The privacy rule's saving holds until one new patient in nine asks about privacy.

The Health Insurance Portability and Accountability Act privacy rule takes effect on 19 January 2027. At the Department's own incidence it is worth $703m a year, or $829 a covered entity; above about one new patient in nine discussing the notice, it becomes a cost.

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Key points

- The final rule is effective on 19 January 2027. It abolishes the written acknowledgment of the privacy notice and makes a discussion of that notice the patient's right.
- The Department values the abolished signature at $798m a year, but the discussion that replaces it costs $69.7m, and the two net on one base of new visits.
- The saving is $703m a year, $829 a covered entity, and it reaches zero at about one new patient in nine discussing the notice.
- Measure the discussion rate this quarter, publish the contact channel and post the fee schedule at the ceiling; do not rebuild release of information.

The final privacy rule under the Health Insurance Portability and Accountability Act (HIPAA), published on 19 November 2026, abolishes the patient's written acknowledgment of the privacy notice. In its place it makes a discussion of that notice the patient's right. The rule is effective on 19 January 2027 and compliance binds from 19 July 2027 [s1].

The Department of Health and Human Services values the abolished signature at $798m a year, mid-range, on 17.9 million clerk-hours [s1]. That is a burden valuation, not cash: it becomes money only if the hours leave a budget. Against it the rule sets the cost that replaces it, seven minutes of discussion for 1 per cent of new visits, $69.7m a year [s1]. On the same base of new visits, one visit is worth $1.30 and one discussion costs $11.37.

Netting the saving against the discussion, the copy labour and the capital gives $703m a year [s1]. That is $829 for each of 847,506 covered entities. The saving survives only while few patients discuss the notice: it reaches zero at 10.3 to 11.1 per cent of new visits, about one in nine.

The commission's second half, the money moving into the widened care-coordination permission, is not priced here. No captured source measures that permission, and this article does not pretend to.

First-visit-heavy providers gain: urgent care, emergency departments, primary care, behavioural health and hospital outpatient intake. Release-of-information functions and their vendors lose $1.47m of fee income across the industry, 0.2 per cent of the net saving [s1]. The chief privacy officer should publish the contact channel and start measuring the discussion rate in January 2027, before the effective date.

The bottom line

The saving is real but it is a burden valuation, and it ends at about one new patient in nine discussing the notice. Measure that rate this quarter, publish the discussion channel, post the fee schedule at the ceiling, and leave release of information alone.

What the rule changes

Two obligations sit on the moment the notice reaches a new patient. The acknowledgment that is abolished consumed 1 minute 45 seconds of clerk time, and 1 minute 15 seconds of clerk time is retained for handing over the notice [s1]. The discussion that replaces it is costed at seven minutes for 1 per cent of 613 million new visits, which is 6.13 million discussions, 715,617 hours and $69,743,053 [s1].

The smaller changes matter to specific functions. Individuals gain the right to direct a copy to a designee, which adds 234,101 hours and $12,781,931 of labour [s1]; plans and providers receive 100,450 hours and $5,484,570 of it [s1]. The 15-day access clock adds 80,033 hours and $4,369,820 [s1]. The fee must be posted at a cost-based ceiling, not a floor, and internet-based access carries no allowable labour charge [s1].

The Department prices clerk time at $44.64 an hour [s1]. It also prints an inmate-notice line of $2,941,915 a year for 3,026,662 notices [s1].

What the Department thinks it is worth

The mid-range saving is $798,126,000, on a published range of $228,036,000 to $1,330,210,000 [s1]. Its recurring cost is $95,194,170 of labour and $180,513 of capital, and its first-year net is $14,146,519 because $688,604,798 of implementation cost is non-recurring [s1]. That leaves $702,751,317 a year in years two to five [s1].

The first year is therefore a 2.05 per cent margin on implementation: an overshoot of more than that makes the industry's first year a net cost. The hours freed are 29.17 per thousand new registrations, and the net is $829 an entity against $112 of added recurring labour.

Because the saving is hours and not cash, realisation decides it. At 90 per cent the industry net is $622.94m, at 75 per cent $503.22m and at 50 per cent $303.69m; at zero, only the added labour and capital remain. The nearest strategy-firm work on US administrative cost sizes the wider pool without pricing this rule's mechanism [s10].

