



# **Health Insurance Portability and Accountability Act (HIPAA)**

**How does it apply to the  
Business Office ?**



# What is HIPAA?

**Law designed with three essential purposes:**

**\*\*To protect and enhance the rights of consumers by providing access to their healthcare (HC) information and controlling inappropriate use of that information**

**\*\*To improve quality of HC in the U.S. by restoring trust among consumers, HC professionals, and the multitude of organizations and individuals committed to delivery of HC.**

**\*\*To improve the efficiency and effectiveness of HC delivery by creating a national framework for health privacy protection that builds on efforts by states, health systems and organizations, and individuals.**

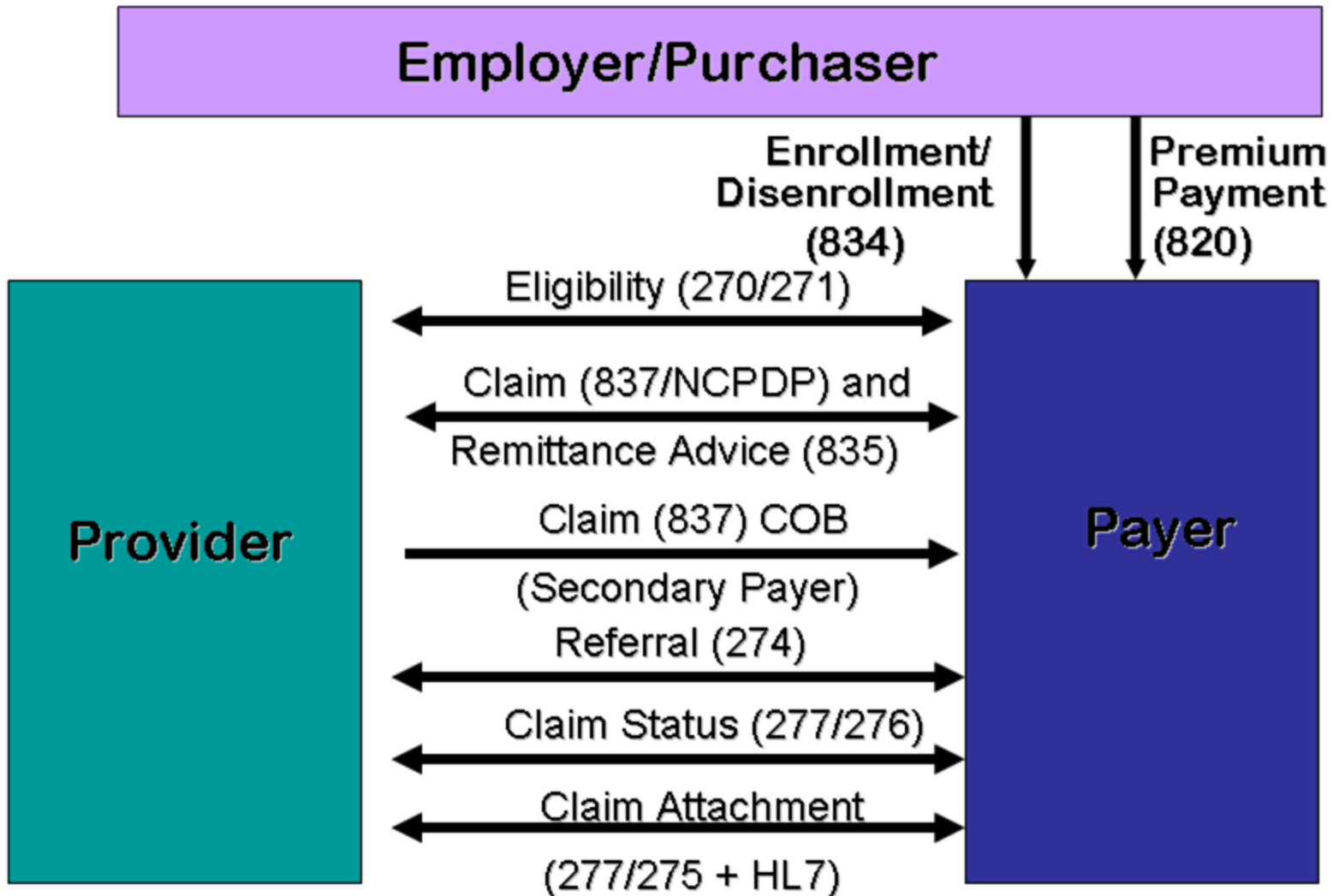


# Effective Dates

- **Effective date of Compliance:  
10/16/2002**
- **If not able to meet deadline, request waiver from CMS to extend effective date to 10/16/2003**
- **Applies to all HC providers, clearinghouses, Indian Health Service, etc.**



