



**News Flash** – As a result of the Affordable Care Act (ACA), claims with dates of service on or after January 1, 2010, received later than one calendar year beyond the date of service will be denied by Medicare. For full details, see the MLN Matters® article, MM6960, at <http://www.cms.gov/MLN MattersArticles/downloads/MM6960.pdf> on the Centers for Medicare & Medicaid Services website.

MLN Matters® Number: MM6975 **Revised**

Related Change Request (CR) #: 6975

Related CR Release Date: May 21, 2010

Effective Date: October 1, 2010

Related CR Transmittal #: R7090TN

Implementation Date: October 4, 2010

## **Additional Instruction for Implementation of Health Insurance Portability and Accountability Act of 1996 (HIPAA) Version 5010 for Transaction 835 - Health Care Claim Payment/Advice and Updated Standard Paper Remit (SPR)**

**Note:** This article was revised on November 8, 2011, to add a reference to MLN Matters® article SE1131 (<http://www.cms.gov/MLN MattersArticles/downloads/SE1131.pdf>) that references the approaching deadline of January 1, 2012, for 5010 implementation. SE1131 urges providers to contact their MACS for the free version 5010 software and begin testing to avoid delays in payment for Fee-For-Service claims. All other information is unchanged.

### **Provider Types Affected**

This article is for physicians, providers and suppliers who bill Medicare Contractors (carriers, Fiscal Intermediaries (FIs), Part A/B Medicare Administrative Contractors (A/B MACs), and Regional Home Health Intermediaries (RHII)), for services provided to Medicare beneficiaries.

### **Provider Action Needed**

The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 6975 to alert providers that, according to the Administrative Simplification provisions of HIPAA Regulations, the Secretary of the Department of Health and Human Services (DHHS) is required to adopt standard electronic transactions and code sets. CMS is currently in the process of implementing the next version of the HIPAA Transaction 835 standard – referred to as 835v5010 in this document. **Be**

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sure that you will be compliant with this next HIPAA standard by January 1, 2012.

## Key Points of CR6975

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The Secretary of DHHS has adopted ASC X12 version 5010 and NCPDP version D.0 as the next HIPAA standard for HIPAA covered transactions. The final rule was published on January 16, 2009. Some of the important dates in the implementation process are:

- Effective Date of the regulation: March 17, 2009;
- Level I compliance by: December 31, 2010;
- Level II Compliance by: December 31, 2011; and
- All covered entities have to be fully compliant on: January 1, 2012.

## Background

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Level I compliance means “that a covered entity can demonstrably create and receive compliant transactions, resulting from the compliance of all design/build activities and internal testing.”

Level II compliance means that a “covered entity has completed end-to-end testing with each of its trading partners, and is able to operate in production mode with the new versions of the standards.”

CMS will be fully compliant on January 1, 2012, by completing Level I compliance by December 31, 2010, and Level II compliance by December 31, 2011. **The transition period when both versions would be allowed in production mode for Medicare will be from January 1, 2011 – December 31, 2011. The 835v4010A1 and the current Standard Paper Remittance (SPR) should not be sent on or after January 1, 2012, irrespective of the date of receipt or date of service reported on the electronic or paper claim.**

## Additional Information

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If you have questions, please contact your Medicare Carrier, A/B MAC, FI and/or RHHI at their toll-free number which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

The official instruction associated with this CR6975, issued to your Medicare Carrier, A/B MAC, FI and/or RHHI regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R709OTN.pdf> on the CMS website.

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