



Developing People. Driving Results. Delivering Impact.

HIPAA Considerations for Closing the Referral Loop

A Guide for Healthcare and Community Organizations





TABLE OF CONTENTS

HIPAA CONSIDERATIONS FOR CLOSING THE REFERRAL LOOP	3
HOW CARE CYCLE™ SUPPORTS HIPAA-COMPLIANT REFERRAL WORKFLOWS	3
WHAT IS HIPAA?	4
WHAT HIPAA MEANS FOR SDOH REFERRALS	4
SUMMARY	5
WHAT ENTITIES ARE COVERED & WHAT COUNTS AS PHI.....	5
HOW THIS APPLIES TO SDOH REFERRAL LOOP CLOSURE	6
CONSEQUENCES OF OVERSTEPPING HIPAA.....	6
HIPAA COMPLIANCE. EMBEDDED AND BUILT TO SCALE.....	6
ABOUT EINHEIT	7
WHO WE SERVE	7
CORE SERVICES.....	7
<i>Workforce Training & System Design</i>	<i>7</i>
<i>Data & Process Optimization</i>	<i>7</i>
PRIORITY SOLUTION.....	7
CARE CYCLE™ - LOOP CLOSURE TRAINING FOR PROFESSIONALS.....	7
<i>Contact Us</i>	<i>8</i>

This document and the concepts within are the proprietary property of Einheit Consulting LLC. It is provided solely for the purpose of evaluation and discussion with prospective partners and clients. No portion of this material including ideas, frameworks, training methodologies, or descriptions of solutions may be copied, shared, implemented, or distributed without the prior written consent of Einheit Consulting LLC.

© Einheit Consulting LLC. All rights reserved.

HIPAA

Considerations for Closing the Referral Loop

Strengthening the healthcare delivery ecosystem.



This guide offers a clear, practical overview on sharing patient information responsibly across sectors to ensure privacy, strengthen coordination, and support improved outcomes. As healthcare systems expand partnerships with non-clinical entities to address social drivers of health (SDOH), the need for HIPAA-compliant data-sharing practices has never been greater.

Whether you're a community-based organization, provider, or payer, understanding HIPAA and what minimum necessary means in your context is essential. For tailored support or training on HIPAA-compliant referral workflows, contact Einheit Consulting to explore our flexible training options.

How Care Cycle™ Supports HIPAA-Compliant Referral Workflows

Care Cycle™ - Loop Closure Training for Professionals equips organizations to close the loop on social needs referrals while maintaining compliance with HIPAA and related privacy standards. Our process helps teams understand what qualifies as minimum necessary information, how to document outcomes appropriately, and when to use tools like Business Associate Agreements (BAAs). Whether your organization is clinical or non-clinical, Care Cycle™ provides a structured, scalable approach to exchanging referral data securely and legally, even in tech-constrained environments. With clear workflows and practical training, we help ensure patient trust, data integrity, and regulatory alignment remain at the center of every referral.

What Is HIPAA?

HIPAA stands for the *Health Insurance Portability and Accountability Act of 1996*. ([CDC](#))

It is a U.S. federal law that sets national standards to protect individuals' **protected health information (PHI)** — this includes medical, payment, treatment or demographic data that identifies an individual. ([HHS.gov](#))



HIPAA includes multiple “rules,” including:

- ◇ The **Privacy Rule**, which governs how PHI can be used or shared, limits disclosures, and grants individuals rights over their health information. ([HHS.gov](#))
- ◇ The **Security Rule**, which sets standards for safeguarding electronic PHI (administrative, technical, physical safeguards). ([HHS.gov](#))
- ◇ The Business Associate framework: non-clinical or non-healthcare entities that handle PHI on behalf of a covered entity must comply under contract (BAA) and follow HIPAA's rules. ([HHS.gov](#))

What HIPAA Means for SDOH Referrals

- ◇ When a healthcare provider or plan refers a patient to a non-clinical partner (CBO, social service agency), outcome data and other follow-ups may constitute PHI. Sharing that data must comply with HIPAA.
- ◇ The Privacy Rule permits sharing PHI for treatment, care coordination, case management without needing separate patient authorization, *if* such sharing is done under “minimum necessary” standards. ([HealthIT.gov](#))
- ◇ Non-clinical entities (CBOs, etc.) receiving PHI may need a Business Associate Agreement (BAA) or similar legal contract so that they legally commit to protecting PHI under HIPAA and follow required safeguards. ([HHS.gov](#))
- ◇ There must be policies and procedures around what PHI is exchanged, how it's transmitted, stored, and who can access it — technical, physical, and administrative safeguards as per the Security Rule. ([HHS.gov](#))

Organizations must document what is shared, keep records, train staff, and limit data to the “minimum necessary” for the purpose (referral outcome, intervention confirmation, etc.). This helps avoid over-sharing or misuse of PHI.

