

## Weekly Trading Partner Communication 09/05/03

This week we want to provide you with some information about:

1. DHS guidelines regarding "Good Faith" policy and Trading Partner Agreement (TPA) submission due dates
2. Upcoming training sessions related to DHS registration and testing processes and
3. Discontinuation of testing on the current DHS Bulletin Board System.

### Reminder

Feedback on the DHS Service Continuation Plan and the 837D Transaction are requested by the close of business tomorrow, **September 5<sup>th</sup>, 2003**.

### 1. DHS "Good Faith" Guidelines

Attached you will find information about the DHS guidelines regarding the CMS "Good Faith" Policy that is being sent to Fee For Service (FFS) Trading Partners. This is an attempt to increase the level of DHS's and the FFS trading partner community HIPAA readiness.

DHS will **not** accept electronic media claims in the National Standard Format (NSF) or Universal Billing (UB) 92 formats after October 15, 2003, **unless the Agent or Provider has a duly executed Trading Partner Agreement and completed registration as an EDI Submitter**, as defined in OAR 410-001-0100. For more information on this, please refer to the DHS Electronic Data Interchange Packet available on DHS' web site at: [http://www.dhs.state.or.us/admin/hipaa/elec\\_business.html#busreq](http://www.dhs.state.or.us/admin/hipaa/elec_business.html#busreq).

Also attached is a brief survey that DHS is sending increase awareness, evaluate readiness and identify possible ways to assist FFS trading partners with their HIPAA compliance efforts.

As the compliance date draws nears, DHS is stepping up its efforts to connect with the FFS trading partner community. Your assistance in this effort would be greatly appreciated by forwarding this e-mail to any FFS trading partners you work with. Thank you for your support.

## 2. Upcoming DHS Training Sessions

DHS is planning two training sessions to assist trading partners in the registration and testing processes. If you or providers that you work with need additional training in the DHS registration and testing process, please plan on attending the following training sessions.

### Friday, September 19, 2003

#### **Registration and Trading Partner Agreement Form Training**

**Time:** 9:00 – 11:00 AM

**Place:** Oregon Veterans Auditorium  
700 Summer Street, Salem, OR

**Tentative Agenda:** 9:00 – 10:00 Sign-in/Welcome  
DHS Status and Overview  
Registration Training  
Registration Questions/Answers  
10:00 – 11:00 Third Party Testing Training  
Third Party Testing Questions/Answers

### Wednesday, October 1, 2003

#### **Transaction and Code Sets (Business to Business) Testing Training**

**Time:** 9:00 – 11:00 AM

**Place:** Oregon Veterans Auditorium  
700 Summer Street, Salem, Or

**Tentative Agenda:** 9:00 – 9:30 Sign-in/Welcome  
DHS Status and Overview  
9:30 – 11:00 Business to Business Testing Training  
Questions/Answers

DHS encourages your participation in these training sessions and requests you forward this e-mail to trading partners or providers who could benefit from these training sessions. Thank you for supporting DHS outreach efforts.

## 3. Discontinuation of Bulletin Board System Testing for National Standard Format (NSF) and/or Universal Billing (UB) 92 Formats

Attached you will find a document that provides an explanation for discontinuation of EDI testing on the DHS Bulletin Board.

**DHS will not accept test files in the NSF or UB92 format after September 12, 2003.** If you are in a “test” status for the DHS Bulletin Board and DHS has not received a test file from you in the last 2 months, your access rights will be revoked.

If you have been testing in the last two months, DHS will either complete the testing process (depending on the status of the tests) and move you to production by September 12, 2003, **or** will revoke your DHS Bulletin Board rights and require you to begin the transition to HIPAA transaction and code sets testing. For more information visit our web site at: [http://www.dhs.state.or.us/admin/hipaa/elec\\_business.html#busreq](http://www.dhs.state.or.us/admin/hipaa/elec_business.html#busreq).



**Date:** September 4, 2003

**To:** All Electronic Submitters

**From:** Rick Howard, Manager Health Financing Operations, Health Services,  
Department of Human Services (DHS)

**Subject:** Discontinuation of Bulletin Board (BB) testing for the National Standard Format (NSF) and/or Universal Billing (UB) 92 Formats

The purpose of this letter is to notify all electronic claims submitters of DHS's decision to discontinue testing in the current format of NSF and UB92. This decision is based on the impending deadline of October 16, 2003 for HIPAA transaction and code sets implementation.

