



HIPAA

Medicare FFS Issues

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Standards



Medicare Fee-for-Service

- **CMS directly responsible for readiness**
- **Medicare is a health plan and subject to HIPAA Administrative Simplification requirements**
- **This initiative is large and complex**
- **Business partners**
 - **Medicare carriers and fiscal intermediaries**
 - **Claims processing systems maintainers**
- **Environment: Quarterly systems releases**
 - **New formats**
 - **New data elements (some not needed for Medicare)**



Medicare FFS - Basic Concepts

- **We're in the midst of our HIPAA implementation period with the Medicare contractors and standard system maintainers.**
 - **This is a staggered implementation: Eight HIPAA EDI transactions**
 - **Eliminate the use of locally assigned codes and HCPCS codes.**
 - **During the implementation period intermediaries, carriers, and standard systems maintainers will be required to conduct analysis, programming and extensive testing to implement the transactions and code sets requirements.**



HIPAA EDI Transactions

- **ASC X12N 837 Health Care Claim: Professional**
- **ASC X12N 837 Health Care Claim: Institutional**
- **ASC X12N 835 Health Care Claim Payment/Advice**
- **ASC X12N 276/277 Health Care Claim Status Request and Response**
- **ASC X12N 270/271 Health Care Eligibility Benefit Inquiry and Response**



HIPAA EDI Transactions

- **ASC X12N 278 Health Care Services Review-Request for Review and Response**
- **NCPDP-National Council for Prescription Drug Programs, Telecommunication Standard and Implementation Guide and Batch Implementation guide**



Medicare FFS-Basic Concepts

- **The standard systems have made and continue to make necessary program changes for each transaction**
- **Early decisions**
 - **To minimize changes to basic processing systems**
 - **Maintain DDE-Direct Data Entry**
 - **For claims, create “store and forward repository”**
 - **This is done for non-Medicare data and**
 - **for data elements that are longer than needed for Medicare**



Medicare FFS - Implementation Instructions

- JAD technique, involving our partners extensively
- Instructions contain:
 - Requirements
 - Flat file formats/crosswalks
 - Edit documents and other guidance



Medicare Implementation

- Major decisions made
 - Translate incoming X12 transactions into a “flat file” for further processing
 - Develop standard maps
 - 3 levels of editing (standard, implementation guide (IG) and Medicare)



Medicare FFS- Implementation Instructions

- **Process flow for incoming transaction**
 - **X12 transaction received**
 - **Translate into flat file**
 - **Edit for standards and implementation guide requirements**
 - **Split flat file into “ Medicare data” and non-Medicare data**
 - **Non-Medicare data to repository**
 - **Medicare data to processing system**
 - **Process the Transaction**



Medicare FFS- Implementation Instructions

- Process flow for outgoing transaction
 - Collect data
 - Produce flat file with Medicare data
 - Merge (If necessary) with non-Medicare data from repository
 - Translate into X12 transaction
 - Send



Medicare FFS - Instructions Progress

- Published:
 - Inbound claim and outbound COB (837)
 - Remittance Advice (835)
 - Claims status query/response (276/277)
 - Testing
 - Eligibility query/response (270/271)-for intermediaries
- In Progress:
 - Eligibility query/response (270-271)- for carriers
 - Referral/authorization (278)
 - Retail Pharmacy (NCPDP)



Medicare FFS - Status

- Medicare contractors using Claredi for testing and certification
- Testing with partners is sequenced by transaction:
 - Claim
 - Remittance Advice
 - COB
 - Claims Status