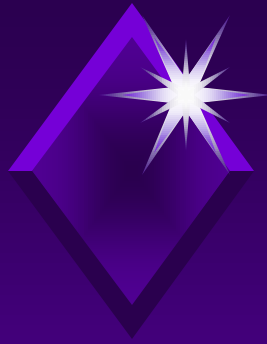


***Administrative Simplification
Compliance Act (ASCA) and CMS
Readiness***

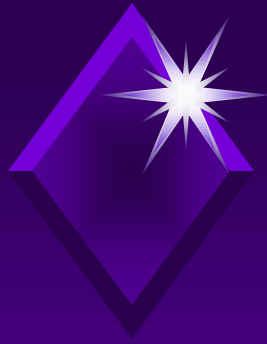
Karen Trudel

Centers for Medicare and Medicaid
Services



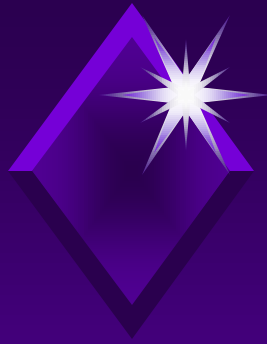
Transaction and Code Sets Standards

- ◆ Final Regulation published in August, 2000
- ◆ Original compliance date: October 16, 2002
- ◆ Many sectors of health care requested additional time to build, test, and successfully implement the standards



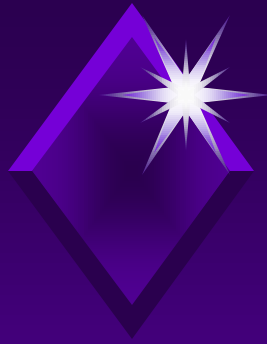
Congress' Response

- ◆ Administrative Simplification Compliance Act or ASCA (P.L. 107-105)
- ◆ Allows covered entities to request a one-year extension for transactions and code sets compliance
- ◆ Does not affect other HIPAA standards, e.g., privacy



ASCA Provisions

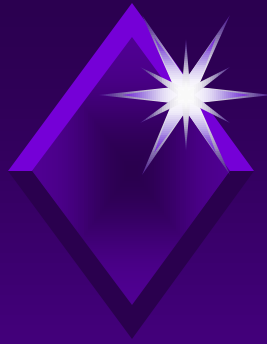
- ◆ Covered entities may receive a one-year extension (to 10/16/03)
- ◆ If they submit a compliance extension plan by 10/15/2002
- ◆ NCVHS will study sample of plans to identify compliance barriers -- publish solutions



Other Provisions

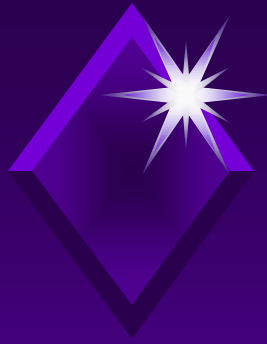
Secretary may exclude providers from participating in Medicare if they did not submit a compliance extension plan and are not compliant by October 16, 2002.

- ◆ Effective October 2003, claims submitted to Medicare via paper will not be covered
 - ◆ Exceptions provided for small providers and other circumstances



Compliance Extension Plan

- ◆ Per ASCA, the plan must include a summary of:
 - ◆ schedule for HIPAA implementation
 - ◆ work plan and budget
 - ◆ implementation strategy
 - ◆ planned use of vendors
 - ◆ time frame for testing (begin NLT 4/03)



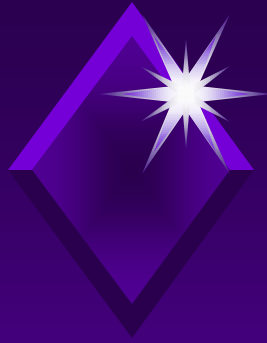
How to Submit a Plan

- ◆ Electronically
 - ◆ at www.cms.hhs.gov/hipaa
 - ◆ strongly suggested
 - ◆ will receive confirmation number
- ◆ Via paper
 - ◆ model form or other format



Who Should Submit a Plan

- ◆ Covered entity that does not expect to be compliant by 10/16/02
 - ◆ Note: providers not conducting electronic transactions are not covered entities
- ◆ Exception:
 - ◆ Small plans already have until 10/03 and cannot receive an extension



Model Compliance Plan

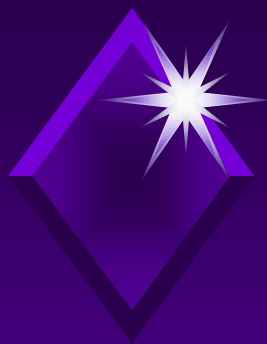
Section A: *Covered Entity* and Contact Information

