

First Notices of Proposed Rule Making for HIPAA Requirements Issued

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The first two notices of proposed rule making outlining the proposed requirements for compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) were scheduled to be published in the *Federal Register* on May 7, 1998. One notice focuses on the proposed standards for transactions and code sets while the other notice outlines the requirements for national provider identifier. There is a 60-day public comment period on the proposed standards.

Title II of HIPAA amended the Social Security Act, adding provisions to improve the efficiency and effectiveness of the healthcare system by standardizing the electronic data interchange of administrative and financial transactions.

Under HIPAA, the Secretary of Health and Human Services (HHS) is required to adopt national standards and all health plans, payers, clearinghouses, and providers who choose to conduct these transactions electronically are required to implement those standards. Healthcare providers may also contract with a clearinghouse to conduct standard transactions for them.

The following standards are proposed for use in the following electronic transactions:

- health claims or equivalent encounter information: professional, dental, and institutional claims -- ASC X12N 837. (Under this proposed standard, the industry would move away from the UB-92 and the HCFA 1500 for institutional and provider claims. For retail drug claims, the National Council for Prescription Drug Programs (NCPDP) Telecommunication Standard Format version 3.2 is proposed.)
- coordination of benefits information is contained in the ASC X12N 837
- health plan enrollments and disenrollments -- ASC X12N 834
- health plan eligibility -- ASC X12N 270/271
- healthcare payment and remittance advice -- ASC X12N 835
- health plan premium payments -- ASC X12N 820
- health claim status -- ASC X12N 276/277
- referral certification and authorization -- ASC X12N 278

For each ASC X12N transaction, version 4010 is proposed. The following standards make up a proposed code set for medical/surgical code sets:

- diseases, injuries, impairments, and other health problems -- ICD-9-CM (however, the industry would be expected to transition to ICD-10-CM in 2001)
- procedures
 - volume 3 of ICD-9-CM (inpatient); CPT 4 (outpatient and physician offices; HCPCS (equipment, supplies, injectable drugs); CDT (dental)
- drugs
 - HCPCS (administrative transactions); NDC (pharmacy)
- devices and supplies
 - HCPCS

It is anticipated that the industry would move to a uniform procedure coding framework in 2002 or 2003.

For provider identifier, the National Provider Identifier (NPI) -- which was developed by the Health Care Financing Administration (HCFA) -- was proposed. The NPI is an eight-position alphanumeric number that includes one check digit. The NPI would not be proprietary and would be widely available to the healthcare industry.

There are additional notices of proposed rule making that will outline the requirements for payer identifier, employer identifier, and security standards. Since there is no proposed standard for unique health identifier for individuals, it is anticipated that HHS will publish a notice of intent to solicit input from the industry.

It is critical for HIM professionals to stay informed when a document (such as a notice of proposed rule making) is published regarding the administrative simplification provisions of HIPAA. To receive information regarding publication of notices, send an e-mail message to listserv@list.nih.gov and include in the body of the message: subscribe HIPAA-REGS your name. To obtain general information about the administrative simplification provisions of HIPAA, go to <http://aspe.os.dhhs.gov/admsimp>

To obtain all the implementation guides, data conditions, and the data dictionary (except for retail pharmacy) for X12N standards, go to the Washington Publishing Company Web site at <http://www.wpc-edi.com/hipaa/> For more information about X12N, go to the Accredited Standards Committee - X12N Web site at <http://www.x12.org/>

It is important to familiarize yourself with the requirements and ensure that your organization will be able to implement and comply with these requirements.

AHIMA will submit comments on the notices of proposed rule making and will continue to keep you informed via the *Journal of AHIMA* and other resources.

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