

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 621	Date: January 15, 2010
	Change Request 6745

SUBJECT: Implementation of the Health Insurance Portability and Accountability Act (HIPAA) Version 5010 - MAC Jurisdiction 9 Only

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide direction to a specific Part A and Part B (A/B) Medicare Administrative Contractor (MAC) which is, as of this time, in a position to implement Version 5010. Specifically, Jurisdiction 9 (J9) is instructed to prepare their systems to process ASC X12 Version 005010 transactions as previously issued CRs 6472 and 6595 addressed J1, J3, J4, J5, J10, J13, J14, and the Common Electronic Data Interchange Contractor . Other A/B MACs, not currently in a position to implement 5010, currently in Corrective Action Plan, or under a protest condition need not reply. Specifically, J2, J6, J7, J8, J11, and J15 are not affected by this CR. A future CR will address these MAC jurisdictions.

New / Revised Material

Effective Date: March 1, 2010

Implementation Date: March 1, 2010

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	Chapter / Section / Subsection / Title
N/A	

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:

N/A

SECTION B: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENT:

One-Time Notification

**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 621	Date: January 15, 2010	Change Request: 6745
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SUBJECT: Implementation of the Health Insurance Portability and Accountability Act (HIPAA) Version 5010 - MAC Jurisdiction 9 Only

Effective Date: March 1, 2010

Implementation Date: March 1, 2010

I. GENERAL INFORMATION

A. Background: The Centers for Medicare & Medicaid Services (CMS) is in the process of implementing the next version of the HIPAA transactions. The Secretary of the Department of Health and Human Services (DHHS) has adopted Accredited Standards Committee (ASC) X12 Version 5010, and the National Council for Prescription Drug Programs (NCPDP) Version D.0 as the next HIPAA transaction standards for covered entities to exchange HIPAA 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
All covered entities have to be fully compliant on:	January 1, 2012

Level I compliance means “that a covered entity can demonstrate that it could 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.”

DHHS has promulgated in the Final Rules provisions which permit dual use of existing standards (ASC X12 4010A1 and NCPDP 5.1) and the new standards (5010 and D.0) from the March 17, 2009, effective date until the January 1, 2012, compliance date to facilitate testing subject to trading partner agreement.

The purpose of this Change Request (CR) is to provide direction to a specific Part A and Part B (A/B) Medicare Administrative Contractor (MAC) which is, as of this time, in a position to implement Version 5010. Specifically, Jurisdiction 9 (J9) is instructed to prepare their systems to process ASC X12 Version 005010 transactions as previously issued CRs 6472 and 6595 addressed J1, J3, J4, J5, J10, J13, J14, and the Common Electronic Data Interchange Contractor. Other A/B MACs, not currently in a position to implement 5010, currently in Corrective Action Plan, or under a protest condition need not reply. Specifically, J2, J6, J7, J8, J11, and J15 are not affected by this CR. A future CR will address these MAC jurisdictions.

Estimates for this CR should include a breakdown as part of the Level of Effort (LOE) response, utilizing the following table to be included in the “Estimate-Specific Comments” portion of the LOE template, to follow the Investment Lifecycle Phases.

Investment Lifecycle Phase	Total Hours	Total Cost
*Pre-Implementation/CR Review		
Design & Engineering Phase		
Development Phase		
Testing Phase		

Implementation Phase		
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***NOTE:** The Pre-Implementation/CR Review costs will not be funded under the unique funding situation for the 5010/D.0 project, but instead out of the MAC’s pot of hours for Pre-Implementation/CR Review.

B. Policy: Health Insurance Reform: Modifications to the HIPAA: Final Rules published in the Federal Register on January 16, 2009, by the DHHS at 45 CFR Part 162.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an “X” in each applicable column)									
		A / B M A C	D M E M A C	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
6745.1	The A/B MACs shall have their initial upgrades in place for their Commercial Off The Shelf (COTS) translators to accept the new HIPAA ASC X12 Version 5010 transactions.	X									
6745.1.1	The A/B MACs shall not accept or process an incoming 005010X231 999 Implementation Acknowledgement for Health Care Insurance (999) as a response transaction.	X									
6745.2	The A/B MACs shall have their initial upgrades in place for their workflows and systems environments to support running dual-path processing of both ASC X12 Version 4010A1 and 5010 transactions.	X									
6745.3	The A/B MACs shall update their Trading Partner Management profiles to ensure the following authorization situations can be verified: <ul style="list-style-type: none"> • 4010A1 Test; • 4010A1 Production; • 5010 Test; and • 5010 Production. 	X									
6745.4	The A/B MACs shall implement their initial release (as future activity may be needed) for their COTS translator software to appropriately produce the following ASC X12 transactions TA1, 005010X231 999 Implementation Acknowledgement for Health Care Insurance (999) and 005010X214 277 Health Care Claim Acknowledgment (277CA) acknowledgement transactions.	X									
6745.4.1	The A/B shall begin to develop the training program for their personnel on the use and data content of the TA1, 999 and 277CA acknowledgement transactions.	X									
6745.4.2	A future CR shall be issued regarding the details for the TA1, 999, and 277CA acknowledgement transactions.	X									
6745.5	The A/B MACs shall begin to develop Help Desk materials for ASC X12 Version 5010 transactions.	X									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M E M A C	F I	C A R R I E R	R H H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
6745.6	<p>A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p>	X									

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below:

X-Ref Requirement Number	Recommendations or other supporting information:
6745.1	Medicare Administrative Contractors (MACs) be funded through special 5010/D.0 project funding initiative. This CR falls within the parameters of said funding.

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jason Jackson (410) 786-6156 jason.jackson3@cms.hhs.gov

Post-Implementation Contact(s): Jason Jackson (410) 786-6156 jason.jackson3@cms.hhs.gov

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*: N/A

Section B: For *Medicare Administrative Contractors (MACs)*:

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically

authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.