

Practical HIPAA Compliance Strategies for Medical Groups, IPAs and Clinicians

The Sixth Annual National HIPAA Summit
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Who is MGMA?

- Medical Group Management Association
- Trade association founded in 1926
- Nation's principal voice for medical group practice
- 19,000+ members in 10,000+ group practices nationwide (200,000+ physicians)
- Headquartered in Englewood, Colorado
- Government affairs office in Washington, DC

Key Partnerships:

**1. Practice Management System
Vendors**

2. Health Plans

Compliance Strategy

Preparing for October 16

Easy First Steps

- Learn from your colleagues -- NETWORK!
- Prepare early and know your costs
- Gain executive “buy-in”
- Identify your data gaps
- Adopt industry “best approaches”
- Identify critical resources
- Don’t wait for vendors to come to you!

Compliance Strategy

*Working with your Practice
Management System Vendors*

Vendor Readiness issue

Increasing concern that PMS vendors will:

1. Not be offering any HIPAA solution

- Out of the health care business
- Insufficient resources to develop new product
- Moved to a new platform / application

Vendor Readiness issue

2. Offering a “HIPAA Ready” solution, not “compliance”

- Concern regarding versions and HHS timing
- Utilizing clearinghouse
- charging fees

Vendor Readiness issue

3. Offer a “compliance solution” but:
 - May not provide solution to meet October deadline
 - May not be ready to test by April
 - Will only be providing solutions to certain transactions
 - Will be viewing this as an opportunity to gouge providers

Vendor Readiness issue

4. Offer a “compliance solution” but:

- No solution with older products--must purchase latest and greatest version of software
- Often this latest version requires faster computers with more memory
- Potentially very expensive

Vendor Readiness

- **New Vendor HIPAA Readiness Directory**
 - Developed by coalition of 14 medical specialty and industry groups including MGMA, AAFP, WEDI, and NCHICA
 - Non-commercial free access site donated by Claredi
 - Self-reported data
 - Increasing number of vendors listed
- www.hipaa.org/pmsdirectory

PMS VENDOR DIRECTORY

- Contents
 - Vendor name and contact information
 - Product name and release date
 - For each transaction
 - Transaction standard name and number
 - Version
 - Clearinghouse (if a specific one is required)
 - Is a clearinghouse required (Y/N)
 - Tested Certified by (name of certifying organization)
- Links to Vendor Websites

HIPAA.ORG EDI Practice Management System Directory

[Directory](#) [Create Listing](#) [Instructions](#) [HIPAA Transactions](#) [Terms / Conditions](#)

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American Academy of
Dermatology Association

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American Academy of
Family Physicians

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American Academy of
Pediatrics

.....
American College of Foot
and Ankle Surgeons

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American College of
Physician Executives

.....
American College of
Physicians - American
Society of Internal
Medicine

.....
American College of
Obstetricians and
Gynecologists

.....
American Academy of
Neurology

.....
American Osteopathic
Association

.....
American Society of
Anesthesiologists

.....
American Urological
Association, Inc.

.....
Medical Group
Management Association

.....
NCHCA

This Directory is intended to assist medical practices locate important information, supplied by practice management and billing systems vendors, on [HIPAA transactions](#) and code sets implementation, testing, and certification. Visitors should read the [Terms and Conditions](#) governing their use of this website.

This directory is for informational purposes only. The individual vendors have supplied their own information about their companies and products. The organizations bringing you this website do not endorse the companies listed or verify the information posted, but we encourage practice management systems vendors to register and provide information regarding their HIPAA-readiness that will guide medical practices' business decisions.

To interpret correctly the technical information presented by vendors, it is important that medical practices begin by reading the [Instructions](#) and other hyperlinks located at the top of each page in the Directory. Then access information about a particular product by clicking on the vendors below.

