of the HIPAA Privacy and Security Rules for \$1,215,780. Affinity Health Plan is a not-for-profit managed care plan serving the New York metropolitan area.

Affinity filed a breach report with OCR on April 15, 2010, as required by the HITECH Act. The HITECH Breach Notification Rule requires HIPAA-covered entities to notify HHS of a breach of unsecured PHI. Affinity indicated that it was informed by a representative of CBS Evening News that, as part of an investigatory report, CBS had purchased a photocopier previously leased by Affinity. CBS informed Affinity that the copier that Affinity had used contained confidential medical information on the hard drive.

Affinity estimated that up to 344,579 individuals may have been affected by this breach. OCR's investigation indicated that Affinity impermissibly disclosed the protected health information of these affected individuals when it returned multiple photocopiers to leasing agents without erasing the data contained on the copier hard drives. In addition, the investigation revealed that Affinity failed to incorporate the EPHI stored on photocopier hard drives in its analysis of risks and vulnerabilities as required by the Security Rule, and failed to implement policies and procedures when returning the photocopiers to its leasing agents. In addition to the \$1,215,780 payment, the settlement includes a corrective action plan requiring Affinity to use its best efforts to retrieve all hard drives that were contained on photocopiers previously leased by the plan that remain in the possession of the leasing agent, and to take certain measures to safeguard all EPHI.

Client Testimonial

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efirst is best positioned to be your turn-key compliance and security solutions partner. Our seasoned Practice Team and guaranteed prices will serve you best in meeting compliance and security requirements. I look forward to hearing from you and to discussing how efirst can assist with jumpstarting your HIPAA and HITECH initiatives. Thanks!

John T. Schelewitz
Senior Territory Manager
efirst
P: 480.663.3225
E: john.schelewitz@efirst.com

It is time to comply!

