



# MLN Matters®



Information for Medicare Fee-For-Service Health Care Professionals

Related Change Request (CR) #: 3050

MLN Matters Number: MM3050

Related CR Release Date: February 6, 2004

Related CR Transmittal #: R86CP

Effective Date: July 1, 2004

Implementation Date: July 6, 2004

## *Health Insurance Portability and Accountability Act (HIPAA) X12N 837 Professional Health Care Claim Implementation Guide (IG) Editing*

**Note:** This article was updated on April 22, 2013, to reflect current Web addresses. All other information remains unchanged.

### Provider Types Affected

Physicians, practitioners, suppliers, and providers who bill Medicare carriers, including Durable Medical Equipment Carriers (DMERCs).

### Provider Action Needed



#### **STOP – Impact to You**

Affected providers should stop submitting electronic claims with diagnosis codes, zip codes, or telephone numbers that are not HIPAA compliant.



#### **CAUTION – What You Need to Know**

Providers should note that Medicare systems are strengthening their system edits to assure receipt of HIPAA compliant claims. Effective July 1, 2004, Medicare will reject electronic claims that have diagnosis codes, zip codes, or telephone numbers that are not HIPAA compliant.



#### **GO – What You Need to Do**

Be sure your billing systems are modified to generate electronic claims that will pass Medicare's HIPAA compliancy edits for diagnosis codes, zip codes, and telephone numbers.

#### **Disclaimer**

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## Background

The Health Insurance Portability and Accountability Act (HIPAA) directed the Secretary of the Department of Health and Human Services (HHS) to adopt standards for transactions to enable health information to be exchanged electronically. In addition, one of the HIPAA provisions requires standard formats to be used for electronically submitted health care transactions.

CMS is committed to implementing the 837 COB transaction set per the HIPAA implementation guide (IG), and it recognizes that a change in its systems is needed to:

- 1) Comply with the 837 Professional IG; and
- 2) To allow the creation of compliant coordination of benefits (COB) claim files.

To accomplish this, Medicare systems will be changed to include edits that reject electronic claims that contain:

- Invalid diagnosis codes;
- A dash, a space, or special character in any zip code field; and
- A dash, space, special character, or a parenthesis in telephone numbers.

### Related Instructions

The ANSI X12N 837 implementation guides are the standards of compliance for claim transactions and are available electronically at [http://www.wpc-edi.com/hipaa/HIPAA\\_40.asp](http://www.wpc-edi.com/hipaa/HIPAA_40.asp) on the Internet.

The *Medicare Claims Processing Manual, Chapter 24* has been updated to include the new *Section 40.7.2, Professional Implementation Guide (IG) Edits*. This new section is included below:

#### **40.7.2 – X12N 837 Professional Implementation Guide (IG) Edits**

***The Part B Carriers and Durable Medical Equipment Regional Contractors (DMERCs) must reject inbound electronic claims that contain invalid diagnosis codes whether pointed to or not.***

***The Part B Carriers and Durable Medical Equipment Regional Contractors (DMERCs) must reject inbound electronic claims that contain a dash, space, or special character in any zip code.***

***The Part B Carriers and Durable Medical Equipment Regional Contractors (DMERCs) must reject inbound electronic claims that contain dashes, spaces, special characters or parentheses in any telephone number.***

#### **Disclaimer**

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.