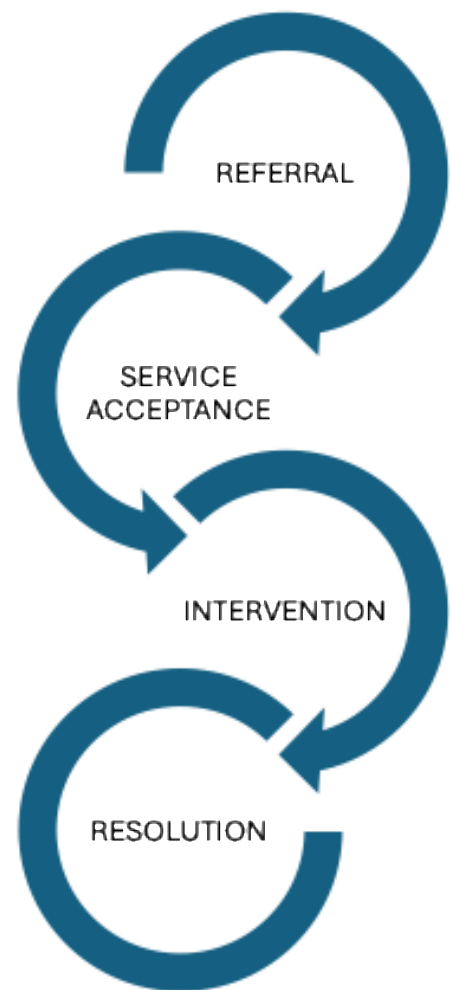
Summary

When you “close the referral loop”, you track from referral → service acceptance → intervention → resolution.

Any data shared along that chain that qualifies as PHI must be handled in a legally compliant way. That means using agreements (like BAAs), sharing only what’s necessary, securing data, and training everyone involved.

What Entities Are Covered & What Counts as PHI

- ◇ **Covered Entities:** Health care providers, health plans, and health care clearinghouses as defined in HIPAA are directly bound by HIPAA’s Privacy and Security Rules. Non-clinical organizations (e.g. social services, community-based entities) may be covered entities *only if* they engage in certain HIPAA transactions. Otherwise, they may become **Business Associates** or operate under other agreements if they handle PHI on behalf of a covered entity. ([HHS.gov](https://www.hhs.gov))
- ◇ **Business Associates:** Organizations that receive, maintain, transmit, or otherwise use PHI as part of providing services for a covered entity must sign a Business Associate Agreement (BAA). The BAA specifies what they can do with PHI and requires them to safeguard it under HIPAA standards. ([HHS.gov](https://www.hhs.gov))
- ◇ **Protected Health Information (PHI):** Any individually identifiable health information, whether physical, electronic, or oral, that relates to past, present or future health conditions, treatment or payment, and is linked to an identified or identifiable person. Even when shared with non-clinical entities, HIPAA protections apply if PHI originates from a covered entity or its business associate. ([HHS.gov](https://www.hhs.gov))



How This Applies to SDOH Referral Loop Closure

When a healthcare provider refers a patient to a non-clinical partner (CBO or social service agency) for SDOH, it is legal under HIPAA to share PHI for treatment or coordination purposes without separate authorization, provided minimum necessary protections are met. Care Cycle workflows should explicitly define what PHI is shared (e.g., patient ID, referral date, outcome) and limit exposure.

The CBO or partner receiving outcome data should either be a business associate or operate under an agreement stating similar privacy/security obligations—including secure data handling, authorized access, and reporting obligations.

SOPs and training are necessary so all parties understand their roles: who collects what, when, and how referrals and outcomes data flow back.

Consequences of Overstepping HIPAA

Covered entities or business associates who disclose more PHI than needed—or without required agreements—can face fines, investigations by the HHS Office for Civil Rights, reputational harm, and contract/funding loss. ([HHS.gov](https://www.hhs.gov))

Non-clinical partners may inadvertently become covered by obligations (and liabilities) if handling PHI without adequate security or contract.

