HIPAA Transactions and Code Set Standards

As of January 2012

Frequently Asked Questions

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One of the most prominent challenges our customers face in transitioning to ASC X12 version 5010 and NCPDP D.0 is in identifying the gaps between the versions. Many of the challenges facing the healthcare industry are not technical in nature, but address the business.

Because of our commitment to guiding our clients through this transition, we published gaps and FAQs for each transaction set on Emdeon's HIPAA Simplified site. These documents are updated regularly and include the Addendum (Errata) changes. Please refer to this documentation if you need answers other than those provided below.

1. **What is version 5010 of the X12 HIPAA Transaction and Code Set Standards?**

   HIPAA ASC X12 version 5010 and NCPDP version D.0 are new sets of standards that regulate the electronic transmission of specific healthcare transactions, including eligibility, claim status, referrals, claims, and remittances. Covered entities, such as health plans, healthcare clearinghouses, and healthcare providers, are required to conform to the new transaction set standards.

   The current transaction standard for eligibility, claim status, referrals, claims, and remittances is the ASC X12 version 4010. For pharmacy claims, the current standard is NCPDP version 5.1.

   Use of the 5010 version of ASC X12 and the NCPDP D.0 standard is required by federal law. The compliance date for use of these standards is January 1, 2012.

2. **Who will need to upgrade?**

   All covered entities, listed below, are required to upgrade to standards. Covered entities may use a clearinghouse to assist them in complying with the rules.

   - Physicians
   - Clearinghouses
   - Hospitals
   - Pharmacies
   - Payers
   - Dentists

   Additionally, even though software vendors are not included in the list of covered entities, in order to support their customers they will need to upgrade their products to support ASC X12 version 5010 and NCDPD D.0 as a business imperative.

3. **What transactions are specified in the new standards?**

Transaction Name	Set ID(s)	GS08	X12 TR3 Document ID
Health Care Eligibility Benefit Inquiry and Response	270/271	005010X279A1	X217
Health Care Claim Status Request and Response	276/277	005010X212	X212
Health Care Services Request for Review and Response	278	005010X217	X215
Health Care Services Notification and Acknowledgment	278	005010X216	X216

Transaction Name	Set ID(s)	GS08	X12 TR3 Document ID
Payroll Deducted and Other Group Premium Payment for Insurance Products	820	005010X218	X218
Benefit Enrollment and Maintenance	834	005010X220A1	X220
Health Care Claim: Payment/Advice	835	005010X221A1	X221
Health Care Claim: Professional	837	005010X222A1	X222
Health Care Claim: Institutional	837	005010X223A1	X223
Health Care Claim: Dental	837	005010X224A1	X224
NCPDP Pharmacy Claim	D.0	n/a	n/a

4. What transactions will Emdeon support?

Emdeon will support the following new versions of the transactions:

Transaction Name	Set ID(s)	GS08	X12 TR3 Document ID
Health Care Eligibility Benefit Inquiry and Response	270/271	005010X279A1	X217
Health Care Claim Status Request and Response	276/277	005010X212	X212
Health Care Services Request for Review and Response	278	005010X217	X215
Health Care Services Notification and Acknowledgment	278	005010X216	X216
Health Care Claim: Payment/Advice	835	005010X221A1	X221
Health Care Claim: Professional	837	005010X222A1	X222
Health Care Claim: Institutional	837	005010X223A1	X223
Health Care Claim: Dental	837	005010X224A1	X224
NCPDP Pharmacy Claim	D.0	n/a	n/a

5. Where can the Technical Reports (Implementation Guides) be obtained?

· The Technical Reports (TR3 Documents) and their addenda are available for purchase in the X12 Store located at **http://store.x12.org/**.
· The NCPCP Documents are available for purchase on the NCPDP Website: **http://www.ncpdp.org/standards_purchase.aspx**.

![emdeon logo]

6. What are the major differences between ASC X12 versions 4010 and 5010?

There are changes across all of the transactions, some of which include
- The ability to support new-use cases brought forward by the industry,
- Clarification of usage to remove ambiguity,
- Consistency across transactions,
- Support of the NPI regulation, and
- Removal of data content that is no longer used.

7. Why was it necessary to update the standards?

The HIPAA upgrade was needed for several reasons, including:
- To implement some unanticipated issues and requirements version 4010 uncovered
- To accommodate the forthcoming and mandatory ICD-10-CM and ICD-10-PCS code sets, which are scheduled to be implemented on October 1, 2013.

