



## OFFICE FOR CIVIL RIGHTS

### **HIPAA Settlement Highlights the Continuing Importance of Secure Disposal of Paper Medical Records**

Cornell Prescription Pharmacy (Cornell) has agreed to settle potential violations of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule with the Department of Health and Human Services (HHS), Office for Civil Rights (OCR). Cornell will pay \$125,000 and adopt a corrective action plan to correct deficiencies in its HIPAA compliance program. Cornell is a small, single-location pharmacy that provides in-store and prescription services to patients in the Denver, Colorado metropolitan area, specializing in compounded medications and services for hospice care agencies in the area.

OCR opened a compliance review and investigation after receiving notification from a local Denver news outlet regarding the disposal of unsecured documents containing the protected health information (PHI) of 1,610 patients in an unlocked, open container on Cornell's premises. The documents were not shredded and contained identifiable information regarding specific patients. Evidence obtained by OCR during its investigation revealed Cornell's failure to implement any written policies and procedures as required by the HIPAA Privacy Rule. Cornell also failed to provide training on policies and procedures to its workforce as required by the Privacy Rule.

"Regardless of size, organizations cannot abandon protected health information or dispose of it in dumpsters or other containers that are accessible by the public or other unauthorized persons," said OCR Director Jocelyn Samuels. "Even in our increasingly electronic world, it is critical that policies and procedures be in place for secure disposal of patient information, whether that information is in electronic form or on paper."

In addition to the \$125,000 settlement amount, the agreement requires Cornell to develop and implement a comprehensive set of policies and procedures to comply with the Privacy Rule, and develop and provide staff training. The Resolution Agreement can be found on the OCR website at:

<http://www.hhs.gov/ocr/privacy/hipaa/enforcement/examples/cornell.html>

OCR offers helpful FAQs concerning HIPAA and the disposal of protected health information:

<http://www.hhs.gov/ocr/privacy/hipaa/enforcement/examples/disposalfqs.pdf>

To learn more about non-discrimination and health information privacy laws, your civil rights, and privacy rights in health care and human service settings, and to find information on filing a complaint, visit us at <http://www.hhs.gov/ocr/office>

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