

Extending Your Compliance Deadline for Transactions & Codes Sets



Developing your Compliance Plan for a Smoother Transition and to Avoid Potential Medicare Disbarment

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Administrative Simplification Compliance Act [P.L. 107.105]

- ◆ Affects Compliance with Regulation for Transactions & Code Sets
- ◆ Covered Entities [submitting plans by Oct 16, 2002] shall not be considered in noncompliance ...before Oct 16, 2003

Conditions Regarding Extension

- ◆ Submission [of a plan for compliance] to the Secretary of HHS not later than Oct. 16, 2002
- ◆ Submission must contain a summary of how the person will come into compliance not later than Oct. 16, 2003

The Plan shall be a summary containing:

- (A) An analysis reflecting the extent to which, and the reasons why, the person is not in compliance
- (B) A budget, schedule, work plan, and implementation strategy for achieving compliance

The Plan Shall be a Summary: (cont.)

- (C) Whether the person plans to use or might use a contractor or other vendor to assist the person in achieving compliance
- (D) A timeframe for testing that begins not later than April 16, 2003

Submission and Analysis

- ◆ Plans may be submitted electronically
- ◆ Model Form provided by March 31, 2002
- ◆ HHS shall furnish a sample of Plans for analysis by NCVHS
- ◆ NCVHS shall publish ... reports containing effective solutions to compliance problems identified...addressing the most common or challenging problems encountered by persons submitting such plans



Protection of Confidential Information

- ◆ Material redacted to prevent disclosure of:
 - Trade secrets;
 - Commercial or financial information that is privileged or confidential; and
 - Other information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy
- ◆ Otherwise, FOIA applies

Enforcement

- ◆ Failure to submit a plan; and is not in compliance MAY be excluded at the discretion of the Secretary from participation in Medicare
- ◆ Does not apply to persons who:
 - Submits a plan; or
 - who is in compliance on or before Oct. 16, 2002

Special Rules

◆ Not modified / affected:

- Oct 16, 2003 deadline for small health plans to comply with Part 162 (Transactions and Codes)
- April 14, 2003 deadline for provider, health plan*, or clearinghouse to comply with Part 164 (Privacy)
- April 14, 2004 deadline for small health plan to comply with Part 164 (Privacy)

* exception for small health plans

Electronic Medicare Claims

- ◆ HHS prohibited from paying paper Medicare claims after Oct 16, 2003
- ◆ Secretary may grant waiver:
 - if no method available for submission of claims in electronic form
 - for small provider of services or supplier
 - provider of services with fewer than 25 FTEs
 - a physician, practitioner, facility or supplier with fewer than 10 FTEs
- ◆ beneficiary may file paper claims on own behalf



FAQ's - Intent of the Extension

- ◆ Provide Covered Entities more time to build, test and successfully implement the new Final Electronic Transactions and Code Sets required by HIPAA
- ◆ Requirement to submit a compliance extension plan provides assurance that covered entities have plans in place that will allow them to be compliant by the new deadline of October 16, 2003



FAQ - Review & Approval

- ◆ The law does not require approval or disapproval of plans.
- ◆ Submission of an extension plan is sufficient to secure the one-year extension.

Model Plan

- ◆ Available by March 31, 2002
- ◆ Published in Federal Register
- ◆ Available on several Web sites
- ◆ Covered entities may submit plans using other formats
- ◆ Model form only requires summary information

Submission of Plan

- ◆ Electronic filing encouraged
- ◆ Plans submitted on paper are acceptable
- ◆ Instructions will be issued on where and how to submit compliance extension plans

CE Compliant by Oct 16, 2002

- ◆ A covered entity will be considered compliant if it can send and receive compliant transactions and therefore would not need to submit an extension plan [even if trading partners submit a compliance extension plan and continue to communicate with nonstandard transactions]

Testing

- ◆ Testing must begin by April 16, 2003
- ◆ Recommend testing begin ASAP
- ◆ Medicare will begin testing claim and several other transactions in Spring 2002
- ◆ Each State Medicaid Agency has own schedule
- ◆ Vendors are not covered and will need direction from customers

WEDI Compliance Task Force



Recommendations to HHS

WEDI Compliance Task Force

- Purpose:
 - In response to the passage of HR 3323, develop recommendations on form design, content, dissemination, and related issues
 - Task Force participants represented cross-section of industry
 - Fast turn around time critical
 - HHS to release model compliance form by end of March



WEDI Compliance Task Force

- Results/Process:
 - Developed both recommendations and a draft “model compliance form” in only one month
 - Solid industry consensus on major issues
 - Met with CMS and NCVHS officials
 - Approved by WEDI BOD

WEDI Compliance Task Force

- Key Recommendations:
 - Keep it simple!
 - “One size fits all”
 - Electronic and paper
 - Model form as tool to assist in developing compliance plans
 - Receipt is equivalent to being granted extension
 - Form to raise issues for NCVHS/CMS, not to challenge submitters
 - CMS is to develop form, instructions, glossary of terms, comprehensive resources



WEDI Compliance Task Force

- Issues raised during process:
 - How will CMS handle/catalogue the volume?
 - Can organizations apply on behalf of multiple entities?
 - How will entities be “granted” their extension?
 - Will the public have access to these compliance forms?
 - NCVHS mandate to “report on solutions”
 - WEDI SNIP role in this process
- FAQ responded to most



Status of WEDI-SNIP

Recommendations to HHS

- ◆ Under consideration by HHS along with other input received from the public
- ◆ Announcement of final form of model plan, instructions and other related items will be made by HHS on their own schedule but before March 31, 2002



WEDI-SNIP Recommendations to Covered Entities

- ◆ Begin immediately to develop your compliance extension plan
- ◆ Identify your gaps and dependencies on vendors / trading partners
- ◆ Get involved with your state or regional HIPAA organization [ref. WEDI-SNIP Regional SNIP Affiliates]



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Resources

- ◆ Thomas - Legislative Information (Library of Congress) thomas.loc.gov
(search “Public Laws by Law Number” 107-105)
- ◆ “HIPAA Administrative Simplification Compliance Act (ASCA) Frequently Asked Questions” published by CMS
- ◆ snip.wedi.org
- ◆ www.nchica.org
- ◆ www.hipaainfo.net

