



*New Mexico
Coalition for Healthcare Information Leadership Initiatives **

**New Mexico HIPAA Conference, September 22, 23, 2001
Session Results**

Session Name: Transactions and Code Sets: Understanding the Standards for Other Health-care Providers: Dental, Pharmacy, Chiropractors, Vision, Transportation, etc.

Session Number: 102 - Monday, October 22, 1:45 AM

TOPIC	DISCUSSION	ACTION
1. Introduction of Kris Owens and Dan Lau by Moderator, Mike Donlon	Kris is the IT lead for the HIPAA implementation at Presbyterian Health Plan. She has been in the business for 20 years. Dan is with MedImpact, a Pharmacy Benefits Manger (PBM) company out of San Diego. He is the HIPAA Compliance Administrator for MedImpact.	
2. Goal of this session: To enhance understanding of how HIPAA regulations will impact you.	Kris Owens welcomed questions throughout the presentation. If any question is too intense, she may have to get back to the individual after the presentation. A handout of a PowerPoint presentation titled "Overview of HIPAA Regulations for Transactions and Code Sets" was distributed.	Anyone with questions encouraged to e-mail Kris at Kowens@phs.org
3. Kris reviewed the purpose of the transaction and code set regulations: (ref slide #3)	"To improve the Medicare program under title XVIII of the Social Security Act, the Medicaid program under title XIX of such Act, and the efficiency and effectiveness of the health care system, by encouraging the development of a health information system through the establishment of standards and requirements for the electronic transmission of certain health information." Kris gave the example that Presbyterian has 11 different formats for the UB-92 (one for Pres, one for Blue Cross, Blue Shield, etc.). The regulation is an attempt to standardize one format to be used by all.	
4. The regulations require standardization of data between Health Plans, Clearinghouses and Providers.	There are 8 areas that need to be standardized. After October 16, 2002, <u>electronic</u> transactions must be in a standard format with standard content. This includes: <ul style="list-style-type: none"> ➤ Provider Transactions: claims, claims status, remittance, eligibility, referrals ➤ Employer Transactions: enrollment, premium payments ➤ Other Payer Transactions: COB, Encounter data 	

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5. Who has to comply? (ref slide #6)	<p>Health Plans, Health Providers (Doctors, Hospitals, Medical Groups, Chiropractors, Dentists, Transportation, DME providers), and Clearinghouses.</p> <p>Kris noted that transportation providers are a hybrid, in that they must comply for emergent transportation but not for non-emergent transportation. Kris also noted that “Chain of Trust” and Business Associate” agreements make Covered Entities responsible for other users of health information. “Chain of Trust “ agreements have to do with Privacy and Security (versus Transactions and Code Sets)</p>	
6. Clearinghouses (ref slide #7)	<p>Anyone can use a Clearinghouse for any of the transactions. One cannot modify the standards or add to the standards. Standards have required fields as well as situational.</p>	
7. Paper Transactions	<p>Paper transactions may continue to be used; however there will be content requirements on the paper transactions as well. There are efforts underway looking at the paper form (for example how to accommodate the 837 specifics). There will be a national educational effort on this.</p>	
8. Exception rule (ref slide #8)	<p>Clearinghouses are not allowed to use the Direct Data Entry (DDE) application. Health Plans may not offer incentives to a provider to use the DDE application (for example, making it cheaper to use the DDE application). Health Plan may not delay or reject a claim if presented in standard format.</p>	
9. Electronic versus paper transaction. (ref slide #9)	<p>There is no requirement to send or accept electronic transactions only. Paper may be used. Providers may use a business associate (like MedImpact) to conduct a transaction.</p> <p>Employers are NOT a covered entity.</p>	
10. Transaction standards. (ref slide # 10)	<p>New standards are based on existing ANSI X12 standards. As a matter of interest, Kris noted that the ANSI Institute also makes crayons, chalk and modeling clay, etc.</p> <p>The only transaction standards that are not from ANSI standards are the Pharmacy Claim standards from the National Council for Prescription Drug Programs, Inc. (NCPDP)</p>	