8. How can covered entities prepare for the transition to the new standards?

An organization should make it a priority to perform a thorough systems inventory to establish which technical and business components will be impacted by the new version. In the analysis of business components, the organization should also review the readiness of their business partners, including clearinghouses, software vendors, and so forth, to confirm that they are also prepared to transition by the compliance date.

Additionally, covered entities should perform a full internal gap analysis between the current HIPAA standard and the new standard. To aid the industry in realizing compliance, Emdeon has provided gap analyses on the **HIPAA Simplified** site for each HIPAA standard transaction that we support.

9. Are there any milestones published by HHS to help organizations meet the compliance dates?

Yes. In the preamble to the Final Rule, HHS has recommended a timeline to help the industry migrate to the new versions of the transactions:

Target Date	Milestone
Jan 2009	Begin Level 1 activities (gap analysis, design, and development)
Jan 2010	Begin internal testing for HIPAA 5010 and NCPDP D.0
Dec 2010	Achieve Level 1 compliance (covered entities have completed internal testing and can send and receive compliant transactions)
Jan 2011	Begin Level 2 testing period activities (external testing with trading partners and move into production; dual 4010A/5010 processing mode) Begin initial ICD-10 compliance activities (gap analysis, design, development, and internal testing)
Jan 1, 2012	5010/D.0 compliance date for all covered entities
Oct 1, 2013	The compliance date for ICD-10-CM and ICD-10-PCS

10. **What action is Emdeon taking to address the modifications to the HIPAA transactions and code sets and the transition to ASC X12 5010 and NCPDP D.0?**

Emdeon initially performed a thorough gap analysis, the results of which helped to create a database of issues and challenges; we continually compile educational solutions for our customers with these issues and challenges. This information is available at **www.hipaasimplified.com**, including information for each of our business segments (physicians, hospitals, payers, pharmacies, dentists, and channel partners). Additionally, the site will provide ample resources for helping our clients perform their own gap analyses.

11. **Will Emdeon support the ASC X12 5010 versions of the acknowledgement transactions?**

Yes, Emdeon will support the full set of ASC X12 version 5010 acknowledgement transactions:
   · TA1 – Interchange Acknowledgment
   · X230 – Functional Acknowledgment For Health Care Insurance (997)
   · X231 – Implementation Acknowledgment For Health Care Insurance (999)
   · X214 – Health Care Claim Acknowledgment (277)
   · X824 – Acknowledgement Response
   · Emdeon will provide guidance documents about our support of the acknowledgment transactions

12. **How will the late introduction of the Errata changes impact trading partner readiness and testing plans and schedules?**

Most organizations will begin testing only after developing for the Errata versions. The already narrow testing window is further constricted with the release of the Errata so late in the timeline.

13. **What transactions changed with the release of the ASC X12 version 5010 Errata?**

Below is the list of ASC X12 version 5010 transactions for which the Errata was approved by ASC X12 and adopted by HHS as the standard in October 2010.

Transaction Name	Set ID(s)	GS08	X12 TR3 Document ID
Health Care Eligibility Benefit Inquiry and Response	270/271	005010X279A1	X279
Health Care Claim: Payment/Advice	835	005010X221A1	X221
Health Care Claim: Professional	837	005010X222A1	X222
Health Care Claim: Institutional	837	005010X223A1	X223
Health Care Claim: Dental	837	005010X224A1	X224
Implementation Acknowledgement For Health Care Insurance	999	005010X231A1	X231

Emdeon completed a gap analysis of the changes for all transactions except the 999. The gap analysis documents are posted on the **HIPAA Simplified** web site for everyone's use.

14. **Has Emdeon begun beta testing yet?**

Yes. Emdeon initiated submitter and payer beta testing (on the Errata versions where applicable) in February 2011, in advance of the CMS recommendation to start Medicare Errata testing on April 1, 2011. We facilitated testing the new standards with several submitters and payers for 837 Professional, Institutional, and Dental, as well as on the 835, 270/271, 276/277, and 278 transactions.

