

OR DHS
Weekly Trading Partner Communication
10/24/03

This week DHS would like to share the following information:

- Do You Have Testing Questions?
- General Testing Update
- DHS Prepares For Transition To Production
- Are Local Codes Permitted after October 15, 2003?
- **New Policy:** Emergency and Non-emergency transportation providers and a DHS Trading Partner Agreement (Attachment)
- Updated Revised Target Date Status

1. Do You Have Testing Questions?

If you have questions related to business-to-business testing, we encourage you to send it in an email to the DHS HIPAA EDI Testing Team.

The EDI Testing Team email address is: dhs.hipaatesting@state.or.us.

The DHS Testing Team's goal is to respond to your questions within 48-hours. Your assistance by emailing your questions to the DHS HIPAA EDI Testing Team allows DHS to closely track and more efficiently respond to your questions. Our intent is to periodically post updated FAQ's to our DHS HIPAA website with your questions and answers. Thank you for your continued cooperation in making our HIPAA compliance efforts successful. **Do not use HIPAAHELP for EDI testing questions.**

2. General Testing Update

As DHS and the Trading Partner Community make progress in the Business-To-Business (B2B) testing process we are learning new and more efficient ways to work together. The result of this learning process will be included in new versions of our B2B testing instructions. As we make changes DHS will make new versions available in the weekly message and the web site at:

http://www.dhs.state.or.us/admin/hipaa/testing_reg.html#btb

Some questions have been asked about the requirements for becoming eligible for B2B testing. DHS requires submitters to pass testing using the DHS type 7 testing edits. In addition, if a trading partner is using a software vendor, the third party test must be successful from the location that the files will be sent during B2B.

3. DHS Prepares For Transition To Productions

This week DHS has begun the process of transitioning EDI submitters to the production environment. Congratulations to MCPS on being the first EDI submitter to begin the transition process for the 837P FFS transaction. Next week, the second EDI submitter, WebMD is likely to begin the transition as well. These two submitters represent a significant population of trading partners who are registered with DHS. DHS will continue to keep you informed as we make progress in the transition to the production environment.

4. Are Local Codes Permitted after October 15, 2003?

Question: Is the use of local codes permitted after October 15, 2003?

Answer:

Covered entities are required to conduct covered transactions in standard form as of October 16, 2003 if they received a one-year extension of the original effective date specified in the HIPAA Transactions Rule, published August 17, 2000. All States requested and received such extensions. Covered entities must use standard code sets (and, therefore, may not use local procedure codes and modifiers) in conducting covered transactions.

Section 532 of the Medicare, Medicaid, and State Child Health Insurance Program (SCHIP) Benefits Improvement and Protection Act of 2000 (BIPA) allows an exception to the effective date specified in the HIPAA Transactions Final Rule, by authorizing the Secretary to allow public use of HCPCS Level III codes through December 31, 2003. The BIPA defines "HCPCS Level III codes" as "the alphanumeric codes for local use under the Health Care Financing Administration [now Healthcare] Common Procedure Coding System (HCPCS)". HCPCS codes are used to report certain procedures, services, and supplies. Only Medicare, Medicaid State agencies, and SCHIP programs (where applicable) that use HCPCS Level III codes and modifiers may continue their use to report medical procedures, services, or supplies through December 31, 2003. Also Medicare and Medicaid MCOs may continue to use Medicare/Medicaid related HCPCS Level III codes and modifiers for Medicare/Medicaid business with dates of service through December 31, 2003. Procedure codes describe services, durable medical equipment, prosthetics, orthotics, supplies, and drugs. Modifiers are used to indicate that a service or procedure that has been performed has been altered by some specific circumstance, but not changed in its definition or code.

CMS considers HCPCS Level III codes, as used in this BIPA provision, to apply to both the HCPCS Level III procedure codes and modifiers that Medicare had approved for local Medicare carrier and fiscal intermediary use and to the local procedure codes and modifiers that State Medicaid agencies and SCHIP programs had developed and used for their own purposes. Therefore, local procedure codes and modifiers developed by State Medicaid and SCHIP programs, as well as the Medicare-approved local procedure codes and modifiers may be used for procedures with dates of service through December 31, 2003.

While this interpretation provides additional time for Medicare, individual State Medicaid agencies, SCHIP programs, and Medicare and Medicaid MCOs to come into compliance with certain HIPAA standards, these entities are not required to continue to use HCPCS Level III codes and modifiers for procedures with dates of service beyond October 15, 2003. This extension does not apply to local codes and modifiers that are not HCPCS Level III codes and were developed for reporting information other than procedures, including but not limited to gender, provider taxonomy/specialty, and diagnosis.

