Transactions Delay Prompts Concern Among Covered Entities

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AHIMA recently attended a meeting of healthcare providers, payers, and staff representatives of the National Committee on Vital and Health Statistics (NCVHS) and the Centers for Medicare and Medicaid Services (CMS). Organized by the Association for Electronic Health Care Transactions, the meeting focused on the compliance document used by covered entities requesting an extension for compliance with the HIPAA transaction and code sets rule. NCVHS and CMS will have direct duties to review the compliance document after it is received by the secretary of Health and Human Services as required by the HIPAA extension law.

What Data Is Needed?

Most HIM professionals will not be directly affected by the requirements for the compliance document. However, their institution or employer may be affected if it plans to request an extension. Provider and trade groups present at the meeting stressed that this new requirement is already raising members' concerns that they might not have the resources and knowledge to complete such a document. Members of the Workgroup on Electronic Data Interchange presented their draft of a very simple form to suggest to the secretary for use in meeting the new law's compliance provision.

Meeting attendees raised several concerns about the amount of detail required by the secretary and how the covered entities will need to respond to this data collection requirement. There was also considerable discussion of the law's requirement that covered entities be ready to test the transactions and code sets by April 16, 2003 (if they apply for an extension). The discussion surrounded what was to be tested and whether all the parties or "partners" to the EDI transactions would be ready at that point.

Who Is Legally Required to Comply?

While health plans are faced with a mandate to accept all transactions and code sets covered under HIPAA, this is not a legal requirement for clearinghouses and covered healthcare providers. However, it will be a business requirement for any clearinghouse hoping to stay in business. Additionally, providers must remember that they will probably not be using all of the original eight HIPAA designated transactions either by October 16, 2002 (the implementation due date), or October 16, 2003 (the maximum extension date under the new law).

Providers who opt not to use specific transactions would note them in the request for an extension. Similarly, if a clearinghouse is going to be used to conduct one or more transactions, it can be noted in the request for an extension, presuming that the provider indicates when it would begin to use the clearinghouse. Many providers will begin using only the claims transaction (ANSI ASC X12 837) and the payment transaction (X12 835). As long as the other transactions are not sent electronically by the provider to the health plan, there is no HIPAA mandate for their use by the due date.

The secretary must produce an outline of a compliance document this spring. HIPAA covered entities will have until October 16, 2002, to decide if they will need to seek an extension.

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