

RMD Bulletin

Knowledge is power...

Transition
of the
Integrated System



to Meet
HIPAA 5010
Requirements

Last Thursday, November 17, 2011, the Centers for Medicare and Medicaid Services (CMS) announced that they are extending the deadline for mandatory compliance with the new format for electronic claiming mandated by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This extension allows providers to submit claims and other electronic transactions (such as eligibility checks through the Integrated System [IS]) in the current format, 4010, until March 31, 2012. The State Department of Health Care Services – Mental Health (DHCS-MH or the State) has also indicated that they will be able to receive and accept 4010 transactions during this time period. After March, all electronic health transactions must comply with the HIPAA 5010 standard as required by federal law.

Previously, Revenue Management Division (RMD) issued RMD Bulletins regarding submitting claims while the Department of Mental Health (DMH or the Department) transitioned to 5010. Providers were told that claims submitted after November 3, 2011 (for Electronic Data Interchange [EDI] providers) and November 4, 2011 (for Direct Data Entry [DDE]) would not be sent to the State until the Department is able to transmit 5010 claims in March or April 2012. **However, because of the CMS extension, providers may continue to submit claims in the current 4010 format and receive monthly payments from now until DMH transitions to 5010 or March 27, 2012, whichever comes first.**

DDE providers: Claims entered into the IS will be sent to the State following the regular schedule. **Monthly payments will be based on claims submitted.**

EDI providers: EDI providers may either submit your claims in the current 4010 format or hold your 5010 claim files until the IS is able to accept 5010 claims. Providers choosing to continue submitting 4010 claims will receive monthly payments based on claims submitted; DMH is investigating payment options for those choosing to hold their 5010 claim files until the IS can accept them.

EDI providers must contact Richard Kushi by letter or by e-mail (rkushi@dmh.lacounty.gov) to let the Department know whether your agency will be holding claims through the transition period or you will be continuing to submit EDI files in the current 4010 format. Please refer to the letter from Dr. Robin Kay for additional information. Follow this link to access the letter: http://lacdmh.lacounty.gov/hipaa/documents/111811ProviderNotice_TransitionoftheStoMeetHIPAA5010Requirements.pdf.

We're here to help you...

If you have any questions or require further information, please do not hesitate to contact RMD at (213) 480-3444 or RevenueManagement@dmh.lacounty.gov.