Where the money moves inside a company

The five priced lines are the conversation at $69,743,053, the two copy lines at $12,781,931 and $5,484,570, the search and retrieval line at $4,369,820, and the inmate line [s1]. At the Department's printed $2,941,915 the five sum to $95,321,289, which is $127,119, or 0.134 per cent, above its stated total [s1]. At the $44.64 clerk rate the printed inmate volume and 1 minute 15 seconds imply $2,814,796, and it is that rebuild which reconciles the stated $95,194,170 to the dollar.

Law-firm analysis published on the day of the rule reaches the same ranking: the relief rests largely on eliminating notice acknowledgments, while the heavier lift in access workflows and fee practices falls on providers, plans and their vendors [s3]. The fee limb is the small one. Removing the search and retrieval element from the fee transfers $1,470,883 a year to individuals, on 6.8 per cent of 4,802,000 copies of records received, which is $1.74 a covered entity and 0.209 per cent of the net saving [s1]. New copy labour in the two directed streams is $18.27m, 15.4 times the fee [s1].

One number a board will ask for is not part of this rule's costed effect. The burden list adds 18 hours per covered entity for minimum-necessary determinations, which is 15,255,108 hours, 12.78 times the hours behind the priced lines, and $681.0m at the clerk rate [s1]. It is excluded because the list's own preamble says its changes "include updated data and estimates for some provisions of the HIPAA Rules that are not affected by this final rule" [s1]. It is excluded also because the five affected lines compose the Department's total. Add the 18 hours and the saving disappears, so the number belongs in the board pack with that reasoning beside it.

What one company nets, and how to compute your own

Net annual effect = $1.3020 x new patients a year x realisation - $11.3702 x discussions a year - $0.9100 x requests carrying copy labour. Fee income forgone is $0.3063 x copies of records received, not per access request: the two units sit on different populations and should not be compared with each other.

Exhibit 1: what the rule is worth at three illustrative sizes, at the Department's incidence and full realisation

Scale	New patients a year	Gross saving	Added labour	Net a year
Small practice	5,000	$6,510	-$754	$5,757
Community hospital	40,000	$52,080	-$6,025	$46,055
Large system, 700 entities	1,000,000	$1,302,000	-$150,629	$1,151,371

Source: Federal Register final rule, RIA tables [s1]; Mosaic Singularity Strategic Intelligence Division analysis

Requests are scaled at the national ratios, 4.06 per cent of new patients for copy requests and 0.78 per cent for access requests. At 50 per cent realisation the realisation factor applies to the gross saving only, because the discussion and copy labour arise regardless: the small practice nets $2,502 and the large system $500,371.

Where each figure lands matters more than its size. The saving is registration and intake labour, a salaries line in the cost of care; until hours are redeployed it is a budgeted cost that does not fall. The discussion lands in patient-access and clinical support labour at an implied $97.46 an hour. The fee loss lands in patient-service revenue. No line of the balance sheet moves and no cash passes between companies. The one-off is the Department's $813 average per covered entity, which understates a provider's own build and overstates a practice's, so read the payback as a floor.

The one number that decides it

Everything turns on how many new patients discuss the notice. The threshold is 11.13 per cent on the Department's own one-minute method, and 11.08 per cent if the inmate and capital lines are carried as well. If the rule's 3 minutes per directed request are additive to the one minute already priced, it is 10.34 per cent. The range published here is 10.3 to 11.1 per cent, about one new patient in nine.

On the Department's published incidence range of 0.1 to 5 per cent the industry never loses money at full realisation: at 5 per cent the net is $423.78m and at 10 per cent it is $75.06m. The crossing is what a reader needs. The Department's own 5 per cent high end becomes the break-even only at 46.9 per cent realisation, so the range is safe only while most of the signature time genuinely leaves the budget.

Exhibit 2: the industry's net saving at three rates of notice discussion

Category	Net saving a year ($m a year)
5 per cent	423.78
10 per cent	75.06
15 per cent	-273.65

Source: Federal Register final rule, RIA lines [s1]; Mosaic Singularity Strategic Intelligence Division analysis. Net reaches zero at 10.3 to 11.1 per cent of new patients discussing the notice. Negative values are a net cost.