# HIPAA – Business Transactions





# HIPAA Transaction Codes In Relation to RPMS Application Packages and Patches

x.12 Standard	Transaction Standard	RPMS Application Patch
270	Eligibility Inquiry	Pt Registration v6.0 p17
271	Eligibility Reply	Pt Registration v6.0 p17
NCPDP	Pharmacy Claim	Pharmacy v5.1 POS v1.0p2
837	Claim Request, Institutional	Third-Party Billing, v2.5 p1
837	Claim Request, Professional	Third-Party Billing, v2.5 p1
837	Claim Request, Dental	Third-Party Billing, v2.5 p1
835	Claim Reply, (Remittance Advice)	Accounts Receivable, v1.6 p3
276	Claim Status Request	Accounts Receivable, v1.6 p3
277	Claim Status Reply	Accounts Receivable, v1.6 p3
278	CHS Referral	Contract Health Service, v3.1 p4



# Other Standard Code Sets

<b>Standard Code Sets</b>	<b>RPMS Application Version</b>
<b>2002 ICD 9 Codes</b>	<b>AUM ICD Updates, V03.1</b> Released 9/23/02
<b>2003 CPT Codes</b>	<b>To be released</b> <b>12/02</b>
<b>AR Adjustment/Reason Codes</b>	<b>AR, v1.6 p3</b> Released 10/02



# Accounts Receivable Standard Adjustment Codes

- Standardize AR Posting categories
- Mapped from old posting adjustment codes to standard ones
- New categories identified
- Renumbering of AR numbers
- Does not include local adjustment codes
- Each site to set up in RPMS based on AR patch



# Insurer Readiness Survey Process

- **Insurer Survey Questionnaire**
  - Most insurers asking for waiver.
  - Too many insurers. Please provide names, addresses, and phone numbers.
- **Request**
  - Each Service Unit business office staff: send the information to Insurers and have them respond to me, or provide top Insurer information to me via email to follow-up.





# Indian Health Service HIPAA Readiness Survey Third-Party Payers Questionnaire

Date: \_\_\_\_\_

Name of Insurance Company: \_\_\_\_\_

Address: \_\_\_\_\_

PO Box/Street Address City, State, Zip

Person Completing Questionnaire: \_\_\_\_\_

Phone #/Fax Name

**Please complete the following:**

**Will your company be prepared to implement the following by 10/16/2002?**

HIPAA format Yes No N/A

**If not, what date do you expect to start testing?**

**Contact Person/phone number/email address**

270 Health Insurance Eligibility Request Verification for covered services

271 Health Insurance Response verification for covered services

835 Health Care Claim Payment/Remittance

837 Health Care Claim – *institutional*

837 Health Care Claim or Encounter – *Dental*

837 – Health Care Claim or Encounter – *Professional*

276 Health Care Claim Inquiry to request status of claim

277 Health Care Claim response to report the status of a claim



# Insurer Table

## MEDICAID PLANS

Rank	Vendor	Extension Status	Contact Name	Status
1.	NewMexico Medicaid	Waiver until 10/2003	6/18/02. Rus verified with Lily Martin(HIPAA Coordinator , 505-827-1327)	6/18/02 They are just getting started on the HIPAA transactions The new person who will be leading the project is Kevin Fichtner - and he will start working the project in the next few weeks. Rus
2.	Arizona Medicaid - ACCHS	Waiver until 10/2003 Testing dates: 270/271 Jan 03 835/837 I, D, P and 276 & 277 May 03	Angela Fischer (602)417-4723 HIPAA EDI: Geoff Foden 602-417-4845 for all transaction types	9/20/02 Received completed questionnaire with information as noted.
3	NM Presbyterian Salud		Electronic claims pertaining to HIPAA: Chris Owens 923-8103 Julie Fulcher 923-6397 Overall IHS Liason: Cecilia Flores 923-5408 The person who provided this info: Beth Stewart 923-5274	Received contact information from G Powers, 6/27/02. To contact for HIPAA readiness.
4.	NM Lovelace Salud	NM Lovelace Salud is handled by United Healthcare. UHC will merge with Americhoice in 10/02. UHC did not apply for a waiver, Americhoice did apply for waiver.	Bill Leicht, 602-331-5102 or george_w_leicht@uhc.com	9/19/02 Emailed questionnaire to B Leicht for status of all transactions ..
5.	NM Gmarron Salud		Mark Padilla, 505-342-4660 or mpadilla@hchorizons.com	Received contact information from G Powers, 6/27/02. Emailed Mr Padilla the questionnaire and awaiting response.



# Summary

- **Information Technology Support Center (ITSC) developed RPMS by 10/16/02 to process/receive above electronic transactions**
- **Year-long process based on Insurers**
- **ITSC to provide training as Insurers are ready to test/receive electronic transactions**
- **Privacy Rules and Patient Registration**
- **For more information: [IHS.gov](http://IHS.gov) Web site**