



Preparing for the Next Version of
HIPAA Standards:
January 1, 2012 Compliance Date

Be 5010 Compliant to Prevent Claim Rejections

The January 1, 2012 deadline to be in compliance with the Version 005010 (5010) HIPAA electronic administrative transactions is fast approaching. Do not expect a delay in the compliance deadline. All physicians, other health care professionals, payers, and clearinghouses that submit HIPAA transactions will be required to use only the 5010 transactions as of the deadline.

Providers need to complete the following steps in order to be prepared for the deadline.

Understand Data Reporting Changes

Not all of the 5010 changes are IT changes and some will impact your business functions.

- ___ Talk to your vendor, billing service, and/or clearinghouse about resources they have on the 5010 changes.
- ___ Identify the data reporting changes that impact your practice. The following are a few of the changes:
 - You can no longer report a PO Box in the Billing Provider Address field. PO Box addresses for payment purposes will now be reported in the Pay-to Address field.
 - You must report a 9-digit ZIP code in the Billing Provider and Service Facility Location address fields.
 - You must report a patient with a unique health plan member ID as the subscriber.
 - You can no longer report units of anesthesia time. Only minutes can be reported.

Upgrade Practice Management System or Electronic Health Record System

Your practice management system or electronic health record will need to be upgraded so it can capture the required 5010 data.

- ___ Work with your vendor to make sure the necessary system upgrades are completed.
- ___ Determine the costs for the vendor upgrades.
- ___ Update other manual processes in your practice to collect and report transaction data.
- ___ Complete internal testing of the upgrades to make sure your system can generate the 5010 transactions. Ask your vendor whether they will complete the internal testing for you.

Testing the 5010 Transactions

You need to test your upgraded system to make sure your 5010 transactions are working correctly.

- ___ Test the 5010 transactions with your payers through the channels you use today to send and receive transactions. Specifically test with the payers and clearinghouses that make up your highest volume and/or highest dollar amount of claims.
- ___ Talk to your vendor to determine what testing they will do of your system upgrades. Do not assume that your vendor will take care of your testing needs.
- ___ Talk to your billing service, clearinghouses, and payers about the processes they will be using for testing. Follow their procedures and make certain that your testing is completed.
- ___ Work with your vendor to fix any issues identified during testing and re-test with your billing service, clearinghouses, and payers.

Minimize the Impact of Disruptions in Transactions

Because the compliance deadline will not be delayed, a major concern is the potential for disruptions in transactions processing after January 1, 2012. Physicians should develop a “back-up plan” or safety net to address what they will do if their transactions do not work and they do not receive payments.

Visit the Centers for Medicare & Medicaid Services’ Web site, www.cms.gov/Versions5010andD0, and the AMA Web site, www.ama-assn.org/go/5010, for additional information.

These are your transactions that must be processed in order for you to receive payments