Effective dates for claims submission changes as a result of HIPAA for independent laboratory services

This *Wisconsin Medicaid and BadgerCare Update* provides specific effective dates for the changes that will be implemented by Wisconsin Medicaid as a result of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) for independent laboratory services.

This *Update* gives implementation dates for all independent laboratory providers, whether they exchange information with Wisconsin Medicaid on paper or electronically. Failure to follow the effective dates that are provided in this *Update* may result in claim denials.

**Attention: Advice for providers**

With the nationwide implementation of HIPAA, Wisconsin Medicaid recognizes that this is a difficult time for providers. When possible, providers are encouraged to submit claims to Wisconsin Medicaid prior to October 1, 2003, or after October 20, 2003, to avoid the period of transition for both providers and payers. This will allow additional time for providers to adjust to the new billing requirements and for Wisconsin Medicaid to perform the necessary systems conversion. Providers are not, however, restricted from submitting claims during this period. Providers may experience a temporary delay in the processing of claims during this period, as Wisconsin Medicaid implements final system changes to meet HIPAA requirements.
Providers should note the way the various changes will be implemented. Changes as a result of HIPAA for independent laboratory services will be implemented based on date of receipt by Wisconsin Medicaid. For changes implemented based on the date of receipt, the important question to ask is: “When will this claim be received by Wisconsin Medicaid?” Providers should allow enough time for mail delivery when meeting the deadlines identified in this publication.

Effective dates for national codes that will replace Wisconsin Medicaid local codes and revised claim instructions are addressed separately in this Update.

Nonmedical codes

Nonmedical codes describe general administrative situations.

Nonmedical codes are implemented based on date of receipt as required by federal HIPAA regulations.

Changes to nonmedical codes, as indicated in Update 2003-41, will be implemented based on the date of receipt. For nonmedical codes received on paper claims, the changes will be effective on and after October 1, 2003. For nonmedical codes received on electronic claims, the changes will be effective on and after October 13, 2003. National nonmedical codes used by Wisconsin Medicaid include:

- Nationally recognized two-digit place of service (POS) code “81.”
- Type of service (TOS) codes will no longer be required on Medicaid claims because they are not national codes.
- National modifiers (“TC” and “26”) that replace TOS codes (refer to Attachment 1 of Update 2003-41).

Pre-HIPAA codes include TOS codes and one-digit Wisconsin Medicaid POS code “A.”

Claims submission

Different implementation dates will be used for electronic and paper claims. A calendar of HIPAA implementation dates for electronic and paper claims is included in Attachment 1 of this Update.

Electronic claims submission

For electronic claims received by Wisconsin Medicaid on and after October 13, 2003, providers must use:

- The 837 Health Care Claim: Professional transaction, commonly known as the 837P (refer to the Medicaid Web site at www.dhfs.state.wi.us/medicaid/ for the 837P companion document).
- National nonmedical codes.
- A newborn’s Medicaid identification number, instead of the mother’s identification number. (Refer to the June 2003 Update [2003-29], titled “Wisconsin Medicaid no longer reimburses claims for newborns under the mother’s identification number.”)

Paper claims submission

For paper claims received by Wisconsin Medicaid on and after October 1, 2003, providers must use:

- HIPAA CMS 1500 claim instructions (refer to Attachment 2 of Update 2003-41).
- National nonmedical codes.
- A newborn’s Medicaid identification number, instead of the mother’s identification number (refer to Update 2003-29).

Refer to Attachment 2 of this Update for claims submission examples for independent laboratory services.
Electronic claim adjustments

For electronic claim adjustments received on and after October 13, 2003, providers must use:
- The electronic 837P adjustment (refer to the Medicaid Web site at www.dhfs.state.wi.us/medicaid/ for the 837P companion document).
- National nonmedical codes.

Paper claim adjustments

For paper claim adjustments received on and after October 1, 2003, providers must use:
- The Adjustment/Reconsideration Request form and completion instructions; the use of this form is voluntary. Providers may develop their own form as long as it includes all the information on this form and is formatted exactly like this form. (Refer to the June 2003 Update [2003-31], titled “Changes to the Wisconsin Medicaid Adjustment Request form and instructions,” for more information about paper claim adjustments.)
- National nonmedical codes.

Refer to Attachment 3 of this Update for examples of claim adjustment requests.

Electronic transactions

A calendar that reflects the various implementation dates for electronic transactions is provided in Attachment 1 of this Update.

Electronic transactions received by Wisconsin Medicaid

The following are the implementation dates for electronic transactions received by Wisconsin Medicaid:
- The deadline for pre-HIPAA claims received on magnetic cartridge is 3:00 p.m. on October 8, 2003.
- The deadline for claims received using the free Medicaid software that is supported by Proservices (known as EZ-LINK, Pace, and dental software) is 1:00 p.m. on October 10, 2003.
- Wisconsin Medicaid will begin accepting the 837P on October 13, 2003.
- Wisconsin Medicaid will begin accepting claims using Provider Electronic Solutions (PES) software on October 13, 2003.