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11. Covered Transactions. (ref slide #11)	<ul style="list-style-type: none"> ➤ Claims / Encounters (837) (institutional, professional, dental) ➤ Pharmacy Claims (NCPDP Ver 5.1) ➤ Eligibility (270/2710) ➤ referrals (278) ➤ Claim Status (276/277) ➤ Enroll / Disenrollment (834) ➤ Pay / Remittance (835) ➤ Premium Payments (820) ➤ Coordination of Benefits (837) <ul style="list-style-type: none"> ○ Additional data in the claim – paired with 835) <p>Next transactions to be adopted:</p> <ul style="list-style-type: none"> ➤ First Report Injury ➤ Claims Attachments 	
12. Implementation Guides (ref slide # 14)	<p>Implementation Guides include both medical and non-medical code sets.</p> <p>Guides are available at: http://hipaa.wpc-edi.com/HIPAA_40.asp</p>	
13. Gap analysis (ref slide #15)	<p>Doing a gap analysis (looking at what is currently in place and comparing with required data) is what will drive the change in your organization. Pres. spent months doing a gap analysis.</p>	
14. Standard identifiers. (ref slide #15)	<p>Standard identifiers for providers, and payers have yet to be established. The existing Tax Identifier Number (TIN) will be used for employers. Once established the National Provider Identifier, will be great, but difficult to administer.</p>	
15. Standards for transaction content.	<p>It is not enough to put the information into the right format; there is also standard content for the transactions.</p>	
16. Code sets and Descriptors. (ref slide # 18)	<p>For example, there will be denial codes, which will be nice for the COB. Homegrown modifiers will go away.</p>	
17. Code set issues (ref slide # 22)	<p>Behavioral health now use many homegrown codes. These will have to be standardized. There are many nationwide efforts to move this proprietary coding to standard codes. Some say this will be accomplished by the first quarter of 2002. Medicaid also has a large national effort to develop standardized codes. These are currently 54,000 proprietary Medicaid codes out there!</p>	
18. HIPAA laws are dynamic	<p>Code sets will continue to evolve and change.</p>	

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19. Helpful websites (ref slide # 26)	The wedi website (Glossary of terms) is very helpful if you are new to HIPAA. There is a cost associated with the implementation guide for the NCPDP but the ANSI X-12 guides are available at no cost. SNIP stands for <u>S</u> trategic <u>N</u> ational <u>I</u> mplementation <u>P</u> rocess.	
20. Question: Are DRG codes disappearing?	A. No, they will continue. APC's will also continue to exist.	
21. Question: What if a claim is dated prior to 10/16/02, what code should be used.	A. Use the code in effect on the date of service.	
22. What about ADA (dental) codes?	A. They are going to CDT codes.	
23. Discussion of NM CHILI work groups	The CHIL EDI work group is divided into 2 subgroups: 1) transactions (also working on testing and certification) and 2) code sets. The EDI workgroup meets on the 2 nd Tuesday of each month. The next meeting is November 13 from 2:30 – 4:30. The meetings are held at Turquoise Lodge in Albuquerque and there is videoconferencing with Santa Fe (Runnels Building). Directions to the workgroup meeting locations are available at the CHIL website. If anyone is interested in either the EDI workgroup, or the 2 sub workgroups, they are encouraged to check the NM CHILI website at: http://www.healthlinknm.org/nmchili/	Anyone is interested in either the EDI workgroup, or the 2 sub workgroups, contact NM CHILI through the website at: http://www.healthlinknm.org/nmchili/
24. Dan Lau presented an overview of the Pharmacy Requirements for the HIPAA Transaction Standard.	A two-sided handout was distributed. Side One: Understanding the Pharmacy Requirements for the HIPAA Transaction Standard. Side Two: HIPAA Transaction Standards (NCPDP & X12) for the Pharmacy Sector	

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25. Analysis Phase	The documentation scope for the required telecommunication Standard V5.1 is 400 pages. In doing a comparison of the Telecommunication Standard V3.2 and Standard V5.1 (which took about 3 weeks), it was determined V5.1 had a significant number of enhancements including new, changed and drop data elements. There is a NCPDP COB task group that is already working on Telecommunication Standard V7.0	
26. Programming Phase	The (NCPDP) programming changes are estimated to take approximately 2,000 hours.	
27. Accreditation Phase	This is probably the most important phase that will require testing initiatives. PDX/NHIN is working with the pharmacy sector in allocating a test system, generating test data and coordinating test schedules with business partners. Dan related that MedImpact is looking for partners to test with and it would be ideal if California had an organization like the NM CHILI to work with.	
28. Certification	Kris mentioned that if transactions go through a Clearinghouse, an important question to ask is regarding the certification process and what level of certification will be performed.	
29. Question: Describe the significant changes between Standard V3.2 and V5.1.	A. For example, the number of compounds has been expanded to 99 as part of the “repeating fields” feature that allows more data per transmission. Also the values are to the level of the metric decimal whereas currently a lot of pharmacies have systems with rounded up values.	
30. Question: What is a Switch?	A. It is the same as a Clearinghouse. For example, NDC or WebMD (Envoy) are defined as “switches” because they route the claim from the Pharmacy to the PBM’s for adjudication.	
31. Question: Are there any NM Clearinghouses for Pharmacy Claims?	A. Express-Scripts is a local processing group.	
32. NM CHILI	Kris suggested that if the acronyms are difficult to understand, that the NM CHILI is designed to help enhance understanding. Participation is encouraged. The NM CHILI is the first real successful attempt to integrate private and public entities.	JOIN NM CHILI !