

HIPAA inSight

Health Insurance Portability and Accountability Act

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The information in *HIPAA inSight* applies to billing vendors, Medicaid HMOs and other managed care programs, as well as providers participating in the following Wisconsin health care programs administered by the Division of Health Care Financing (DHCF):

- Medicaid and BadgerCare.
- Health Insurance Risk Sharing Plan (HIRSP).

Wisconsin Medicaid will offer training on the impact of HIPAA

Wisconsin Medicaid will conduct training sessions in 2003 on the impact of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) on Wisconsin Medicaid and BadgerCare programs.

HIPAA impacts all providers

All providers will experience an impact from the Administrative Simplification provisions of HIPAA. Not only will all covered entities who transmit specific health care transactions in electronic form (e.g., electronic claims) have to comply, but providers who submit paper Medicaid claims will be required to make changes to conform to HIPAA. For example, under HIPAA providers will no longer be able to submit claims with type of service codes

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providers will receive reformatted Remittance and Status (R/S) Reports. Wisconsin Medicaid will make these changes no later than October 2003.

Wisconsin Medicaid will offer training sessions

Wisconsin Medicaid will be conducting training sessions in 2003 to help providers prepare for the changes to Wisconsin Medicaid and BadgerCare programs. While the training sessions will not cover every aspect of the impact of HIPAA (due to the enormity of the effects it will have), some examples of general topics that will be covered include:

- Changes to paper claims submission (e.g., HCFA 1500, UB-92).
- Changes to claims adjustments.
- Changes to prior authorization (PA) requests.
- Changes to R/S Reports.
- Local code crosswalks (e.g., local procedure codes, modifiers, and diagnosis codes) to national code sets.
- Explanation of new HIPAA Reason and Remark Codes. These will replace the current Explanation of Benefit (EOB) Codes.

Dates, times, and locations for these training sessions, as well as HIPAA information that affects all providers, will be published in future *HIPAA inSights*. *Wisconsin Medicaid and BadgerCare Updates* will contain important service-specific HIPAA information (e.g., crosswalks of local codes to national code sets).

Subjects that will *not* be covered

Subjects that will *not* be covered during the HIPAA training sessions include:

- HIPAA Privacy standard — The federal Department of Health and Human Services (HHS) Office for Civil Rights (OCR) has provided some guidance for covered entities in meeting the requirements of the regulation. (A covered entity is defined as one of the following: a health plan, health care clearinghouse, or health care provider who transmits specific health care transactions in electronic form.) For further information, refer to the OCR Web site at www.hhs.gov/ocr/hipaa/.
- How to submit HIPAA-compliant electronic transactions — Providers who choose to submit and receive electronic transactions should contact a clearinghouse or billing vendor.

Frequently asked questions

Q: How will Wisconsin Medicaid tell providers about changes to submitting paper claims?

A: Future *Updates* will contain revised paper billing instructions, PA instructions, and other changes due to HIPAA. Providers may refer to previously published HIPAA materials on the Department of Health and Family Services' (DHFS) Web site at www.dhfs.state.wi.us/hipaa/.

Q: How will a provider ensure that his or her software/billing vendor or clearinghouse is HIPAA compliant?

A: Wisconsin Medicaid suggests that providers be proactive and contact their software/billing vendors or

clearinghouses to find out when they will be HIPAA compliant. Providers should not wait for their software vendor to announce HIPAA compliance.

Wisconsin Medicaid will offer HIPAA-compliant electronic Medicaid billing software in the future. This software will continue to be offered free of charge and Wisconsin Medicaid will notify providers when it is available.

Q: Will providers be required to collect additional information to submit HIPAA-compliant transactions (e.g., electronic claims)?

A: Yes. Providers should contact their clearinghouse or billing/software vendor to find out what additional data they will need to submit HIPAA-compliant transactions.

Helpful Web sites

Providers may refer to the following Web sites for more HIPAA-related information:

- www.cms.gov/hipaa/ — Includes links to the latest HIPAA news and HHS HIPAA-related links.
- aspe.hhs.gov/admsimp/ — Contains links to proposed and final rules, links to download standards and HIPAA implementation guides, and frequently asked questions regarding HIPAA and Administrative Simplification provisions.
- www.dhfs.state.wi.us/hipaa/ — Contains Wisconsin DHFS HIPAA-related publications, a list of HIPAA acronyms, links to related Web sites, and other valuable HIPAA information.