

HIPAA 5010 FAQ

This collection of frequently asked questions (FAQ) was developed to answer provider questions about HIPAA 5010.

General

Q. What is HIPAA 5010?

A. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) is the federal regulation that requires health care providers, health care clearinghouses, and health plans to use X12 standards, which are used to electronically report and inquire about certain health care transactions. If you electronically submit standard transactions, you must comply with the current 4010A standards. The new version of the standards is called 5010.

Q. How is the 5010 version different from 4010 and 4010A?

A. The new 5010 version improves and modifies version 4010 and 4010A (referred to as 4010A in the rest of this document). The documentation that explains how to report your claims and inquiries is easier to understand in the new 5010 version, and it fully supports reporting of both the National Provider Identifiers and the new International Classification of Diseases codes. The 5010 version is also more streamlined because unused content from 4010A has been removed.

Q. Does 5010 apply to me?

A. HIPAA 5010 applies to you if you are a covered entity (health care provider, health care clearinghouse, or health plan) and you currently submit standard electronic transactions using version 4010A, or if you want to begin electronically reporting (or inquiring about) health care transactions.

Q. When must version 5010 be in place? Did CMS announce a grace period for HIPAA 5010 compliance?

A. The U.S. Department of Health and Human Services (HHS) issued a final rule requiring covered entities to move to the next generation of HIPAA electronic transaction standards (5010) by January 1, 2012. Independence Blue Cross (IBC) will be able to comply fully with the updated HIPAA transaction and code set regulations by January 1, 2012. However, in November 2011, the Centers for Medicare & Medicaid Services (CMS) issued a statement announcing a 90 day period of enforcement discretion for compliance with the 5010 transaction standards. In March 2012, CMS issued a second statement announcing another 90 day period of enforcement discretion for compliance with the 5010 transaction standards.

In accordance with CMS's guidance regarding enforcement discretion, IBC has developed a strategy to handle the receipt and processing of 4010A non-compliant electronic transactions received from health care providers and other covered entities beginning January 1, 2012 to ensure the smooth flow of payments. This grace period will expire on June 30, 2012. If you are not prepared to submit and accept HIPAA 5010 compliant transactions by June 30, 2012, you may be adversely affected by conversion activities initiated by IBC and/or your trading partners.

Q. What 5010 transaction versions is IBC supporting?

A.

| Standard transaction number | Transaction name | Transaction version |
|-----------------------------|--|---------------------|
| 837I | Health care claim: institutional | 005010AX223A2 |
| 837P | Health care claim: professional | 005010AX222A1 |
| 835 | Health care claim: payment and remittance advice | 005010AX221A1 |
| 999 | Functional acknowledgment for health care insurance | 005010AX231A1 |
| 270/271 | Health care eligibility request and response | 005010AX279A1 |
| 834 | Benefits enrollment and disenrollment | 005010AX220A1 |

Q. How do I prepare for the transition?

A. Consider talking with your facility or the vendor or clearinghouse you use to manage your practice. Prepare for the discussion by reviewing your contracts to determine the terms that apply when a major, federally mandated data set change must be made. Then, ask your vendors what preparations they are making to support your HIPAA 5010 business requirements in time for the compliance date. Ask for details such as a project plan and timeline.

Q. What if my vendor hasn't started to plan for 5010?

A. One approach would be to express your concern to your vendor and periodically follow up until you are assured that you will be in compliance with the 5010 version by June 30, 2012. You also may need to develop a backup plan to meet compliance by June 30, 2012.

Q. Currently, I submit claims on paper. Will I need to start sending 5010 electronic claims transactions on June 30, 2012?

A. Electronic transactions are a very efficient way to file claims and make inquiries. IBC encourages you to consider this approach. We do not currently require you to switch to electronic claims transactions if you use paper today. However, if you do not submit claims electronically you may be precluded from participating in certain incentive programs, such as the Quality Incentive Payment System (QIPS) program for primary care providers.

Q. Will there be changes to the paper claims (e.g., UB-04 claim form, CMS-1500 claim form) because of 5010?

A. No. The most recent versions of the paper claims accommodate the relevant data reported in 5010.

Q. I am currently submitting paper claims, but I would like to begin submitting them electronically prior to June 30, 2012. Should I use or invest in software that supports 4010A transactions or 5010 transactions?

