



## 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) – JA6975

Related CR Release Date: May 21, 2010

Date Job Aid Revised: June 11, 2010

Effective Date: October 1, 2010

Implementation Date: October 4, 2010

<b>Key Words</b>	MM6975, CR6975, R709OTN, HIPAA, 5010, Transaction 835, SPR
<b>Contractors Affected</b>	<ul style="list-style-type: none"> <li>• Carriers</li> <li>• Fiscal Intermediaries (FIs)</li> <li>• Part A/B Medicare Administrative Contractors (A/B MACs)</li> <li>• Regional Home Health Intermediaries (RHHs)</li> </ul>
<b>Provider Types Affected</b>	Provider types affected are physicians, providers and suppliers who bill Medicare Carriers, FIs, A/B MACs, and RHHs for services provided to Medicare beneficiaries.



- Change Request (CR) 6975 alerts 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.
- The Centers for Medicare & Medicaid Services (CMS) is currently in the process of implementing the next version of the HIPAA Transaction 835 standard – referred to as 835v5010.
- **Providers should ensure that they will be compliant with this next HIPAA standard by January 1, 2012.**

<b>Provider Needs to Know...</b>	<ul style="list-style-type: none"> <li>• The Secretary of DHHS has adopted American Standard Code X12 Version 5010 and National Council for Prescription Drug Programs 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: <ul style="list-style-type: none"> <li>• Effective Date of the regulation: March 17, 2009;</li> <li>• Level I compliance by: December 31, 2010;</li> <li>• Level II Compliance by: December 31, 2011; and</li> </ul> </li> </ul>
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- All covered entities have to be fully compliant on January 1, 2012.
  - 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 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.
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**Background**

- 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.”
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**Operational  
Impact**

N/A

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**Reference  
Materials**

The related MLN Matters® article can be found at <http://www.cms.gov/MLN MattersArticles/downloads/MM6975.pdf> on the CMS website.

The official instruction (CR6975) issued regarding this change may be found at <http://www.cms.gov/Transmittals/downloads/R709OTN.pdf> on the CMS website.

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