Affected Programs: BadgerCare Plus, Medicaid, SeniorCare
To: Adult Mental Health Day Treatment Providers, Advanced Practice Nurse Prescribers with Psychiatric Specialty, Ambulance Providers, Audiologists, Child/Adolescent Day Treatment Providers, Chiropractors, Dentists, Dental Hygienists, Federally Qualified Health Centers, HealthCheck Providers, Hearing Instrument Specialists, Home Health Agencies, Hospital Providers, Blood Banks, Individual Medical Supply Providers, Intensive In-Home Mental Health and Substance Abuse Treatment Services for Children Providers, Master's Level Psychotherapists, Medical Equipment Vendors, Nurse Practitioners, Nurses in Independent Practice, Nursing Homes, Occupational Therapists, Ophthalmologists, Opticians, Optometrists, Oral Surgeons, Outpatient Mental Health Clinics, Outpatient Substance Abuse Clinics, Pharmacies, Personal Care Agencies, Physical Therapists, Physician Assistants, Physician Clinics, Physicians, Psychiatrists, Psychologists, Rehabilitation Agencies, Rural Health Clinics, Speech and Hearing Clinics, Speech-Language Pathologists, Substance Abuse Counselors, Substance Abuse Day Treatment Providers, Therapy Groups, HMOs and Other Managed Care Programs

Implementation of the HIPAA Accredited Standards Committee X12 Version 5010 Electronic 278 Health Care Services Review — Request for Review and Response Transaction

This *ForwardHealth Update* announces the implementation of the 278 Health Care Services Review — Request for Review and Response transaction, which is new to ForwardHealth with the implementation of Health Insurance Portability and Accountability Act of 1996 Accredited Standards Committee X12 version 5010 standards.

The 278 Health Care Services Review — Request for Review and Response Transaction

Beginning January 1, 2012, providers will have the ability to request prior authorization (PA) electronically using the 278 Health Care Services Review — Request for Review and Response (278) transaction, which is new to ForwardHealth with the implementation of Health Insurance Portability and Accountability Act of 1996 (HIPAA) Accredited Standards Committee (ASC) X12 version 5010 standards. ForwardHealth will use the 278 transaction as the standard electronic format for health care service, or PA, requests.

Providers are reminded that they can also request PA via the ForwardHealth Portal, fax, or mail.

This *ForwardHealth Update* applies to PA requests for services not related to drugs and diabetic supplies. Providers cannot use the 278 transaction to request PA for drugs and diabetic supplies but should refer to the PA section of the Online Handbook or to the August 2011 *Update* (2011-49), titled "Changes to Prior Authorization for Drugs and Diabetic Supplies Resulting from Implementation of the National Council for Prescription Drug Programs Telecommunication Standard Version D.0," for information about changes to PA for drugs and diabetic supplies resulting from the transition to HIPAA-named National Council for Prescription Drug Programs (NCPDP) telecommunication standard version D.0.

ForwardHealth will be implementing the health care services certification review request and associated response business event (component) of the 278 transaction in compliance with

Department of Health Services

version 5010 transaction standards. The following business events are also components of the 278 transaction but will *not* be supported by ForwardHealth:

- Admission certification review request and associated response.
- Referral review request and associated response.
- Extend certification review request and associated response.
- Certification appeal review request and associated response.
- Reservation of medical services request and associated response.
- Cancellations of service reservations request and associated response.

Submitting Prior Authorization Requests Using the 278 Transaction

Providers may submit an initial PA request using the 278 transaction; however, this will not result in a real-time approval. The 278 transaction does not allow providers to submit the required clinical information needed to adjudicate the PA request.

After submitting a PA request via a 278 transaction, providers will receive a real-time response indicating whether the transaction is valid or invalid. If the transaction is invalid, the response will indicate the reject reason(s), and providers can correct and submit a new PA request using the 278 transaction.

A real-time response indicating a valid 278 transaction will include a PA number and will notify the provider that the PA request has been placed in a status of "Pending — Fiscal Agent Review."

Uploading Additional Documentation

Once providers receive a PA number, they may upload additional documentation (e.g., the PA attachment, supporting clinical information) for the pending PA through the Portal. For information regarding uploading documentation via the Portal, refer to the Prior

Authorization section of the Online Handbook at *www.forwardhealth.wi.gov/*.