A. While it is your decision what type of software to invest in, we recommend that providers who will submit standard transactions electronically, consider using software that supports 5010 transactions. In accordance with guidance published by CMS, IBC has developed a strategy to handle the receipt and processing of non-compliant electronic transactions received from health care providers and other covered entities for a 180 day period beginning January 1, 2012 to ensure the smooth flow of payments. We will continue to accept and send 4010A transactions until June 30, 2012.

Q. Can I still submit a P.O. Box address in loop 2010AA under HIPAA 5010?

A. No. P.O. boxes are not compliant with HIPAA 5010 and should no longer be submitted. You must list a physical street address.

Q. Where can I find additional information regarding 5010?

A. Visit <http://www.cms.gov/MLN MattersArticles/downloads/SE0904.pdf> to read the article “An Introductory Overview of the HIPAA 5010” from CMS. This article offers a helpful summary, especially for those who are not involved directly in HIPAA 5010 projects.

Q. Are there industry sources for 5010 information and education?

A. The American Medical Association or your hospital association are sources for peer-to-peer exchanges of information on 5010. Additionally, the Workgroup on Electronic Data Interchange (WEDI) website has valuable information. The WEDI membership consists of payers, vendors, and providers.

Q. Is IBC updating its companion guides? If so, when will they be available and how do we obtain copies?

A. Yes. Please visit www.ibx.com/ediforms for HIPAA 5010 companion guides.

Testing and implementation

Q. How will we know when IBC is ready to receive 5010 transactions?

A. IBC will issue routine updates on the NaviNet® web portal, www.ibx.com/providers, and in *Partners in Health Update*SM during the ongoing transition to 5010.

Q. Will we need to test with IBC before we send 5010 transactions? If so, should we expect IBC to contact us about testing? When will it be, and what will the testing entail?

A. Our primary testing focus will be on trading partners (like NaviNet). Providers should focus on testing with their clearinghouse/trading partner (or through whomever they submit their claims). That organization should then be doing its own testing with other clearinghouses to ensure that you will be able to electronically submit standard transactions using version 5010 by June 30, 2012.

Q. Can we transition to the 5010 standard early? Will there be a period of time during in which IBC will accept claims in both 4010A and 5010 formats?

A. IBC will adhere to the following schedule:

Inbound:

-Starting June 30, 2012, you can submit claims only in version 5010.

Outbound:

-Prior to June 30, 2012, you will receive electronic transactions in version 4010A or 5010. This will be determined by the version in which you have submitted your claims in accordance with the day grace period which ends June 30, 2012.

-Starting June 30, 2012, you will receive electronic transactions from IBC only in version 5010.

Q. Will NaviNet require new information? And will there be any 5010 related changes to NaviNet that we should be aware of?

A. Yes. Within the Provider Portal interface, the Online Statement of Remittance (SOR) Inquiry transaction, and the BlueExchange® Out-of-Area transactions (*Eligibility & Benefits Inquiry, Claims Status Inquiry, and Referral/Auth Submission*) will be affected by the 5010 initiative. Although the enhancements will be transparent, providers may see additional information on the responses from the Home Plan within these transactions.

Q. Will IBC require providers to report or accept any new information in any transaction when 5010 is implemented?

A. No. IBC will continue to accept and remit 4010A transactions past the original compliance date of January 1, 2012, in accordance with the recommended grace period. This grace period will expire on June 30, 2012.

However, a number of changes to the standard transactions are required to convert from version 4010A to version 5010. You should talk to your trading partner to ensure that you will comply with the new 5010 standards.

Q. How and what will you communicate about a rejected transaction?

A. If a 5010 transaction is received but has errors in formatting or missing data, it will be rejected with a TA-1 Interchange Acknowledgment or a 999 Functional Acknowledgment, depending on the reason for the rejection. The rejection reason codes will give details about why the transaction was not accepted.

Q. What if I have additional questions that are not addressed here?

A. Please email: hipaa5010inquiries@ibx.com.

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