

Health Information Compliance Alert

HEALTH INFORMATION NEWS

AVOID PAYMENT DELAYS WITH ELECTRONIC CLAIMS

Starting on Oct. 1, 2005, Medicare will no longer reimburse your non-compliant electronic claims.

The Centers for Medicare & Medicaid Services (CMS) announced Aug. 4 that the contingency plan for accepting non-compliant electronic claims will end.

If you submit Medicare non-compliant claims after Oct. 1, CMS will return them to you unprocessed. You'll then need to resubmit the claims in a compliant format.

The end of the contingency plan will affect providers who submit claims under fee-for-service Medicare. CMS doesn't believe that 100 percent compliance will be an issue, because as of June 2005, only 0.5 percent of fee-for-service providers submitted non-compliant electronic claims. The agency will also continue to make sure providers can get free or low-cost software through their Medicare fiscal intermediaries and carriers.

For more information, go to www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3956.pdf.

The Bottom Line: Make sure your electronic claims are HIPAA-compliant by Oct. 1-or pay the price. NO PHI DANGERS IN NEW DRUG SUBSITY

When CMS asks for certain individuals' PHI, you may be able to disclose it without a signed authorization. That's what the HHS Office for Civil Rights (OCR) answered in a frequently asked question (FAQ) posted Aug. 22 on its Web site.

According to OCR, the HIPAA privacy rule "allows a group health plan or a health insurance issuer with respect to the group health plan-or its business associate-to disclose PHI to a plan sponsor to carry out plan administration functions as long as it meets the requirements of 45 CFR 164.504(f)(2)." In this case, the plan sponsor is carrying out the plan administration function of submitting the PHI that CMS requires for the retiree drug subsidy, OCR notes.

To read the FAQ, go to <http://healthprivacy.answers.hhs.gov>. Select the "Privacy of Health Information/ HIPAA" category and enter "drug subsidy" in the Search field.

The Bottom Line: You don't need to obtain an individual's authorization to disclose PHI to a plan sponsor for the retiree drug subsidy.

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