Click [here](#) for Instructions on how to use this Directory.



| Company Name | State | Last Updated |
|---|-------|--------------|
| A&F Networking, Inc. | CT | Jan 5, 2003 |
| ACOM Solutions | CA | Jan 7, 2003 |
| AdvancedMD Software (Formerly PerfectPractice.MD) | UT | Nov 18, 2002 |
| Alpha Global IT | On | Jan 6, 2003 |
| Apex Medical Reimbursement Solutions, Inc. | AZ | Oct 31, 2002 |
| ASAP Medical Systems, Inc. | WA | Jan 9, 2003 |
| Automation Medicine | NY | Dec 16, 2002 |
| Availity, L.L.C. | FL | Jan 17, 2003 |
| Benchmark Systems of Western Virginia | VA | Dec 19, 2002 |
| caedia corporation | CA | Dec 21, 2002 |
| Casey Group | NJ | Jan 9, 2003 |
| Companion Technologies | SC | Oct 8 2002 |

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ent Association

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[Edit Directory Entry](#)

Vendor Information

Company Name McKesson Information Solutions
Address 5995 Windward Parkway
 Alpharetta, GA 30005
Phone 404-338-3343

Fa American Academy of Neurology
HI American Osteopathic Association
Co American Society of Anesthesiologists
Er American Urological Association, Inc.
W Medical Group Management Association
Co NCHICA
 North American Spine Society
 WEDI

| Product | Version | Approximate Release Date | HIPAA Transactions Support | |
|--|--|--------------------------|----------------------------|-----------------------|
| Infinity | 6.5 | 2001-09-30 | Y | |
| Comments | Infinity provides financial management capabilities plus other services such as appointment scheduling. It is used primarily as a software solution for outsourcing by McKesson's Revenue Cycle Management. Please see Claredi Website for transactions certif | | | |
| Prerequisites / System Requirements | Please see McKesson's Website for complete readiness disclosure details at www.mckesson.com. | | | |
| Transactions (click for definition) | Version | Clearinghouse | Requires Clearinghouse | Tested / Certified by |
| 270 Eligibility Inquiry (Real Time) | | | N | |
| 271 Eligibility Response (Real Time) | | | N | |
| 835 Remittance Advice (Batch) | | | N | In-process |
| 837 Institutional Claims (Batch) | | Claimsnet | Y | |
| 837 Professional Claims (Batch) | | | N | Claredi |

AFEHCT
 American Academy of Dermatology Association
 American Academy of Family Physicians
 American Academy of Pediatrics
 American College of Foot and Ankle Surgeons
 American College of Physician Executives
 American College of Physicians - American Society of Internal Medicine
 American College of Obstetricians and Gynecologists

Compliance Strategy

Contact your Vendor ASAP

Vendor Readiness

- Write your practice management system / billing system vendor(s). Ask them the following questions:
 - When will you be ready to upgrade my system?
 - Will I require any new hardware?
 - Will you send me a schedule of upgrades and testing?
 - Can I upgrade incrementally?
 - Will my system accept the NPI?
 - Do you offer data mapping?
 - What are the expected costs?
 - Have you been listed in the Directory?

Compliance Strategy

Working with your Health Plans

Health Plan Readiness

Concerns:

- Who will and will NOT be ready?
- WHAT transactions?
- When will testing begin?
- Any payment contingencies?
- Will they reject claims?
- Will they slow payment of paper claims?
- Minimum necessary issue



WEDITM
SNIP

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WEDI HOME



SNIP HOME



SEARCH



CONTACT



SITE

ABOUT SNIP

WHAT'S NEW

CALENDAR OF
EVENTS

WORKGROUPS &
LISTSERVS

REGIONAL SNIP
EFFORTS

SNIP WORK
PRODUCTS

OTHER HIPAA
RESOURCES

DISCUSSION
FORUM

WHAT IS
HIPAA?

CAQH COUNCIL FOR
AFFORDABLE
QUALITY
HEALTHCARE

a catalyst for positive change

Welcome to the WEDI / CAQH joint initiative website.

The Workgroup for Electronic Data Interchange (WEDI) and the Council for Affordable Quality Healthcare (CAQH) have joined forces to develop tools to assist healthcare organizations in their implementation of the X12N HIPAA transactions. Both initiatives were developed with input from multiple health plans, system vendors, provider representatives and healthcare / HIPAA industry experts.

HIPAA Transactions Testing and Implementation Schedule

The CAQH/WEDI HIPAA Transactions Testing and Implementation Schedule initiative was designed to facilitate industry-wide collaboration on the communication of HIPAA X12N and NCPDP Standards testing and production schedules. Plans can complete the standard template developed by CAQH and WEDI in order to communicate their plan-specific HIPAA X12N transactions and NCPDP Standards testing and production schedules on a central website. Ultimately, CAQH and WEDI hope this centralized site will assist in easing potential provider confusion related to HIPAA-driven changes in payer-provider interaction.