Transaction	5010 Testing	
	Submitters	Payers
837 Professional	Yes	Yes
837 Institutional	Yes	Yes
837 Dental	Yes	Yes
835 ERA	Yes	Yes
270/271 Eligibility	Yes	Yes
276/277 Claim Status	Yes	Yes
278 Referral/Authorization	Yes	Yes

Transaction	NCPDP D.0 Testing	
	Submitters	Payers
Claims	Yes	Yes

15. **Are you on schedule to go into Production with the new standards?**

Yes. We are currently in Production on 837 Claims, 835 ERAs, and 270/271 Eligibility.

16. **Why are there not more payers in Production with 5010 when CMS suggested Level 2 testing in January 2011?**

That guidance was issued in a timetable released by HHS with the 5010 Final Rule in January 2009. Emdeon was in fact testing with early submitters and payers on the 5010 Final Rule transactions in the fall of 2010, ahead of the January 1, 2011 date.

However, with the very late introduction of the 5010 Errata changes in October 2010, covered entities had to go back and build the 5010 Errata versions. Most payers did not start testing on the Errata versions until earlier this summer. Of those in testing, most tested claims only and had not begun testing ERAs, Eligibility, or Claim Status.

Currently, Emdeon is testing the Errata transactions with a significant number of payers.

17. When will ERAs be available in the ASC X12 version 5010 format?

Emdeon systems are currently prepared to accept the new ERA format. For more information, you may contact your support representative or complete an **Emdeon On24/7** ticket.

18. Did any issues surface during your payer testing that could be prevented easily?

Yes. The following table describes some of the most common issues found in 837 and 835 testing.

Transaction	Challenge
837 (all)	***Situational in 4010 now Required in 5010*** Many fields are now required in 5010. Emdeon recommends a thorough review of the **USE CHANGE REPORT** section of the transaction's Gap Analysis documentation on our **HIPAA Simplified** site for the *Transitional Issues* items. ***Accepts Assignment Indicator*** The Accept Assignment definition has changed to Assignment or Plan Participation Code, to represent the providers' relationship with any health plan, not just Medicare only. ***Patient Name*** The patient's name changed from 'Required' to 'Situational' in 5010. ***Patient Relationship Code*** The allowable Patient Relationship Codes have been reduced down to their pre-4010 level of eight in ASC X12 version 5010. The codes should be validated prior to submission. ***Release of Information Code*** To align with Privacy Rules, HIPAA now only allows values of "I" (Informed consent) or "Y" (Yes, signed release). Educate your providers to use only "I" or "Y" and not "A", "M", "N", or "O" ***Zip Code*** The Billing Provider and Service Facility Zip Code values must be reported using the full nine digits in the new version.
837 (Prof/Inst)	***Billing Provider Address*** The Billing Provider Address must be reported using a unique physical location instead of PO Box information in the new version. This change may require enrollment updates and payers should be contacted proactively regarding updating address information to avoid any adverse affect on reimbursements.
837 (Prof)	***Diagnosis Code Changes*** Each transaction may include up to twelve Diagnosis Codes in 5010. This increase from the eight occurrences allowable in 4010 is to prepare for the future conversion to ICD-10. In addition, 5010 requires at least one Diagnosis Code on each claim.

Transaction	Challenge
	During the transition period, Emdeon recommends that providers limit the use of Diagnosis Codes to the number currently supported by a payer. This will avoid rejections from payers who have not yet enhanced their 5010 systems to accommodate twelve Diagnosis Codes.
837 (Inst)	***Principal/Other Procedure Codes*** The use of HCPCS codes is not valid at the claim level and is no longer allowed in the new version. Only ICD-9 PCS or ICD-10 PCS codes are allowable in the new version.
835 ERA	***Patient Name*** Because the patient's name changed from 'Required' to 'Situational' in version 5010 of the 837 transactions, providers should be prepared to receive 5010 remittance advices without a Patient Last Name for Retail Pharmacy claims and Patient First Name on all claims. ***Claim Adjustment Group Code*** HIPAA no longer allows "CR", the Correction and Reversals code, to be used in the Claim Adjustment Group Code set in 5010. ***Claim Adjustment Group Code*** HIPAA no longer allows "CR", the Correction and Reversals code, to be used in the Claim Adjustment Group Code set in 5010. ***Service Identification (REF)*** The number of Service Identification segments increased from seven to eight in 5010. Providers should be prepared to accept all eight segments.