#### **Background**

To improve the efficiency and effectiveness of the health care system, Congress enacted the Health Insurance Portability and Accountability Act (HIPAA) of 1996, which included a series of "administrative simplification" provisions that required the Department of Health and Human Services (HHS) to adopt national standards for electronic health care transactions. All covered entities must be in compliance with the electronic transactions and code sets standards by October 16, 2003. (See DHS's "Good Faith" Efforts letter sent August 28, 2003 for additional guidance.)

#### **Based on this implementation deadline DHS has established the following guidelines.**

DHS will **not** accept test files in the NSF or UB92 format after September 12, 2003. If you are in a 'test' status and DHS has not received a test file from you in the last 2 months, your rights have been revoked.

If you have been testing in the last two months, DHS will either pass you to production by September 12, 2003, **or** will revoke your rights and require you to begin the transition to HIPAA transaction and code sets testing. For more information visit our web site at:

[http://www.dhs.state.or.us/admin/hipaa/elec\\_business.html#busreq](http://www.dhs.state.or.us/admin/hipaa/elec_business.html#busreq).

A Trading Partner Agreement must be completed, including registration as an EDI submitter, to set up a testing sequence; even if you cannot test every transaction and code set type you may eventually need to utilize.

The testing requirement also applies to Agents and Providers who submit electronic claims to DHS through a clearinghouse or other third party submitter.

Once a transaction type has been approved for a particular provider, any future transactions for that type and provider must be in the approved HIPAA compliant format.

The transitional testing period from the proprietary format to the HIPAA format began July 2003 (refer to the attached Targeted Pilot and Testing Dates document for additional information).

Memo: All Electronic Submitters  
From: Rick Howard

September 3, 2003

DHS Companion Guides as well as HIPAA Transaction and Code Set information are available on the DHS web site noted above.

Fee for service paper claims – The testing requirement **does not** apply to paper claim submitters. After October 15, 2003, DHS will continue to accept paper (manual) claims and other transactions. Paper submissions are still affected by medical code changes.

If you have questions please e-mail DHS at the web site noted above or call DHS HIPAA Testing at 503-947-5347.



**Date:** September 4, 2003

**To:** All Oregon Medicaid Fee for Service providers

**From:** Rick Howard, Manager Health Financing Operations, Health Services, Department of Human Services (DHS)

**Subject:** FFS Provider Outreach - Implementation of HIPAA Transaction and Code Sets (T&CS)

Attached you will find DHS' policy and dead line on Good Faith efforts to achieve HIPAA T & CS compliance in support of the recent guidance recommended by the Centers for Medicare and Medicaid Services (CMS).

In an effort to assist you with this transition, DHS is facilitating work sessions directed specifically to completing a DHS Trading Partner Agreement (TPA) and understanding the DHS testing processes.

Please respond to the brief questionnaire below so we can better understand the desire and need for these work sessions.

|  |  |                             |
|--|--|-----------------------------|
| 1. Are you an electronic claims submitter currently?   | <input type="checkbox"/> Yes               | <input type="checkbox"/> No |
| a. If 'No', do you anticipate submitting electronic claims prior to October 16, 2003?  | <input type="checkbox"/> Yes               | <input type="checkbox"/> No |
| b. If you answered 'No' to number 1 and 1a above, there is no need for you to complete the remainder of the questionnaire.                               |  |                             |
| 2. Have you completed a TPA?   | <input type="checkbox"/> Yes               | <input type="checkbox"/> No |
| 3. A TPA work session is scheduled in September 19, 2003, Salem at the Veteran's Bldg. on Summer Street from 9:00 A.M. to 11:00 A.M., will you attend?   | <input type="checkbox"/> Yes               | <input type="checkbox"/> No |
| 4. Would you prefer a location other than Salem?   | <input type="checkbox"/> Yes, where? _____ | <input type="checkbox"/> No |
| 5. A work session on DHS T & CS testing is scheduled for October 1, 2003, in Salem at the Veteran's Bldg. from 9:00 A.M. to 11:00 A.M., will you attend? | <input type="checkbox"/> Yes               | <input type="checkbox"/> No |
| 6. Would you prefer a location other than Salem?   | <input type="checkbox"/> Yes, where? _____ | <input type="checkbox"/> No |

Please share this information with any colleague that you feel would be interested. For more information please call 503-947-5347.

