

## **Part B Insider (Multispecialty) Coding Alert**

### **HIP-HIP HOORAY FOR HIPAA DELAY**

#### **Medicare contingency plan will permit noncompliant claims**

If you feared that the Oct. 16 compliance deadline for the Health Insurance Portability and Accountability Act transactions and code-sets rule would result in a cash-flow disaster, now you can breathe a sigh of relief.

The Centers for Medicare & Medicaid Services on Sept. 23 conceded that too many providers simply aren't ready to submit HIPAA-compliant claims. The agency says it will implement a contingency plan to accept noncompliant electronic claims for an as-yet undetermined period after the HIPAA transactions rule deadline.

"Implementing this contingency plan moves us toward the dual goals of achieving HIPAA compliance while not disrupting providers' cash flow and operations," says CMS Administrator Tom Scully.

CMS revealed it was considering a contingency plan on Sept. 8 (see Eli's HCW, Vol. XII, No. 33, p. 260). It decided to move forward with the plan after analyzing data that showed "unacceptably low numbers of compliant claims being submitted."

CMS says the contingency plan will give providers more time to complete the testing process, and that the agency will "regularly reassess the readiness of its trading partners to determine how long the contingency plan will remain in effect."

Despite the delay, experts advise providers to act quickly to get their houses in order, since the contingency plan won't remain in effect forever.