*The information above provides just a few examples of issues that developed during ASC X12 version 5010 payer testing of the 837 transactions. For a more robust listing for 835 and 837 transactions, please visit the Emdeon **HIPAA Simplified** website under the Business Documentation section of the Downloads page.*

19. How do you anticipate the new standards will impact your customers?

It is imperative that providers work with their software vendors to ensure that the data they send allows us to create a compliant transaction. There will also be a certain degree of business impact, which we have outlined in our "Issues & Challenges" documents on HIPAA Simplified.

Just as with the ASC X12 version 4010 and NPI implementations, Emdeon will facilitate trading partner readiness using a variety of tools and educational materials, including HIPAA guidance reports and implementation roadmaps.

20. Will there be any impact to existing service levels because of the transition?

No. Emdeon began testing well in advance of the timelines to minimize the chance of any service level disruptions.

21. Will the release strategy allow for processing transactions in both the old and the new standards during the transition period?

Yes. Just as we did with the transition to ASC X12 version 4010, Emdeon will be prepared to accept version 4010 from submitters and convert it to version 5010 for payers that are ready.

Similarly, if a provider is ready to send 5010 transactions, Emdeon will be prepared to convert them to version 4010 for payers that are not yet ready and send in version 5010 to those payers who have already converted.

22. How can clients receive the status on each payer's readiness?

Payers that are accepting 5010 format will be noted as such on the Emdeon Payer List, located at **www.emdeon.com/payerlists**.

23. We may not complete our ASC X12 version 5010 development in time. Can we still submit version 4010 to Emdeon after the compliance date?

As discussed, Emdeon, as a clearinghouse, will continue to accept ASC X12 version 4010 and convert to version 5010 as needed by clients. We have not set a timeframe on that service, but Emdeon does encourage all trading partners to convert to version 5010 to meet the transaction standards and to prepare for ICD-10, which can only be transmitted in the 5010 standard transactions.

24. Do I have to change my inbound file format if I am using Claim Master?

On January 1, 2012, HIPAA will require that you update the manner in which you submit claims to use the new HIPAA ASC X12 version 5010 standard format. While Emdeon encourages all providers to be ready to submit claims using the new standards in advance of the deadline, we want you to be aware that Emdeon Claim Master can make your claims compliant without requiring you to upgrade your system. If you plan to change your inbound claim file to a 5010 format please complete an **Emdeon On24/7** request or contact your support representative in order to get scheduled for testing.

Note: The Claim Master Legacy and HBS products are NOT being modified to be version 5010 compliant. Customers on these products will be migrated to Claim Master Web-Native to meet 5010 requirements by December 31, 2011.

25. How will paper claims be handled? (Clearinghouse and OCR vendors)

Emdeon will enhance paper claims processes in accordance with the guidance from the NUBC/NUCC/ADA. We will adhere to any guidelines set forth by the committees for paper claims. Our print and scanning operations will adhere to the guidelines defined by the maintainers of the paper forms.

26. Will Emdeon continue to support the Site ID in the 5010 837?

Yes. Even though Emdeon will no longer require that submitters send the Site ID in the version 5010 837 claim file, we will continue to accept the Site ID information in the 2010AA REF G5 from submitters that will still need reports distributed based on the Site ID. Emdeon will not include the Site ID on the outbound claim file to the payer.

27. Who should customers contact with questions about the new standards?

Emdeon has structured our transition communication plan so that our clients are able to obtain pertinent information as quickly as possible. To facilitate an expedited question/response process, a client should complete an **Emdeon On24/7** ticket or present any inquiries to their knowledgeable Emdeon Account Manager, who will ensure that the inquiry is responded to in a timely manner. In addition, the **HIPAA Simplified** web site contains information critical to any implementation at no cost to the viewer. HIPAA Simplified is a one-stop online resource that features technical gap analysis, simplified business level documentation, timelines for the transition and testing information.

28. Does Emdeon hold any leadership roles in the healthcare industry?

Absolutely. Emdeon is a leader in the industry and holds a number of positions with healthcare organizations, including WEDI, X12, NCPDP, and IAABC. Emdeon is a member of the WEDI Board and participates as leaders in the HIPAA 5010 and ICD-10 workgroups and forums. Emdeon also maintains leadership positions in X12N Workgroups that focus on the HIPAA transactions. Regarding our role with X12, we have focused largely on the migration to HIPAA 5010. In WEDI, we have employees who serve as co-chairs on two panels and others who closely track the work being done by another panel. With IAABC, we have an employee who is the X12 Liaison to the Medical EDI Committee within IAIABC. Emdeon is represented on several NCPDP workgroups.