Please return the completed questionnaire by faxing your response to: Fax 503-947-5359.



**Date:** September 4, 2003

**To:** All Fee for Service entities providing medical services for Oregon Medicaid recipients

**From:** Rick Howard, Manager Health Financing Operations, Health Services, Department of Human Services (DHS)

**Subject:** HIPAA “Good Faith” Policy and Trading Partner Agreement (TPA) submission due date

The purpose of this letter is to notify all Fee for Service entities of DHS’s policy on “Good Faith” efforts as established by the Center for Medicare and Medicaid Services (CMS) and the due date of October 1, 2003 for a TPA.

### **Background**

To improve the efficiency and effectiveness of the health care system, Congress enacted the Health Insurance Portability and Accountability Act (HIPAA) of 1996, which included a series of “administrative simplification” provisions that required the Department of Health and Human Services (HHS) to adopt national standards for electronic health care transactions. All covered entities must be in compliance with the electronic transactions and code sets standards by October 16, 2003.

### **Enforcement Approach**

The Secretary of HHS has made the CMS responsible for enforcing the electronic transaction and code sets provisions of the law.

CMS will focus on obtaining voluntary compliance and use a complaint-driven approach for enforcement of HIPAA’s electronic transactions and code sets provisions. When CMS receives a complaint about a covered entity, it will notify the entity in writing that a complaint has been filed. Following notification from CMS, the entity will have the opportunity to 1) demonstrate compliance, 2) document its “good faith” efforts to comply with the standards, and/or 3) submit a corrective action plan.

### **Good Faith Policy**

CMS’s approach will utilize flexibility granted in Section 1176(b) of the Social Security Act to consider “good faith” efforts to comply with the implementation of HIPAA when assessing individual complaints. Under Section 1176(b), HHS may not impose civil money penalty where the failure to comply is based on reasonable cause and is not due to willful neglect, and the failure to comply is cured within a 30-day period. HHS has the authority under the statute to extend the period within which a covered entity may cure the non-compliance “based on the nature and extent of the failure to comply”.

### **Based on this “Good Faith” policy DHS has established the following guidelines.**

DHS will not accept electronic media claims in the National Standard Format (NSF) or Universal Billing (UB) 92 formats after October 15, 2003 unless the Agent or Provider has a duly executed

Trading Partner Agreement and completed registration as an EDI submitter, as defined in OAR 410-001-0100. For more information on this, please refer to the DHS Electronic Data Interchange Packet available on DHS's web site at:  
[http://www.dhs.state.or.us/admin/hipaa/elec\\_business.html#busreq](http://www.dhs.state.or.us/admin/hipaa/elec_business.html#busreq).

Fee for service paper claims – The testing requirement does not apply to paper claim submitters. After October 15, 2003, DHS will continue to accept paper (manual) claims and other transactions. Paper submissions are still affected by medical code changes. The testing requirement does apply to Agents or Providers, as defined in OAR 410-001-0100, who do not submit paper claims.

A Trading Partner Agreement must be completed, including registration as an EDI submitter to set up a testing sequence, even if you cannot test every transaction and code set type you may eventually need to utilize.

The testing requirement also applies to Agents and Providers who submit electronic claims to DHS through a clearinghouse or other third party submitter.

Once a transaction type has been approved for a particular provider, any future transactions for that type and provider must be in the approved HIPAA compliant format.

The transitional testing period from the proprietary format to the HIPAA format began July 2003 (refer to the attached Targeted Pilot and Testing Dates document for additional information).

DHS Companion Guides as well as HIPAA Transaction and Code Set information are available on the DHS web site noted above.

**What this means to you:**

- **If you have not already done so you have approximately 30 days to acquire, complete and submit a TPA to DHS.**
- **DHS will not accept old lines of business (NSF/UB92) once a trading partner has started submitting with the approved HIPAA compliant format to a “production” environment.**

If you have questions please e-mail DHS at the web site noted above or call DHS HIPAA Testing at 503-947-5347.