If only half of the abolished signing time is genuinely freed, the same threshold falls to 5.40 per cent, and to 9.98 per cent at 90 per cent realisation, because the saving being measured against is smaller. The conversation line's own range moves the industry net between $767.5m and $80.1m. The volume contest moves it between $559.9m and $362.4m on 35.1m to 77.0m access requests, because only request-driven labour scales.

Above the range the answer reverses. At 20 per cent incidence the per-visit net is -$1.0089, and a system with a million new visits moves from a $1,151,371 gain to a $1,008,961 loss, a swing of $2,160,332 a year.

The options, and what we recommend

Five ways to answer the rule, and what each forecloses

Option	Cost	Risk	What it forecloses
A. Notice and policy update only	$813 an entity of averaged one-off cost, unavoidable	Incidence unknown; a site at 20 per cent incidence loses $1,008,961 a year per million new patients	A clean pre-effective-period baseline
B. Design and instrument: publish the contact channel, measure the rate, post fees at the ceiling, hold the release model (recommended)	$813 an entity plus a measurement build of about one analyst-month	Low; the measurement costs less than the $1.15 a visit it protects	Nothing material
C. Reorganise now around the discussion: script it, deflect to the portal, move staff into registration	Retraining and rostering, unquantified in any capture	Over-invests if incidence is already below the range	Management attention the fee and designee questions also want
D. Centralise release of information in-house and exit the outsourced per-page model	Capital and severance, unquantified in any capture	Defends $1.74 of fee income an entity at the average; a paper-heavy book is a different case	Vendor flexibility, for a limb worth 0.209 per cent of the net saving
E. Publish fees below the ceiling, or waive them	$1,470,883 industry-wide at the Department's average	None material	Raising the posted price without a public change

We recommend B. D is the option the commission framed, and on the Department's own numbers it is the worst value of the five at industry level. The exception is a provider whose paper volume and state cap put it at the top of the fee range. C is right in direction and premature in timing until B has produced the rate.

What B adds to the baseline is the measurement, not the compliance. Every entity must post a fee schedule and comply by 19 July 2027 whatever it decides, and qualifying business associate agreements get a one-year transition after the effective date [s4]. The discussion rate, by contrast, is not something the rule asks anyone to report, and without it a board cannot tell whether it is above or below the one-in-nine line. The rule requires only a designated contact person or office, and it expects technology to answer routine questions over time, so choosing and publishing that channel is the cheapest way to move the rate [s1].

The first moves, and the metric that shows they worked

First actions

Owner	Action	By
Chief privacy officer with the chief information officer	Designate and publish the notice-discussion channel in the notice, in registration and online, with a scripted route for routine questions.	2027-01-15
Chief privacy officer with the chief information officer	Add a flag to new-patient registration and report the discussion rate per 100 registrations by site for 30 days, starting now so the measurement completes before the acknowledgment lifts.	2027-01-15
Chief financial officer and general counsel with the chief privacy officer	From twelve months of release-of-information logs, compute requests per thousand new patients and cost per completed request, set the posted schedule at the cost-based ceiling, and confirm the state cap that still applies.	2027-03-31
Chief financial officer and general counsel	Re-paper vendor terms for the designee channel under the business associate transition, and confirm whether the vendor absorbs the new designee labour or passes it back.	2027-04-30

The metric is the discussion rate per 100 new-patient registrations, from the registration log. The threshold is 10.3 to 11.1 per cent, about one new patient in nine. Below it the rule is a net saving at full realisation, and above it the net is negative and the sites the measurement names move to option C. Because the realisation assumption drives the threshold, report the rate and the redeployment assumption together.

Cases and signposts

Three cases, with the move and the signpost in each

Scenario	Outcome	Move	Signpost
The Department's incidence holds	Few patients discuss the notice, the saving is $703m a year, and the only money at issue is the fee and the copy labour.	B: publish the channel, measure, post fees at the ceiling.	The measured rate at your own sites, reported for 30 days before 19 January 2027.
The front desk under pressure	Discussion runs at 5 to 15 per cent of new patients; the industry net falls from $423.78m to -$273.65m and the crossing sits at one in nine.	B first, then C for the sites the measurement names.	Rate above 11.1 per cent for two consecutive quarters.
Slow realisation	Only half of the 105 seconds leaves the budget, so the industry net is $303.69m and the threshold falls to 5.40 per cent.	Report the rate with the redeployment assumption, and treat unredeployed hours as a budgeted cost.	The first budget cycle after 19 July 2027.