Any plan can participate at no cost and it takes only a few minutes to download the template. For instructions about how to participate, please click here "[Testing and Implementation Timeline](#)". If you have questions please contact Laura Strombotne at 202-861-1493, or lstrombotne@caqh.org between the hours of 8:00 AM - 4:00 PM EDT.

"Best Practice" Companion Guide

As a supplement to the X12N Implementation Guide, many plans are creating a "companion guide" that describes the specifics of how they will implement the HIPAA transactions. Currently, different plans are creating companion guides that vary in format and structure. The CAQH/WEDI "Best Practice" template provides guidelines on companion guide structure and topical areas plans should address, with the understanding that the content of a companion guide needs to be plan-specific.

All or part of the CAQH/WEDI "Best Practice" Companion Guide template can be used by any interested health plan. For instructions about how to download the template, please click here "[Best Practice Companion Guide](#)". If you have questions please contact Laura Strombotne at 202-861-1493, or lstrombotne@caqh.org between the hours of 8:00 AM - 4:00 PM EST.

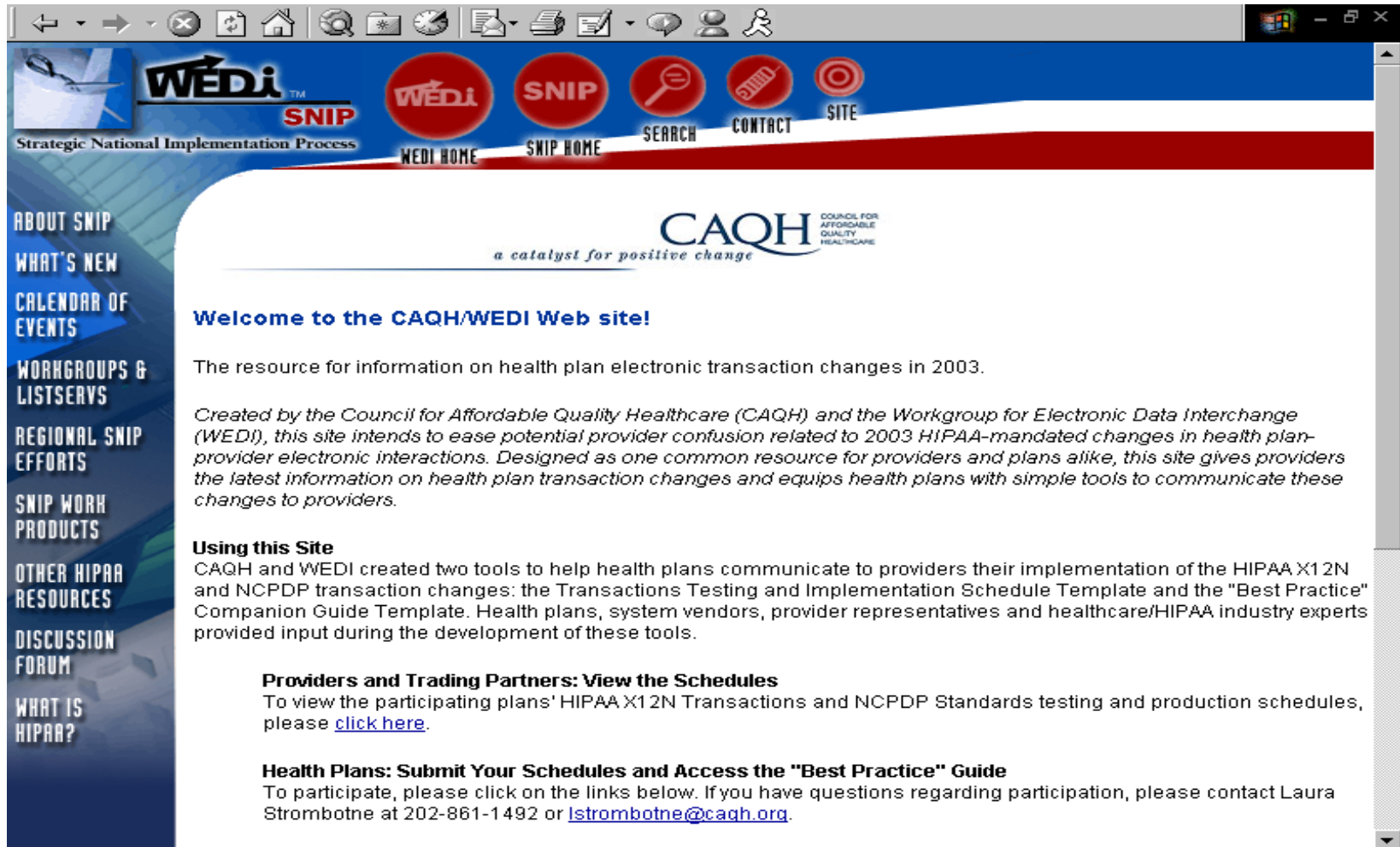
Other Important Links Include:

- [WEDI HIPAA Glossary](#), http://www.wedi.org/snip/public/articles/hipaa_glossary.pdf
- [CAQH website](#), www.caqh.org
- [Washington Publishing Company \(WPC\)](#), <http://www.wpc-edi.com/>
- [National Council for Prescription Drug Programs \(NCPDP\)](#), www.ncdp.org

WEDI – CAQH HEALTH PLAN TRANSACTION STATUS RESOURCE

- WEDI and the Council for Affordable Quality Healthcare (CAQH)
 - Health Plans present readiness status for X12N and NCPDP transactions
 - Standard approach to Companion Guides
 - Providers and clearinghouses need to know when health plans will be ready to test and go into production
 - Health plans need an efficient way to communicate readiness
 - Health plan transactions test and production data on one free site

<http://www.wedi.org/snip/caqhimpltools/>



The screenshot shows a web browser window displaying the WEDI/CAQH website. The browser's address bar shows the URL <http://www.wedi.org/snip/caqhimpltools/>. The website has a blue and red header with the WEDI logo and navigation links for WEDI HOME, SNIP HOME, SEARCH, CONTACT, and SITE. A sidebar on the left contains a menu with items like ABOUT SNIP, WHAT'S NEW, CALENDAR OF EVENTS, WORKGROUPS & LISTSERVS, REGIONAL SNIP EFFORTS, SNIP WORK PRODUCTS, OTHER HIPAA RESOURCES, DISCUSSION FORUM, and WHAT IS HIPAA?. The main content area features the CAQH logo and the text "a catalyst for positive change". Below this, a welcome message reads "Welcome to the CAQH/WEDI Web site!" followed by a paragraph about the site's purpose as a resource for 2003 health plan electronic transaction changes. It also includes sections for "Using this Site" and "Providers and Trading Partners: View the Schedules" with a link to view schedules.

WEDI™
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SNIP
WEDI HOME SNIP HOME SEARCH CONTACT SITE

CAQH COUNCIL FOR AFFORDABLE QUALITY HEALTHCARE
a catalyst for positive change

Welcome to the CAQH/WEDI Web site!

The resource for information on health plan electronic transaction changes in 2003.

Created by the Council for Affordable Quality Healthcare (CAQH) and the Workgroup for Electronic Data Interchange (WEDI), this site intends to ease potential provider confusion related to 2003 HIPAA-mandated changes in health plan-provider electronic interactions. Designed as one common resource for providers and plans alike, this site gives providers the latest information on health plan transaction changes and equips health plans with simple tools to communicate these changes to providers.

Using this Site
CAQH and WEDI created two tools to help health plans communicate to providers their implementation of the HIPAA X12N and NCPDP transaction changes: the Transactions Testing and Implementation Schedule Template and the "Best Practice" Companion Guide Template. Health plans, system vendors, provider representatives and healthcare/HIPAA industry experts provided input during the development of these tools.

Providers and Trading Partners: View the Schedules
To view the participating plans' HIPAA X12N Transactions and NCPDP Standards testing and production schedules, please [click here](#).

Health Plans: Submit Your Schedules and Access the "Best Practice" Guide
To participate, please click on the links below. If you have questions regarding participation, please contact Laura Strombotne at 202-861-1492 or lstrombotne@cagh.org.

http://www.wedi.org/snip/CAQHIMPTOOLS/HIPAATransactionsDataforallParticipatingPlans3-14.pdf - Microsoft Internet Expl...

