Summary
Administrative Simplification Provisions
Federal Health Reform Bill (HR 3590 as modified by HR 4872)

Amends HIPPA

- Adds electronic funds transfer to the list of electronic transactions that must be done in a standard fashion.

- Requires providers dealing with Medicare to accept electronic funds transfer and electronic payment remittance advice by 1/1/2014.

- Requires HIPAA standards for electronic transactions to be much more complete and uniform--describing all data elements in unambiguous terms, enabling “determination of eligibility and financial responsibility” at the point of service, providing for timely information, and requiring “minimal augmentation with paper or other communications”.

- Requires HHS to promulgate standards and operating rules for each electronic transaction to take effect no later than the dates below. (Rules will be issued at least 18 months before their effective date.)
    - Eligibility inquiry/response – 1/1/2013
    - Claims status inquiry/response – 1/1/2013
    - Electronic Funds Transfer (standard and operating rules) – 1/1/2014
    - Payment remittance advice – 1/1/2014
    - Claims attachments (standard and operating rules) – 1/1/2016
    - Referral/authorization – 1/1/2016

- Requires payers to certify compliance with the standards and uniform operating rules beginning December 1, 2013.

- Requires HHS to audit and to annually assess penalties against payers that are not in compliance.