DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Information for Medicare Fee-for-Service Health Care Professionals

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Important Update Regarding 5010/D.0 Implementation – Action Needed Now

Provider Types Affected

This MLN Matters® Special Edition Article is intended for all physicians, providers, and suppliers who bill Medicare contractors (carriers, Fiscal Intermediaries (FIs), Medicare Administrative Contractors (A/B MACs), Home Health and Hospice MACs (HH+H MACs), and Durable Medical Equipment MACs (DME MACs)) for services provided to Medicare beneficiaries.

Provider Action Needed

STOP – Impact to You

You and your billing and software vendors must be ready to begin processing the Health Insurance Portability and Accountability Act (HIPAA), Versions 5010 & D.0 production transactions by December 31, 2011. Beginning January 1, 2012, all electronic claims, eligibility and claim status inquiries, must use Versions 5010 or D.0. Version 4010/5.1 claims and related transactions will no

longer be accepted. The electronic remittance advice will only be available in the 5010 version.

CAUTION – What You Need to Know

You must comply with this important deadline to avoid delays in payments for Medicare Fee-For-Service (FFS) claims after December 31, 2011. The implementation requires changes to the software, systems, and perhaps procedures that you use for billing Medicare and other payers.

GO – What You Need to Do.

Contact your MACs to receive the free Version 5010 software (PC-Ace Pro32) and begin testing now. Consider contracting with a Version 5010 compliant clearinghouse who can translate the non-compliant transactions into compliant 5010 transactions. For Part B and DME providers, download the free Medicare Remit Easy Print (MREP) software to view and print compliant HIPAA 5010 835 remittance advices, which are available at
http://www.cms.gov/AccesstoDataApplication/02_MedicareRemitEasyPrint.asp
on the CMS website. Part A providers may download the free PC-Print software to view and print compliance HIPAA 5010 835 remittance advices, which is available on your A/B MACs website. Contact your respective professional associations and other payers for guidance and resources in order to meet their deadlines.

Background

HIPAA requires the Secretary of the Department of Health and Human Services (HHS) to adopt standards that covered entities (health plans, health care clearinghouses, and certain health care providers) must use when they electronically conduct certain health care administrative transactions, such as claims, remittance, eligibility, claims status requests and responses, and others.

The implementation of HIPAA 5010 and the National Council for Prescription Drug Programs (NCPDP) Version D.0 presents substantial changes in the content of the data that you submit with your claims, as well as the data available to you in response to your electronic inquiries. The implementation requires changes to the software, systems, and perhaps procedures that you use for billing Medicare and other payers.

Version 5010 refers to the revised set of HIPAA transaction standards adopted to replace the current Version 4010/4010A standards. Every standard has been updated, from claims to eligibility to referral authorizations.

All HIPAA covered entities must transition to Version 5010 by **January 1, 2012**. Any electronic transaction for which a standard has been adopted must be submitted

using Version 5010 on or after January 1, 2012. Electronic transactions that do not use Version 5010 are not compliant with HIPAA and **will be rejected**.

To allow time for testing, CMS began accepting electronic transactions using either Version 4010/4010A or Version 5010 standards on January 1, 2011, and will continue to do so through December 31, 2011. This process allows a provider and its vendors to complete end-to-end testing with Medicare contractors and demonstrate that they are able to operate in production mode with Versions 5010 and D.0.

Note: HIPAA standards, including the ASC X12 Version 5010 and Version D.0 standards are national standards and apply to your transactions with all payers, not just with FFS Medicare. **Therefore, you must be prepared to implement these transactions for your non-FFS Medicare business as well**.

Are You at Risk of Missing the Deadline?

If you can answer **NO** to any of the following questions, you are at risk of not being able to meet the January 1, 2012, deadline and not being able to submit claims:

1. Have you contacted your software vendor (if applicable) to ensure that they are on track to meet the deadline or contacted your MAC to get the free Version 5010 software (PC-Ace Pro32)?

2. Alternatively, have you contacted clearinghouses or billing services to have them translate your Version 4010 transactions to Version 5010 (if not converting your older software)?

3. Have you identified changes to data reporting requirements?

4. Have you started to test with your trading partners, which began on January 1, 2011?

5. Have you started testing with your MAC, which is required before being able to submit bills with the Version 5010?

6. Have you updated MREP software to view and print compliant HIPAA 5010 835 remittance advices?

Additional Information

MLN Matters® Article #MM7466, "Medicare Remit Easy Print (MREP) and PC Print User Guide Update for Implementation of Version 5010A1," is available at http://www.cms.gov/MLNMattersArticles/downloads/MM7466.pdf on the CMS website.

The Medicare Learning Network® (MLN) fact sheet, "Preparing for Electronic Data Interchange (EDI) Standards: The Transition to Versions 5010 and D.0," is available

at http://www.cms.gov/Versions5010andD0/downloads/w5010TransitionFctSht.pdf on the CMS website.

MLN Matters® Special Edition Article #SE1106 titled "Important Reminders about HIPAA 5010 & D.0 Implementation," is available at http://www.cms.gov/MLNMattersArticles/Downloads/SE1106.pdf on the CMS website.

Additional educational resources about HIPAA 5010 & D.0 are available at http://www.cms.gov/Versions5010andD0/40_Educational_Resources.asp on the CMS website.

If you have any questions, please contact your Medicare contractor (carrier, FI, A/B MAC, HH+H MAC, and DME MACs) at their toll-free number, which may be found at http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip on the CMS website.

News Flash – **Vaccination is the Best Protection Against the Flu.** The Centers for Disease Control and Prevention (CDC) is encouraging everyone 6 months of age and older to get vaccinated against the seasonal flu. The risks for complications, hospitalizations, and deaths from the flu are higher among individuals aged 65 years and older. Medicare pays for the seasonal flu vaccine and its administration for seniors and others with Medicare with no co-pay or deductible. And remember, vaccination is particularly important for healthcare workers, who may spread the flu to high risk patients. Don't forget to immunize yourself and your staff. Protect your patients. Protect your family. Protect yourself. Get the Flu Vaccination -- Not the Flu. **Remember –** Influenza vaccine plus its administration are covered Part B benefits. CMS has posted the 2011-2012 seasonal influenza vaccine payment limits at http://www.CMS.gov/McrPartBDrugAvgSalesPrice/10_VaccinesPricing.asp. **Note that influenza vaccine is NOT a Part D-covered drug.** For information about Medicare's coverage of the influenza vaccine and its administration, as well as related educational resources for healthcare professionals and their staff, visit http://www.CMS.gov/MLNProducts/35_PreventiveServices.asp.