



ICD-10

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News Updates | March 15, 2012

CMS Announces Extension of Enforcement Discretion Period for Updated HIPAA Transaction Standards Through June 30, 2012

In an announcement, the Centers for Medicare & Medicaid Services' (CMS) Office of E-Health Standards and Services (OEES) said it will not initiate enforcement action against any non-compliant entities for an additional three (3) months, through **June 30, 2012**, for updated HIPAA transaction standards (ASC X12 Version 5010, NCPDP Versions D.0 and 3.0). Details on the announcement can be found below.

Extension of Enforcement Discretion Period for Updated HIPAA transaction standards through June 30, 2012

March 15, 2012. The Centers for Medicare & Medicaid Services' Office of E-Health Standards and Services (OEES) is announcing that it will not initiate enforcement action for an additional three (3) months, through June 30, 2012, against any covered entity that is required to comply with the updated transactions standards adopted under the Health Insurance Portability and Accountability Act of 1996 (HIPAA): ASC X12 Version 5010 and NCPDP Versions D.0 and 3.0.

On November 17, 2011, OEES announced that, for a 90-day period, it would not initiate enforcement action against any covered entity that was not compliant with the updated versions of the standards by the January 1, 2012 compliance date. This was referred to as enforcement discretion, and during this period, covered entities were encouraged to complete outstanding implementation activities including software installation, testing and training.

Health plans, clearinghouses, providers and software vendors have been making steady progress: the Medicare Fee-for-Service (FFS) program is currently reporting successful receipt and processing of over 70 percent of all Part A claims and over 90 percent of all Part B claims in the Version 5010 format. Commercial plans are reporting similar numbers. State Medicaid agencies are showing

progress as well, and some have made a full transition to Version 5010.

Covered entities are making similar progress with Version D.0. At the same time, OESS is aware that there are still a number of outstanding issues and challenges impeding full implementation. OESS believes that these remaining issues warrant an extension of enforcement discretion to ensure that all entities can complete the transition. OESS expects that transition statistics will reach 98 percent industry wide by the end of the enforcement discretion period.

Given that OESS will not initiate enforcement actions through June 30, 2012, industry is urged to collaborate more closely on appropriate strategies to resolve remaining problems. OESS is stepping up its existing outreach to include more technical assistance for covered entities. OESS is also partnering with several industry groups as well as Medicare FFS and Medicaid to expand technical assistance opportunities and eliminate remaining barriers. Details will be provided in a separate communication.

The Medicare FFS program will continue to host separate provider calls to address outstanding issues related to Medicare programs and systems. The Medicare Administrative Contractors (MAC) will continue to work closely with clearinghouses, billing vendors or health care providers requiring assistance in submitting and receiving Version 5010 compliant transactions. If any entity is experiencing difficulty reaching a MAC, please contact Karen Jackson at Karen.Jackson1@cms.hhs.gov.

The Medicaid program staff at CMS will continue to work with individual States regarding their program readiness. Issues related to implementation problems with the States may be sent to Medicaid5010@cms.hhs.gov.

OESS strongly encourages industry to come together in a collaborative, unified way to identify and resolve all outstanding issues that are impacting full compliance, and looks forward to seeing extensive engagement in the technical assistance initiative to be launched over the next few weeks.

Keep Up to Date on Version 5010 and ICD-10.

Please visit [the ICD-10 website](#) for the latest news and resources to help you prepare, and to download and share the implementation [widget](#) today!



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