HIPAA Compliance. Embedded and Built to Scale.

Sharing data between clinical and non-clinical partners can feel risky.

We simplify compliance by embedding safeguards into every step:

- ◇ Only share **minimum necessary** info
- ◇ Use clear roles to avoid triggering unintended HIPAA obligations
- ◇ Offer guidance on **consent, reporting, and BAAs**
- ◇ Provide workflows tailored for low-tech, high-risk environments

Privacy violations can cause fines and funding loss — but ***inaction can cause harm, too.*** Care Cycle™ helps you protect your community ***and*** your organization.

Ask us about HIPAA-Ready Referrals.



About Einheit

(pronounced EIN-hite, rhymes with “mine-kite”)

Einheit Consulting provides solutions for healthcare delivery systems that close critical process and service gaps impacting care delivery and community outcomes. We help organizations put compliance requirements into real-world context. Our approach combines operational expertise with a people-first mindset to cultivate a system shaped by the voices of those it is meant to serve.

Core Services

Our evolving healthcare system demands safety nets that are responsive and built to last. Einheit develops practical, people-centered training and workflows that strengthen compliance, reporting, and whole-person care.

Workforce Training & System Design

Our services are designed to equip teams with skills needed to close gaps, reduce administrative burden, and build confidence across clinical and community settings.

Data & Process Optimization

We work with organizations to reduce waste and align with regulatory, accreditation, and funding requirements.

Who We Serve

- Community-Based Organizations (CBOs)
- Community Health Organizations (CHOs)
- Federally Qualified Health Centers (FQHCs)
- Managed Care Organizations (MCOs)
- Payers & Administrative Leaders

Priority Solution

Care Cycle™ - Loop Closure Training for Professionals

Care Cycle™ - Loop Closure Training for Professionals is customized training and workflows that codify the process for referral data collection, intervention, and reporting. Care Cycle™ embeds processes that:

- ◇ Are HIPAA compliant.
- ◇ Connect clinical and social supports.
- ◇ Enhance data collection.
- ◇ Operationalize improvement.
- ◇ Reduce system inefficiency & leakage.
- ◇ Support Value-Based & Advanced Primary Care (APC) models.

References

- Connecting for Better Health. (2024, May 2). *Cross-Sector Data Sharing: HIPAA Considerations for Data Exchange Between Health Care Entities and Community-Based Organizations*. <https://connectingforbetterhealth.com/resources/cross-sector-data-sharing-hipaa-considerations-for-data-exchange-between-health-care-entities-and-community-based-organizations/> (Connecting for Better Health)
- U.S. Department of Health & Human Services. (2018, January 4). *FAQ: Does HIPAA permit health care providers to share PHI about an individual with mental illness with a third party for continuity of care purposes?* <https://www.hhs.gov/hipaa/for-professionals/faq/3008/does-hipaa-permit-health-care-providers-share-phi-individual-mental-illness-third-party-not-health-care-provider-continuity-care-purposes/index.html> (HHS.gov)
- U.S. Department of Health & Human Services. (2025, March 14). *Summary of the HIPAA Privacy Rule*. <https://www.hhs.gov/hipaa/for-professionals/privacy/laws-regulations/index.html> (HHS.gov)
- U.S. Department of Health & Human Services. (n.d.). *Business Associates*. <https://www.hhs.gov/hipaa/for-professionals/privacy/guidance/business-associates/index.html> (HHS.gov)

Contact Us

Einheit Consulting LLC

Phone: (855) 346-4348

Email: einheit@einheitconsulting.com

Web: www.einheitconsulting.com

Legal Disclaimer

The information provided in this document is for general informational purposes only and does not constitute legal advice, guidance, or a substitute for professional consultation. Einheit Consulting LLC makes no representations or warranties as to the accuracy, completeness, or suitability of the information contained herein for any specific organization or use case.

Health Information Privacy regulations under the Health Insurance Portability and Accountability Act (HIPAA) are complex and context dependent. Determining what constitutes the “minimum necessary” protected health information (PHI) to disclose in any given scenario requires a detailed understanding of the organization's structure, role, and use case. Therefore, organizations are strongly advised to seek a professional consultation to assess their specific needs, workflows, and legal obligations.

Use of this document does not create an attorney-client relationship, and Einheit Consulting LLC disclaims any liability for decisions made or actions taken based on the information provided. For tailored advice or HIPAA workflow consultation, please contact a qualified healthcare privacy or compliance professional.