

Health Information Compliance Alert

Transactions Tip: Is Your Practice Management System Ready For The Transactions Rule?

Use the handy online PMS directory to find out

The word on the street regarding the status of HIPAA compliant practice management systems (PMS): We're just going to have to wait and see. Practices are required to conform their systems under the transactions and code set standards (TCS) component of HIPAA, but with the **Centers for Medicare & Medicaid Services'** contingency plan now in effect, it is unclear just when we'll find out how the systems are faring.

While most experts have been predicting at least some initial snags in the system, you may wonder if these concerns are valid. Will this be another Y2K scare getting us all worked up over nothing?

"Unfortunately, I don't have a specific answer and I don't think anybody does," says consultant **L. Michael Fleishman**, with **Gates Moore & Co.** in Atlanta. Practices won't know that they're having problems with their electronic filing until they start receiving denials, which could potentially be any day now, Fleishman continues. When denials do start coming in, they should clearly state what the problem is (usually a data entry error), so that you can make haste to correct it.

The only thing practices can really do to prepare is to contact their PMS vendor to see if the system has been tested and is ready to go. It's the vendor's responsibility to a practice to have the PMS certified and working correctly "before the vendor actually sends them the software," explains **Jeff Gardner**, senior programmer analyst with **Accounting Systems Technology, Inc.**, a PMS vendor in Casselberry, FL.

Vendors gather as much information from the clinical side as possible before they run their tests with payers. Their electronic files get sent back with a report citing any problems. The software is considered certified once those problems are fixed. Certified PMS vendors don't anticipate any format glitches when practices begin using their software, says Gardner, but proper functioning will be "dependent on [coders and billers] making sure they enter the correct information." There will be changes in data entry requirements for many systems, and staying in contact with your vendor should ensure that you know what's going on.

Tip: An easy way to verify that your software is ready is by visiting the PMS directory website at www.hipaa.org/pmsdirectory.

The site is sponsored by a coalition of national physician associations and lists most of the practice-software programs, indicating which programs have been tested and can support HIPAA transactions. That's a great site to visit, says Fleishman, because your software vendor might "feed you a line" but here you can check for yourself. The site also offers helpful basic information on HIPAA transactions and compliance.