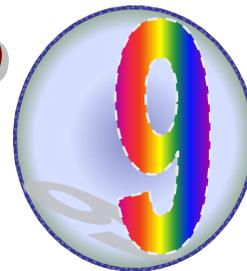


# RMD Bulletin

*Knowledge is power...*

## To STOP or not To STOP? Using Late Code 9



Last week, the Centers for Medicare and Medicaid Services (CMS) announced that they are delaying the enforcement of compliance with the new claiming format required for all electronic health care related transactions as mandated by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This extension allows providers to submit claims and other electronic transactions in the current format, 4010, until March 31, 2012.

The transition of the Los Angeles County Department of Mental Health's (DMH or the Department) Integrated System (IS) to the compliant format (5010) is expected to be complete in February or March 2012 with the first contract provider claims scheduled to be sent to the State Department of Health Care Services – Mental Health (DHCS-MH) at the about the same time the federal extension period ends. Contract providers were notified of these changes in a letter from DMH ([http://lacdmh.lacounty.gov/hipaa/documents/111811ProviderNotice\\_TransitionoftheIStoMeetHIPAA5010Requirements.pdf](http://lacdmh.lacounty.gov/hipaa/documents/111811ProviderNotice_TransitionoftheIStoMeetHIPAA5010Requirements.pdf)). In this letter, providers who submit claims through Electronic Data Interchange (EDI) were given the option to continue submitting claims in the current format or hold claims until the Department is able accept files in the new claiming format. Revenue Management Division (RMD) also issued RMD Bulletins regarding submitting claims while the Department of Mental Health (DMH) transitions to 5010.

The RMD Bulletin about this federal enforcement extension (RMD Bulletin NGA 11-045) did not have instruction about the use of late code 9 given this new development. Whether it is appropriate for contract providers to use late code 9 depends on how you submit your claims and the claim submission option chosen by your agency.

1. **Direct Data Entry (DDE) or EDI providers continuing to use 4010 until the transition: STOP using late code 9 effective immediately.** Late code 9 is only for delays caused by the 5010 implementation. Do not use this late code until further notice. There is no issue for any claims submitted with late code 9 for service dates from July 2011 to present. Claims more than four months from the date of service must use the late code that best describes the reason your claim is late.
2. **EDI providers ready to 5010 by Jan 2012 and have chosen to hold claims until IS 5010 implementation is finished: USE late code 9 for all claims for IS 5010 implementation delay** unless there is a more appropriate late code for the claim.

**Remember: Late code 9 is only for claims submission delay because of IS 5010 implementation delay, not for any other late submission. Use of this code for other reasons is inappropriate.**

**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](mailto:RevenueManagement@dmh.lacounty.gov).

**DOES NOT APPLY TO FEE-FOR-SERVICE PROVIDERS**

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