Electronic transactions received and sent by Wisconsin Medicaid

Wisconsin Medicaid will begin accepting and sending the 270/271 Health Care Eligibility Inquiry transaction on October 13, 2003.

Electronic transactions sent by Wisconsin Medicaid

Wisconsin Medicaid will begin sending the TA1 Interchange Acknowledgment and the 997 Functional Acknowledgment on October 13, 2003.

Electronic transactions available from Wisconsin Medicaid

The 835 Health Care Claim Payment/Advice will be available from Wisconsin Medicaid on and after October 20, 2003.

Obtaining information

For questions about this Update, providers may call Provider Services at (800) 947-9627 or (608) 221-9883.
Information regarding Medicaid HMOs

This Update contains Medicaid fee-for-service information and applies to providers of services to recipients who have fee-for-service Medicaid. Since HIPAA impacts all health care payers, it is important to know that HIPAA changes, including changes from local procedure codes to national procedure codes, will also have an impact on Medicaid HMOs. For questions related to Medicaid HMOs or managed care HIPAA-related changes, contact the appropriate managed care organization.

The Wisconsin Medicaid and BadgerCare Update is the first source of program policy and billing information for providers.

Although the Update refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at www.dhfs.state.wi.us/medicaid/.
## ATTACHMENT 1

Calendar of HIPAA implementation for claims submission for independent laboratory services

<table>
<thead>
<tr>
<th>September/ October 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday</td>
</tr>
<tr>
<td>28 (September)</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>12 <strong>Electronic claims:</strong> Wisconsin Medicaid will not accept electronic claims.</td>
</tr>
<tr>
<td>19 <strong>Remittance and status:</strong> The 835 Health Care Claim Payment/Advice will be available from Wisconsin Medicaid.</td>
</tr>
</tbody>
</table>

*HIPAA = Health Insurance Portability and Accountability Act of 1996.
# ATTACHMENT 2

## Claims submission examples for independent laboratory services

Examples of claims submission before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

Below is a table showing examples of claims submission before and after HIPAA implementation:

<table>
<thead>
<tr>
<th>Date of service</th>
<th>Date of receipt</th>
<th>Paper claim instructions</th>
<th>Electronic claims submission</th>
<th>Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/1/03</td>
<td>9/30/03</td>
<td>Pre-HIPAA claim instructions</td>
<td>Any pre-HIPAA claims submission software, including Proservices software (known as EZ-LINK, Pace, and dental software)</td>
<td>Pre-HIPAA nonmedical codes</td>
</tr>
<tr>
<td>9/30/03</td>
<td>10/14/03</td>
<td>HIPAA claim instructions</td>
<td>837 Health Care Claim: Professional transaction, commonly known as the 837P (including claims submitted using Provider Electronic Solutions [PES] software)</td>
<td>National nonmedical codes</td>
</tr>
<tr>
<td>10/14/03</td>
<td>11/1/03</td>
<td>HIPAA claim instructions</td>
<td>837P (including claims submitted using PES software)</td>
<td>National nonmedical codes</td>
</tr>
</tbody>
</table>

For the following examples, the service performed was: diagnostic X-ray (medical-technical); fluorescent noninfectious antibody, screen, each antibody; provided in an independent laboratory:

<table>
<thead>
<tr>
<th>Date of service</th>
<th>Date of receipt</th>
<th>Paper claim instructions</th>
<th>Electronic claims submission</th>
<th>Place of service code</th>
<th>Type of service code</th>
<th>Procedure code</th>
<th>Modifier(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/1/03</td>
<td>9/30/03</td>
<td>Pre-HIPAA claim instructions</td>
<td>Any pre-HIPAA claims submission software, including Proservices software (known as EZ-LINK, Pace, and dental software)</td>
<td>A</td>
<td>U</td>
<td>86255</td>
<td>None</td>
</tr>
<tr>
<td>9/30/03</td>
<td>10/14/03</td>
<td>HIPAA claim instructions</td>
<td>837P (including claims submitted using PES software)</td>
<td>81</td>
<td>None</td>
<td>86255</td>
<td>TC</td>
</tr>
<tr>
<td>10/14/03</td>
<td>11/1/03</td>
<td>HIPAA claim instructions</td>
<td>837P (including claims submitted using PES software)</td>
<td>81</td>
<td>None</td>
<td>86255</td>
<td>TC</td>
</tr>
</tbody>
</table>
ATTACHMENT 3
Claim adjustment examples
for independent laboratory services

Examples of claims adjustments before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

<table>
<thead>
<tr>
<th>For example, if both of the following are true:</th>
<th>Then use the following:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original date of service</td>
<td>Date adjustment received</td>
</tr>
<tr>
<td>9/1/03</td>
<td>9/30/03</td>
</tr>
<tr>
<td>9/30/03</td>
<td>10/14/03</td>
</tr>
<tr>
<td>10/14/03</td>
<td>11/1/03</td>
</tr>
</tbody>
</table>

*Refer to the June 2003 Wisconsin Medicaid and BadgerCare Update (2003-31), titled “Changes to the Wisconsin Medicaid Adjustment Request form and instructions,” for more information about paper claim adjustments.