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Address http://www.wedi.org/snip/CAQHIMPTOOLS/HIPAATransactionsDataforallParticipatingPlans3-14.pdf Go

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**CAQH/WEDI Transactions Testing and Implementation Schedule Initiative
CONSOLIDATED HIPAA TRANSACTIONS SCHEDULES
LAST UPDATED - 3/17/2003**

| C | 10/2002 Date: | 10/2002 Date: | N/A | N/A | 2/2003 Date: | 3/2003 Date: | 3/2003 Date: | 10/2003 Date: | 10/2003 Date: | 10/2002 Date: |
|--|------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------------|-------------------------|------------------|
| General Notes | | | | | | | | | | |
| <i>Blue Cross of California</i> | 837I | 837P | 837D | COB | 835 | 834 | 820 | 278 Request | 278 Response | 277 |
| ANSI X12 Version | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 | 4010A1 |
| Health Plan Certification Level | Levels 1-6 | Levels 1-6 | Levels 1-6 | Levels 1-6 | Levels 1-6 | Levels 1-6 | Levels 1-6 | N/A | Levels 1-6 | Levels 1-6 |
| Trading Partner Required Certification Level | Levels 1-6 | Levels 1-6 | Levels 1-6 | N/A | N/A | Levels 1-6 | Levels 1-6 | Levels 1-6 | N/A | N/A |
| A | 4/2003 Date: | 4/2003 Date: | 4/2003 Date: | 4/2003 Date: | 4/2003 Date: | 4/2003 Date: | 4/2003 Date: | 6/2003 Date: | 6/2003 Date: | 4/2003 Date: |
| B | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 6/2003 Date: | 6/2003 Date: | 5/2003 Date: |
| C | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 5/2003 Date: | 6/2003 Date: | 6/2003 Date: | 5/2003 Date: |
| General Notes | | | | | | | | | | |

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Ask your major health plans:

- When will you be ready to accept a HIPAA claim?
- Have you tested internally?
- Will you be providing any billing software?
- Will you send me your schedule of upgrades and testing?
- When will you be able to handle the additional transactions?
- Medicare is providing free billing software For more information on this go to:
<http://cms.hhs.gov/medicare/edi/edi3.asp>.
- Can I submit using the Medicare billing software?

October 16--a Potential Train Wreck

- What happens if:
 - Provider is ready but Plan is not?
 - Plan is ready but Provider is not?
 - Your Clearinghouse is not ready?
 - Medicare / Medicaid is not ready?

Keep your practice on the right track by:

- Setting aside cash reserves to handle payroll and critical bills
- Establishing a line of credit with your financial institution
- Developing a relationship with a clearinghouse in the event that you must send non-compliant claims and/or revert (temporarily) back to paper

Health Plan Readiness

Some hope:

- WEDI recommendations to HHS in development:
 - Safe harbor for compliant plans
 - Communication between plans/providers
 - Get ready for paper deluge
 - EOB “missing data elements”
- Standard DDE coming?

