

**OR DHS**  
**Weekly Trading Partner Communication**  
**10/31/03**

This week DHS would like to share the following information:

- Some HIPPA Fun! A Poem, by Jane Alm
- 834 Weekly Test File Available Next Week
- Definition of a successful test
- Clarification on Local Code Usage
- “Good Faith” Efforts and Trading Partner Agreements

**1. Some HIPAA Fun! A Poem, by Jane Alm**

The Feds did it this time! They made a new rule.  
About something we could never have learned in school.

They promised to lead us down important new roads.  
By transforming health care into transactions and codes.

All the states grumbled, but the Feds were persistent.  
Determined to make electronic claims consistent.

We started to speak a language of numbers.  
And hoped we would not make a big blunder.

837, 835, top of the list.  
Make sure no loops or segments get missed.

276, 277, 278's  
Heaven help us, there is a lot on our plates.

Working so hard, our nerves got a bit frayed.  
We had to make sure our providers got paid.

Some partners figured it just might be safer,  
To convert all their claims to just plain old paper.

We can see light in the tunnel, an end to our pain.  
But it just might be an oncoming train.

HIPAA's not done, more rules on the way.  
“It's all for the best,” they keep trying to say.

But for now about all we can see,  
Are several more years of job security.

By, Jane Alm

## **2. 834 Weekly Test File Available Next Week**

DHS will be making the 834 Weekly Test File Transaction available to the MCO's next week.

This will likely be the last test file available until January 2004. DHS is working on several issues related to its translator and processing large transactions as well as issues such as the plan tracking number and premium amount matching on the 834 and 820 transactions. Please review the test file and contact the EDI Testing Team with any questions that you have at [dhs.hipaatesting@state.or.us](mailto:dhs.hipaatesting@state.or.us).

DHS will update you as we make progress on processing the 834 and 820 transactions.

## **3. Definition of a successful test**

### **Definition of a successful test**

To pass from test to production, your test error rate must be 10% or less, with no suspend or pend type errors. If the initial test file has more than a 10% error rate, you can correct and resubmit the same file to test your system/logic changes, however, you must submit another test file with different claims to demonstrate corrections were addressed at the system level. This file must have less than a 10% error rate with no suspend or pend type errors. NOTE: This sequence repeats until a test file, in the initial submission, passes with less than a 10% error rate with no suspend or pend type errors. You may submit as many tests as you wish to test different lines of business, trading partners, etc., as long as the test complies with Business-to-Business Test Guidelines.

After you pass successful testing, you will move to the production environment. This is a provisional pass based on submitter's performance in production.

### **RE-TESTING RULES**

If any of the following situations apply, you must re-test all transactions in production. Please notify DHS when you are ready to submit your test(s).

- Software changes (new vendor, version updates, etc).
- Production claims that have an error rate higher than 10%.
- Files fail at DHS' Translator (HIPAA compliancy testing).
- Submission site changes.
- Change of computer platform.

## **3. Clarification on Local Code Usage**

**Question:** Can local codes be used after 10/16/2003?

**Answer:** You need to use the code that was valid at the time of service. If you submit a claim/encounter for a service date of, say, August 15, 2003 for behavioral health services on January 15, 2004, you need to use the local code that was valid on August 15, 2003.

"...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." Oregon DHS Local Procedure code effective dates do not exceed 12/31/03. DHS will allow the use of valid local procedure codes and edit them using the current MMIS logic.

#### **4. "Good Faith" Efforts and Trading Partner Agreements**

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 DHS communicated in the September 4<sup>th</sup> and October 13<sup>th</sup>, 2003 letters to providers, the deadline for submitting your trading partner agreement was October 15, 2003.

DHS is beginning the process of evaluating who has not submitted a Trading Partner Agreement and will be contacting providers who are not honoring the DHS "Good Faith" effort guidelines. For those that have not submitted a Trading Partner Agreement DHS will ask that they submit a Compliance Action Plan (CAP) to identify their individual compliance plan.

While CMS has implemented its contingency, CMS is closely monitoring compliance. DHS is following the CMS lead and at the suggestion of CMS will be identifying specific requirements that trading partners must follow during the transition to HIPAA compliance. An example of these requirements include the following:

- Establish a specific number of days that a trading partner must begin Third Party Testing on the OR DHS EDIFECs site after signing their TPA.
- Establishing a specific number of days that a trading partner must begin B2B testing once it has passed the EDIFECs levels 1-7 testing; and
- Establishing a specific number of days that a trading partner must transition to production after passing B2B testing.

The purpose of establishing these requirements is to achieve the following objectives:

- Supports the "Good Faith" guidelines of both DHS and CMS;
- Enables DHS to transition trading partners into B2B and production in a more efficient manner by reducing the likelihood of a scenario where all trading partners are transitioning at one time; and
- Supports an environment of progress where DHS and its trading partners are continually moving closer to HIPAA compliance.

## 5. Updated Target Date Status

<b>Transaction</b>	<b>Testing Status</b>	<b>Production Status</b>
Fee For Service 837-P, 837-D, 837-I, 835	Actively Testing	837-P In Production
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	Mar. 2004	To Be Scheduled
270/271 Eligibility Inquiry/Response	Mar. 2004	To Be Scheduled
276/277 Claim Status Inquiry/Response	Mar. 2004	To Be Scheduled

If you have questions, please call Jarred Clark, DHS HIPAA Project Manager, at (503) 947-5378 or Nancy Buck, OMAP HIPAA Coordinator, at (503) 947-6797.