1. Name of *Covered Entity* 2. Tax Identification Number 3. Medicare Identification Number(s)

4. Type of *Covered Entity* (Check all that apply from these drop-down menus)

- Health Care Clearinghouse* *Health Plan* *Health Care Provider*

- Dentist*
- DME Supplier*
- Home Health Agency*
- Hospice*
- Hospital*
- Nursing Home*
- Pharmacy*
- Physician/Group Practice*
- Other*



Model Compliance Plan

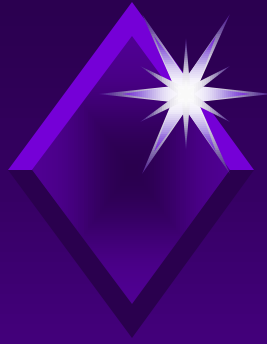
Section A (continued)

5. Authorized Person 6. Title

7. Street

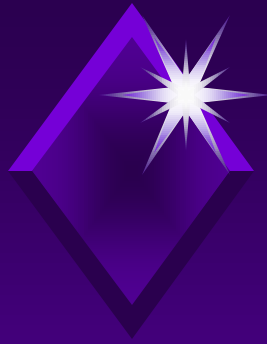
8. City State Zip

9. Telephone Number



Filing for Multiple Entities

- ◆ Physician group and individual physicians
- ◆ Health system with related providers
- ◆ Vendors and clients
- ◆ TPAs and employer health plans



General Rules

- ◆ Multiple entities under one plan if:
 - ◆ Entities are related
 - ◆ They are following the same plan and schedule
 - ◆ A single authorized person can speak for all



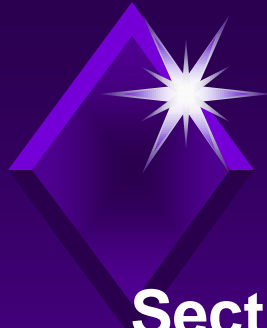
Model Compliance Plan

Section B: Reason for Filing for This Extension

10. Please check the box next to the reason(s) that you do not expect to be compliant with the HIPAA Electronic Health Care Transactions and Code Sets standards (45 C.F.R. Parts 160, 162) by October 16, 2002. Multiple boxes may be checked.

- Need more money
- Need more staff
- Need to buy hardware
- Need more information about the standards
- Waiting for vendor(s) to provide software
- Need more time to complete implementation
- Waiting for clearinghouse/billing service to update my system
- Need more time for testing
- Problems implementing code set changes
- Problems completing additional data requirements
- Need additional clarification on standards
- Other

Centers for Medicare and Medicaid
Services



Model Compliance Plan

Section C: Implementation Budget

This question relates to the general financial impact of the HIPAA Electronic Health Care Transactions and Code Sets standards (45 C.F.R. Parts 160, 162) on your organization.

11. Select from the drop-down menu the range of your estimated cost of compliance with the HIPAA Electronic Health Care Transactions and Code Sets standards (45 C.F.R. Parts 160, 162)

- Less than \$10,000
- \$10,000 - \$100,000
- \$100,000 - \$500,000
- \$500,000 - \$1,000,000
- Over \$1 million
- Don't Know



Model Compliance Plan

Section D: Implementation Strategy

This Implementation Strategy section encompasses HIPAA Awareness, Operational Assessment, and Development and Testing. For more details on completing each of these subsections, refer to the model compliance plan instructions at www.cms.hhs.gov/hipaa.

Implementation Strategy Phase One -- HIPAA Awareness

These questions relate to your general understanding of the HIPAA Electronic Health Care Transactions and Code sets standards (45 C.F.R. Parts 160, 162)

12. Please indicate whether you have completed this Awareness phase of the Implementation Strategy

Yes

No

If yes, skip to (14), and then to Phase Two -- Operational Assessment. If not, please answer both (13) and (14). Have you determined a:

13. Projected/Actual Start Date

(select month/year from this drop-down menu)

14. Projected/Actual Completion Date

(select month/year from this drop-down menu)

Model Compliance Plan

Implementation Strategy Phase Two -- Operational Assessment

These questions relate to HIPAA operational issues and your progress in this area.

12. Please indicate whether you have completed this Operational Assessment phase of the Implementation Strategy

Yes

No

If yes, proceed to (20) and then Phase Three -- Development and Testing. If no, please answer all of the following questions. Have you:

16. Reviewed current processes against HIPAA Electronic Health Care Transactions and Code Sets standards (45 C.F.r. Parts 160, 162) requirements?