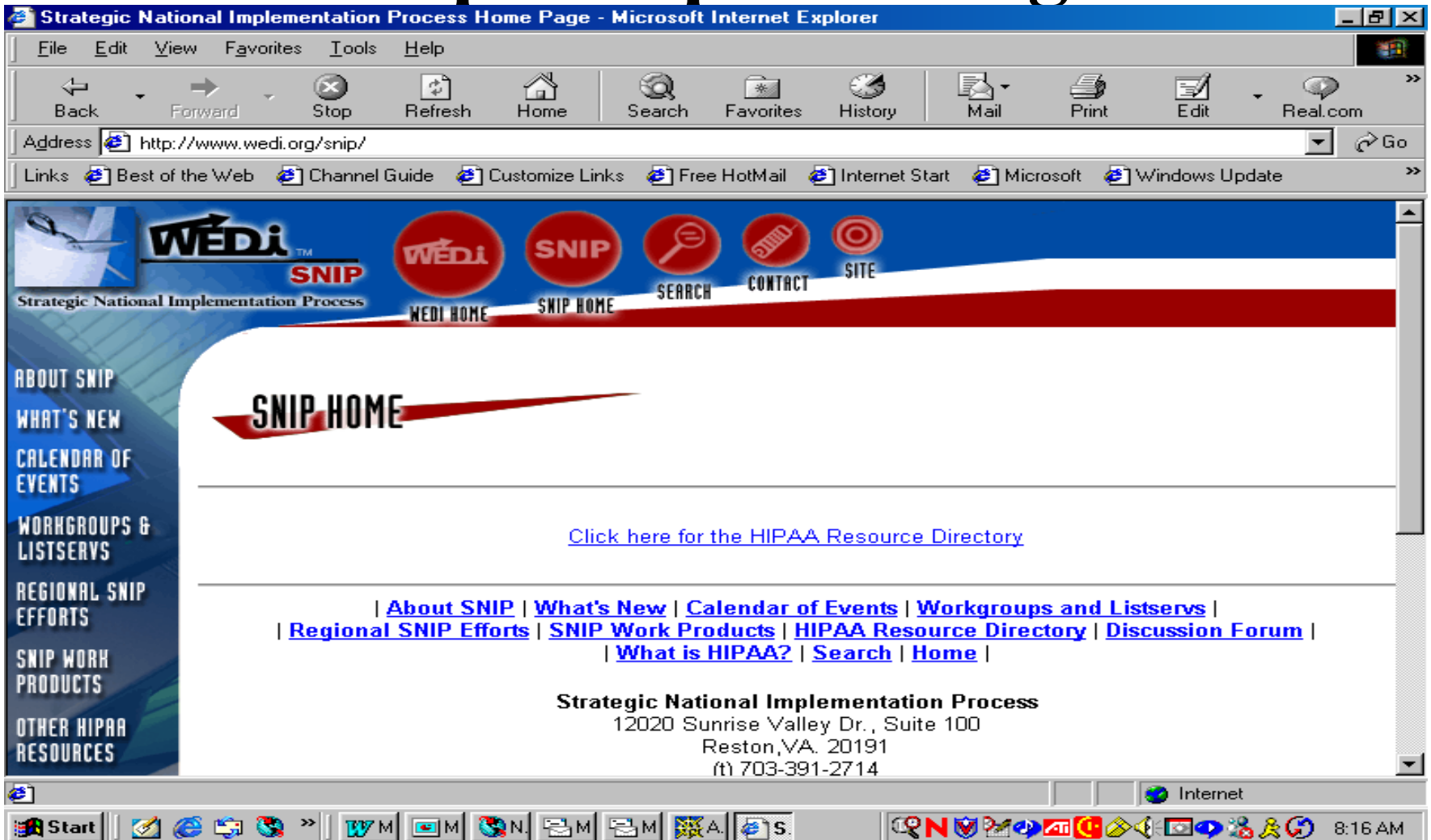
Web Resources

- <http://aspe.os.dhhs.gov/admnsimp/>
 - **The administrative simplification law, process, regulation, and comments**
- <http://www.cms.hhs.gov/hipaa/>
 - **Learn about HIPAA**
 - **Complaint submission process**
- <http://www.mgma.com>
 - **HIPAA Resource Center**
- <http://snip.wedi.org>
 - **Strategic National Implementation Process (SNIP)**
- <http://www.nucc.org>
 - **National Uniform Claim Committee**

WEDI Strategic National Implementation Process (SNIP)

- Cross industry group co-chaired by MGMA
- Focused on critical implementation issues and solutions
- 35+ workgroups looking at:
 - transactions
 - security
 - privacy
 - provider issues
- 5,000+ on listserv
- Conferences/Webcasts/SNIP Synopsis

Http://snip.wedi.org



Strategic National Implementation Process Home Page - Microsoft Internet Explorer

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SNIP HOME

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Strategic National Implementation Process
12020 Sunrise Valley Dr., Suite 100
Reston, VA, 20191
(t) 703-391-2714

Start | Internet | 8:16 AM

Transactions and Code Sets

White Papers

- [Impact on DDE Services White Paper, Version 3.0 released](#)
- [Testing and Certification White Paper Version 3.0, August 2002](#)
- [Sequencing Version 2.](#)
- [Coordination of Benefits, Version 1.](#)
- [A White-Paper Assisting the Industry in Translator Selection, Draft Version 1.0 \(1/11/02\)](#)
- [Front-end Edits \(draft\)](#)
- [Clearinghouse Transactions and Connectivity \(draft\)](#)
- [Business To Business White Paper](#)
- [Data and Code Set Compliance](#)
- [Trading Partner Agreements](#)
- [National Drug Code \(NDC\)](#)

SNIP “Small Practice Implementation” Ver. 2.0

- An estimated 400,000 small medical entities will need to be compliant
- Few can afford a consultant or expensive solution
- Paper grew out of a need in the industry for a concise, easy to read guide to HIPAA
- Two central goals:
 - Present a HIPAA strategy from a “trusted source”
 - Give specific guidance to enable smaller CEs to become HIPAA compliant

SNIP “Small Practice Implementation” Ver. 2.0 Appendices

- Model HIPAA Transactions Audit
 - Discussion of critical implementation issues:
 - What does my practice have to do to make sure I’m ready for the new standards?
 - What specific questions should I ask my software vendors and billing services?
 - Why do I need to be concerned so far in advance?
 - Software or billing service check list

QUESTIONS