After receiving the additional documentation, ForwardHealth will process the PA request and send the provider either a decision notice or a returned provider review letter.

Returned Provider Review Letter

Once the PA request is in a Pending — Fiscal Agent Review status, ForwardHealth will review the request and, if the additional documentation has not been submitted, will send providers a returned provider review letter indicating the information required to adjudicate the request. Prior authorization requests cannot be adjudicated until ForwardHealth receives the additional documentation.

After receiving a returned provider review letter, providers should submit the additional information through the Portal, fax, or mail if they have not already done so. Providers have 30 calendar days from the date on the returned provider review letter to submit the additional information, or the PA request will become inactive. If a PA request has become inactive, providers can submit a new request using the 278 transaction.

Refer to the Prior Authorization section of the Online Handbook for additional PA information.

Denied Prior Authorization Requests

If a PA is denied during adjudication, providers can submit a new request for the service using the 278 transaction; however, they must submit a copy of the original denied PA request, additional supporting clinical documentation, and medical justification via the Portal, fax, or mail following the submission guidelines in the Prior Authorization section of the Online Handbook.

Amended or Returned Prior Authorization Requests

If an approved PA needs to be amended or if ForwardHealth returns a PA request and indicates that

additional information is required, the provider can correct the error(s), send additional documentation, or resubmit the PA request or amendment request via the Portal, fax, or mail. For information about amending and resubmitting PA requests, refer to the Prior Authorization section of the Online Handbook.

Media Type in Prior Authorization Number Changing

A PA number consists of 10 digits containing valuable information about the PA request (i.e., the media used to submit the PA request, the year, the Julian date, and the internal ForwardHealth sequence number). With the implementation of the 278 transaction, the description for one of the media types used to submit the PA request is changing. Media type 7 will now be used to specify an Electronic Data Interchange transaction, which would indicate either an NCPDP D.0 P4 transaction or a HIPAA X12 5010 278 transaction. For more information about PA numbers, refer to the Prior Authorization section, General Information chapter of the Online Handbook for the Prior Authorization Numbers topic (topic #4383).

Companion Guide Available

Beginning December 1, 2011, trading partners and others may download the companion guide for the 278 transaction from the Portal. This companion guide provides information on ForwardHealth's specific requirements for the 278 transaction and should be used with the national HIPAA Implementation Guide. The Implementation Guide defines the national data standards, electronic formats, and values required for each data element within the 278 transaction.

Valid Code Sets

Every code used on a 278 transaction is required to be a valid code whether from a national code set or from an implementation guide code set, even if the code is being used in a non-required field. An invalid code will invalidate the transaction, causing the transaction to be rejected by ForwardHealth.

Compliance Testing

Prior to submitting a 278 transaction to the ForwardHealth production environment, trading partners are required to do the following:

- Update their Trading Partner Profile, F-13043 (12/11), on the Portal by selecting the 278 transaction. (The 278 transaction set will not be automatically assigned to trading partners.)
- Complete compliance testing procedures as outlined in the provider's 5010 278 Standard Trading Partner Testing Packet, found on the HIPAA ASC X12 Version 5010 and NCPDP Version D.0 Implementation page of the Portal.

After receiving an "accepted" 999 Functional Acknowledgement for a test 278 transaction, trading partners are required to call the Electronic Data Interchange Helpdesk at (866) 416-4979 to request that the production 278 transaction set be assigned to them.

Trading partners may start compliance testing for the 278 transaction January 1, 2012.

Trading partners cannot submit the 278 transaction through Provider Electronic Solutions (PES). In order to submit the 278 transaction, trading partners will need to use their own software or contract with a software vendor.

Background on HIPAA ASC X12 Version 5010 and National Council for Prescription Drug Programs Version D.0

Effective January 1, 2012, changes to HIPAA and NCPDP standards will impact electronic, paper, PES, and Portal transactions exchanged with ForwardHealth. All covered entities (e.g., health plans, health care clearinghouses, and health care providers) will be required to begin using the new ASC X12 version 5010 and NCPDP version D.0 standards.

Refer to the HIPAA ASC X12 Version 5010 and NCPDP Version D.0 Implementation Page on the Portal for more information.