



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

5010 Data Reporting Changes Tips

If you use the current version of the HIPAA electronic administrative transactions, such as checking a patient's eligibility, filing a claim, or receiving a remittance advice, you are required by federal regulation to use the updated version of these transactions, version 005010 (5010), by Jan. 1, 2012. There are data reporting changes in these transactions that will impact the data you send and receive. **It is important for you to make these changes and test the 5010 transactions to be certain they will process correctly on Jan. 1, 2012.** Be prepared for the 5010 transactions to avoid claim rejections and interrupted cash flow.

The following are five simple actions you can take now. (These are not all of the 5010 data reporting changes.)

Action 1: Is your practice reporting the appropriate Type 2 (organizational) National Provider Identifier (NPI) number for the Billing Provider on all electronic claim submissions? In 5010, you must bill all payers the same way using your lowest "level" Type 2 NPI for the Billing Provider. (For example, if your practice has an NPI at the practice level and you have a lab facility under the practice that received a separate NPI, then when billing for the lab services, you will be required to report the lab's NPI. The lab's NPI will need to be reported the same way to all of your payers.) If you are not doing this today, work with your payers now on making the changes to report your Billing Provider NPI correctly for 5010.

Action 2: Is your practice using the 9-digit ZIP code in the Billing Provider and Service Facility Location address fields in your electronic claim submissions? In 5010, the 9-digit ZIP code is required in these two address fields. Begin using the 9-digit ZIP code today in these locations in preparation for the 5010 requirements.

Action 3: Is your practice currently reporting a PO Box in the Billing Provider address field of electronic claim submissions? PO Boxes are not permitted in the Billing Provider Address field in the 5010 claim transaction. The Billing Provider Address must be the street address or physical location of the Billing Provider. If you wish to have payments delivered to a PO Box or different address from the Billing Provider street address, report this address in the Pay-to Address field. If you will be changing the address you report today in the Billing Provider Address field, you should contact your payers about updating your enrollment information. Many payers use the address in their provider files to validate the physician, so they may pend or reject your claims if you begin submitting a different address in your claim. You may also need to update your information in the National Plan & Provider Enumeration System (NPPES) (<https://nppes.cms.hhs.gov/NPPES/Welcome.do>).

Action 4: Is your practice currently submitting electronic claim submissions that accurately balance at the line level? This will be a requirement in 5010, so begin making the claim balance at the line level. Payers will also be required to ensure the electronic remittance advice accurately balances at the line level.

Action 5: Do you receive paper explanations of benefits? If so, now is the time to consider moving to electronic remittance advices. Use of the electronic transaction is more efficient and cost-effective for physician practices. In preparation for the electronic remittance advice transaction, become acquainted with the HIPAA mandated Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs) that are used in the transactions. To access the current HIPAA CARC and RARCs, visit www.ama-assn.org/go/claims-assistant to access a complimentary look-up tool or visit www.wpc-edi.com and select "Code Lists."

Be proactive, make the changes and test the transactions today!

Visit the AMA's website for more resources for implementing the HIPAA 5010 transactions, www.ama-assn.org/go/5010