This text can be found on the CMS HIPAA website under General Information - Frequently Asked Questions. (<http://cms.hhs.gov/hipaa/hipaa2/default.asp>)

5. Updated Target Date Status

Transaction	Testing Status	Production Status
Fee For Service 837-P, 837-D, 837-I, 835	Actively Testing	Beginning Oct 27 th
820, 834, 837-I Roll-up	Actively Testing	To Be Scheduled
Encounter 837-P, 837-D, 837-I, 835	Conducting Pilot Testing	To Be Scheduled
278 – Prior Authorization	Feb. 2004	To Be Scheduled
270/271 Eligibility Inquiry/Response	Feb. 2004	To Be Scheduled
276/277 Claim Status Inquiry/Response	Feb. 2004	To Be Scheduled

DHS is aggressively pursuing HIPAA compliance. Now that the October 16, 2003, compliance date has passed, it is important that we are all working together toward compliance through a collaborative process.

As part of DHS' efforts to comply with the CMS "Good Faith" policy guidance, we have established a set of new compliance target dates. The new dates are not only appropriate but also necessary to achieve compliance as soon as possible. DHS believes the following dates provide DHS and its trading partners with a realistic opportunity to achieve HIPAA compliance.

Transactions	Compliance Target Date
800 Series Transactions Fee For Service and Prepaid Health Plans 837-P, 837-D, 837-I, 835	April 1, 2004
200 Series Transactions 278,277,276,271,270	October 1, 2004
Complete HIPAA Compliance	January 1, 2005

DHS hopes that these new compliance targets enable a large percentage of the Trading Partner community to be HIPAA compliant. For those organizations that are not compliant DHS will work collaboratively with them to create a Compliance Action Plan (CAP) that will identify intent to comply dates as well as potential non-compliance conditions.

If you have questions about how these revised DHS compliance target dates affect you, please call Jarred Clark, DHS HIPAA Project Manager, at (503) 947-5378 or Nancy Buck, OMAP HIPAA Coordinator, at (503) 947-6797.



Date: October 23, 2003

To: All Non-emergency transportation providers

From: Rick Howard, Manager Health Financing Offices, and Health Services Department of Human Services (DHS)

Subject: Requirements for Emergency and Non-emergency transportation providers and a DHS Trading Partner Agreement

The purpose of this letter is to clarify when non-emergent transportation providers must sign a DHS Trading Partner Agreement.

The Centers for Medicare and Medicaid Services (CMS) statement on transportation services and HIPAA:

HIPAA applies to providers of “health care” services that submit any of the HIPAA named transactions electronically. When making an interpretation that applies to providers of transportation services, it must determine if the transportation services are considered “health care” services as defined by HIPAA. HIPAA addresses transportation services in the Atypical Services definitions of the rule under the Applicability section of the Rule:

HIPAA excludes non-emergency transportation services from those identified as covered “health care” services.

DHS statement on HIPAA transactions and non-emergency transportation providers:

Some transportation providers enrolled with DHS provide non-emergent transportation only for Medicaid clients. Transportation options include cabs, vans, wheelchair vans, and stretcher cars/vans. None of these options includes medical care or oversight and a medical attendant is not available on any of the rides. Drivers are instructed to dial 911 if there is a medical emergency.



DHS non-emergent transportation providers do not meet the definition of a HIPAA covered entity, they do not fall within the category of health plan, health care provider or clearinghouse and, therefore, a Trading Partner Agreement is not needed.

Non-emergent transportation providers may submit paper claims to DHS or electronically using the current NSF format via the Bulletin Board. DHS will maintain the Bulletin Board for an indefinite period of time for non-emergent provider claims.

If a non-emergent provider wishes to submit claims electronically in the HIPAA compliant format DHS will accept them, however, the same requirements must be met regarding a Trading Partner Agreement and electronic transaction testing must be completed.

For these requirements please contact DHS at our HIPAA e-mail address (DHSHIPAATesting@state.or.us) or call 503-947-5347.

Transportation providers can supply both emergency and non-emergency transportation. Emergency transportation such as an ambulance is defined as "health care" services and is considered by HIPAA as a covered "health care" service and must use HIPAA standards when conducting any of the HIPAA named transactions. In those cases where emergency transportation is provided a Trading Partner Agreement and electronic transaction testing must be completed. For these requirements please contact DHS at our HIPAA e-mail address (DHSHIPAATesting@state.or.us) or call 503-947-5347.

DHS will accept both emergent and non-emergent transportation transactions from a transportation provider providing both types of services.

This notice does not address how transportation providers will or will not access, utilize, test or request the transactions for prior authorization (278), direct data entry or claims inquiry requests (270, 271, 276 and 277).

These and similar areas will be addressed at a later date.