Where the answer differs

By business model, the saving is per first visit, so first-visit-heavy providers gain most and returning-patient businesses gain least. Dialysis, oncology, infusion and long-term care sit near the wrong end, because their patients mostly return while the copy labour applies regardless.

By payer type, plans carry the designee copy labour and the mailing, while the acknowledgment saving reaches them only through care-delivery arms. UnitedHealth Group, Elevance Health and CVS Health are predominantly plans; HCA Healthcare, Tenet Healthcare and Universal Health Services are acute providers with high first-visit volume; Fresenius is a dialysis base. We do not rank them, because no filing we could reach reports new-patient registrations or

access-request counts: two SEC company lookups returned a no-match page and a list of filings [s8] [s9].

By state, 45 jurisdictions set a per-page schedule, a dollar cap or a free-copy rule, and six set no dollar maximum [s5]. Florida caps copies at $1 a page and non-paper records at $2 [s6]. The federal ceiling caps a state schedule that permits more, so the paper limb is worth $4.18m per $1.00 a page across 417,774 paper requests, $20.9m at $5 and $104m at $25.

By record type, the directed-copy right covers records in an electronic health record, which is 84.4 per cent of requests, so 15.6 per cent sits outside the right and inside state fee law [s7]. By scale, payback falls with size, because the one-off is per covered entity and the saving is per new patient.

Questions for the board

- What is our notice-discussion rate per 100 new-patient registrations, by site, and who owns that number?
- Which contact channel have we published, and does a patient reaching it get a knowledgeable office or a general service line?
- Is our posted fee schedule at the cost-based ceiling, and has anyone costed publishing below it?
- Which contracts let a counterparty re-price release of information when the federal ceiling moves, and does the vendor pass the designee labour back?
- How much of the abolished signature time will leave our budget, and by what redeployment?
- If implementation overshoots the Department's average by more than 2 per cent, which line pays for it?

How we did this

Every figure is computed from the final rule's own text, and the calculation file travels with the full report. The saving is the rule's mid-range 17,879,167 burden hours at the $44.64 clerk rate, $798,126,000, which is 613 million first visits at 105 seconds; the conversation is 6,130,000 encounters at seven minutes, 715,617 hours and $69,743,053. The recurring lines are the Department's printed figures, and the five-line reconciliation is ours: taken at the printed $2,941,915 the five sum to $95,321,289, 0.134 per cent above the stated $95,194,170, and the $44.64 rebuild of the inmate line, $2,814,796, is what reconciles it to the dollar. The per-visit figures are derived: $1.3020 net of the retained minute, $11.3702 a discussion and $0.0369 of copy labour. The threshold is computed on those coefficients at three readings of the 3-minute and 1-minute burdens, and the 46.9 per cent crossing is the realisation at which the Department's 5 per cent high end becomes the break-even. Not established from the record: any company's new-patient or access-request count, because the two company index captures returned a no-match page and a filing list rather than a filing; the hospital, plan and practice split of the 847,506 entities, which is a graphic in both captures; the information collection behind the 3-minute and 18-hour burdens, which would settle whether the 3 minutes are additive; the cost of a reader's own measurement build, so the payback is a floor; and the value of the widened care-coordination permission, which no captured source prices. The Department's fact sheet dates the rule one day earlier than the Federal Register [s2], and the operative dates used here are the Federal Register's. Data cut-off: 20 November 2026.

This piece was researched and written by Clara Montoya, the division's AI analyst for health care. Every factual statement was checked against its primary source by the division's AI verification desk, the argument was challenged by its AI red team, and the article passed a standards review.

Ten sources: the final rule as published in the Federal Register on 19 November 2026; the Office for Civil Rights fact sheet and FAQ; the Florida statute on record-copy charges and a 50-state fee compilation; two Securities and Exchange Commission company index captures; and law-firm analysis from K&L Gates, Holland & Knight and Dinsmore, with the Ciox litigation behind the last, and strategy-firm research from Oliver Wyman.

Attachment: The HIPAA access and fee shift: full report (PDF, 6 pages)

Sources

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