Yes

No

Initiated But Not Completed

17. Identified internal implementation issues and developed a workplan?

Yes

No

Initiated But Not Completed

18. Do you plan to or might you use a contractor/vendor to help achieve compliance?

Yes

No

Undecided

19. Projected/Actual State Date:

(select month/year from this drop-down menu)

20: Projected/Actual Completion Date:

(select month/year from this drop/down menu)

Model Compliance Plan

Implementation Strategy Phase Three -- Development and Testing

These questions relate to HIPAA development and testing issues. ASCA legislation requires that testing begin no later than April 16, 2003. For more details, refer to the model compliance plan instructions at www.cms.hhs.gov/hipaa.

21. Please indicate whether you have completed this Development and Testing phase of the Implementation Strategy

Yes No

If yes, proceed to (26) If no, please answer all of the following questions. Have you:

22. Completed software development/installation?

Yes No Initiated But Not Completed

23. Completed staff training?

Yes No Initiated But Not Completed

24. Projected/Actual Development

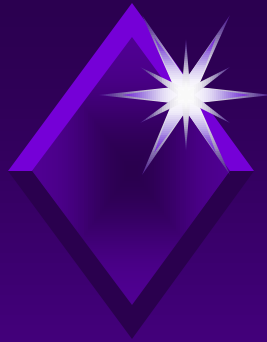
State Date: (select month/year from this drop-down menu)

25: Projected/Actual Initial Internal

Software Testing Start Date:
(select month/year from this drop/down menu)

26: Projected/Actual Initial Internal

Software Testing Start Date:
(select month/year from this drop/down menu)



Model Compliance Plan

Thank you! Your Electronic Transactions and Code Sets Compliance Extension Plan has been submitted to CMS.

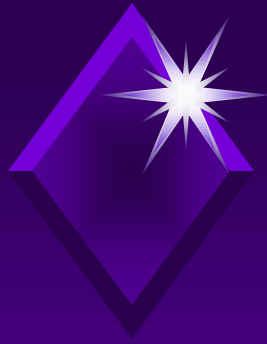
Your confirmation number is: **1000023**

Do you need to file for multiple entities that are included under the same implementation plan that you just filed?

If so, please click on the button below and you can enter their information for Section A. The information for the other sections will be the same as the plan you just filed and this information will be filled in on the form to speed the filing process.

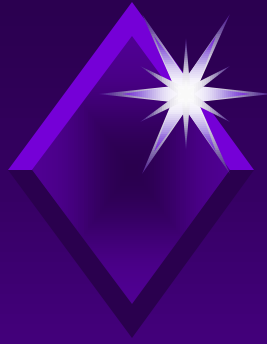
[File for Multiple Entities on this Plan](#)

[Return to the Compliance Extension Plan Homepage](#)



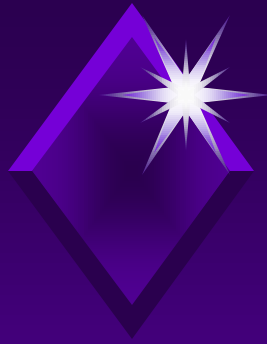
Medicare FFS - Basic Concepts

- ◆ Can't do it all at once
 - ◆ Risk
 - ◆ Resources
- ◆ Used WEDI sequencing white paper as guidance
- ◆ Minimize changes to 'core system' processes



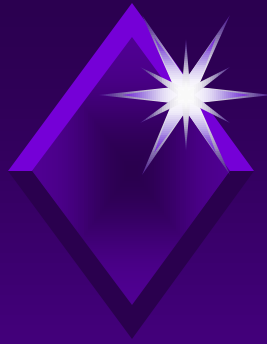
Medicare FFS - Implementation Instructions

- ◆ Effort began almost two years ago
- ◆ JAD technique, involving our partners extensively
- ◆ Instructions contain:
 - ◆ Requirements
 - ◆ Flat file formats/crosswalks
 - ◆ Edit documents and other guidance



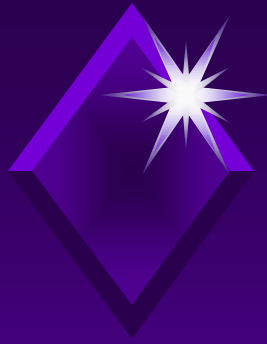
Medicare's Schedule

- ◆ Medicare contractors now completing internal testing for claim and several other transactions
- ◆ Medicare contractors using Claredi for testing and certification
- ◆ Expect to begin testing with trading partners in May



Medicaid

- ◆ Developed a HIPAA compliance “road map” for States
 - ◆ CD-based tool
 - ◆ Provides gap analysis, resources
- ◆ Facilitating cooperative working relationships among States to identify issues



Conclusions

- ◆ Extension provides opportunity for higher quality, lower risk
- ◆ Don't rush to submit a plan
- ◆ Establish a reasonable plan and stick to it
- ◆ Begin external testing as early as possible
- ◆ Use resources/information available through CMS, industry groups, associations and other partners