



OVERVIEW OF CMS GUIDANCE

Presented by:

*Steven S. Lazarus, PhD, FHIMSS
Boundary Information Group, President
Train for Compliance, Inc., Vice Chair
Workgroup for Electronic Data Interchange
(WEDI), Past Chair*

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Boundary Information Group

- Virtual consortium of health care information systems consulting firms founded in 1995
- Company website: www.boundary.net
- BIG HIPAA Resources: www.hipaainfo.net
- Senior Consultants with HIPAA, administrative and clinical system experience: Margret Amatayakul, RHIA, CHPS, FHIMSS; Tom Walsh, CISSP
- Services include:
 - Strategic planning
 - Systems selection and implementation management
 - Workflow improvement
 - EHR, clinical and financial IS selection and operating improvement
 - HIPAA policies, procedures, and forms
 - Expert witness
- Steven Lazarus received the “Extraordinary Achievement Award” presented by Jared Adair, October, 2002.



Summary of CMS Guidance on Compliance with HIPAA Transactions and Code Sets

- Web reference:
www.cms.hhs.gov/hipaa/hipaa2/guidance-final.pdf
- Issued on July 24, 2003
- Applies after the October 16, 2003 implementation deadline
- After October 16, 2003, CEs may not conduct non-compliant transactions



CMS Enforcement Approach

- Voluntary Compliance
- Complaint Driven
- When a complaint about a CE is received, CE will have an opportunity to:
 - Demonstrate compliance
 - Document good faith efforts to comply, and/or
 - Submit a corrective action plan



CMS Will Not Impose Penalties on CEs

- That deploy contingencies (to assure a smooth flow of payments)
- If they make reasonable and diligent efforts to become compliant
- For Health Plans, that facilitate the compliance of their trading partners
 - Active outreach/testing efforts
 - Continue processing payments to providers
 - Emphasis on sustained actions and demonstratable progress



Good Faith May Include

- Increased external testing with trading partners
- Lack of availability or refusal by trading partner(s) prior to October 16 to test the transaction(s) with the CE whose compliance is at issue
- For Health Plans, concerted efforts before October 16 and continued afterwards to conduct outreach and make testing opportunities available to providers



No CMS Penalties on CEs

- Deploy contingencies (in order to insure a smooth flow of payment)
- Health Plans: Facilitate the compliance of their trading partners



Action Steps

- Organizations (CEs) should document their good faith actions
- Corrective action plan – After October 16, 2003, CMS will expect non-compliant CEs to submit plans to achieve compliance in a manner and time acceptable to the Secretary
- Possible CMS fines and penalties imposed after October 16, 2003



Steve Lazarus' Understanding

1. Compliant CEs do not have to accept or receive non-compliant transactions
2. Each CE will decide when to stop utilizing non-compliant transactions
3. All HIPAA standard transactions are included, not just claims
4. There is value in:
 - Having one form of documentation to demonstrate the corrective action plan (to CMS, health plan and provider)
 - Clarifying the all data elements vs. those required for payment data elements claims issue
 - Measuring and reporting national progress towards compliance
 - Working together to complete the transition process as soon as possible



Contact Information

- Steven S. Lazarus, PhD, FHIMSS
President
Boundary Information Group
4401 South Quebec Street, Suite 100
Denver, CO 80237-2644
(303) 488-9911

sslazarus@aol.com

Websites: www.hipaainfo.net
 www.boundary.net
 www.trainforhipaa.com