

## HIPAA TRANSACTION AND CODE SET STANDARDS POLICY

**RESPONSIBILITY:** Director of Information Systems

### **BACKGROUND:**

The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) gives the Secretary of the Department of Health and Human Services the authority to establish national standards for the format and content of certain electronic transactions (“HIPAA standard formats”), and for the code sets to be used in such transactions (“HIPAA standard codes”).

Any HIPAA electronic transactions transmitted or accepted by Behavioral Health and Health Facilities (BHFF) must adhere to all current standards.

The transaction implementation specifications (also called implementation guides, or IGs) are available as follows:

1. ASC X12N specifications. The implementation specifications for ASC X12N standards may be obtained from the Washington Publishing Company, PMB 161, 5284 Randolph Road, Rockville, MD, 20852-2116; telephone 301-949-9740; and FAX: 301-949-9742. They are also available through the Washington Publishing Company on the Internet at <http://www.wpc-edi.com/>
2. Retail pharmacy specifications may be obtained from the National Council for Prescription Drugs (NCPDP), 4201 North 24th Street, Suite 365, Phoenix, AZ 85016; telephone 602-957-9105; and FAX 602-955-0749. It may also be obtained through the Internet at <http://www.ncdp.org/>

Code sets adopted by the Secretary are:

1. International Classification of Disease, 9<sup>th</sup> Edition, Clinical Modification (ICD-9-CM), Volumes 1 and 2, as maintained and distributed by DHHS, to be used for diseases, injuries, impairments, other health problems and their manifestations, causes of injury, disease, impairment, or other health problems.
2. International Classification of Disease, 9<sup>th</sup> Edition, Clinical Modification (ICD-9-CM), Volume 3 Procedures as maintained and distributed by DHHS, for the following procedures or other actions taken for diseases, injuries, and impairments on hospital inpatients reported by hospitals: for prevention, diagnosis, treatment, and management.
3. National Drug Codes (NDC) as maintained and distributed by DHHS in collaboration with drug manufactures, for the following: Drugs and biologics.
4. Code on Dental Procedures and Nomenclature, as maintained and distributed by the American Dental Association, for dental services.
5. The combination of Health Care Financing Administration Common Procedure Coding System (HCPCS), as maintained and disturbed by HHS, and Current

Procedural Terminology, Fourth Edition (CPT-4), as maintained and distributed by the American Medical Association, for physician services and other health care services. This includes, but is not limited to: Physician services, physical and occupational therapy services, radiological procedures, clinical laboratory tests, other medical diagnostic procedures, hearing and vision services, transportation services including ambulance.

6. The Health Care Financing Administration Common Procedure Coding System (HCPCS), for all other substances, equipment, supplies, or other items used in health care services. These items include, but are not limited to: Medical supplies, orthotic and prosthetic devices, and durable medical equipment.
7. Non-medical code sets as specified in the transactions implementation specifications. (Non-medical code sets included in the implementation specifications include zip codes, area codes, taxonomy codes, revenue codes, etc.)

### **POLICY:**

The BHHF Director of Information Systems is responsible to assure that transactions which BHHF conducts electronically comply with applicable standards adopted by the Secretary, DHHS under the provisions of HIPAA. This includes using the approved format, populating all required fields (and situational fields, as appropriate), and use of currently approved code sets.

Affected transactions are any of the following when conducted electronically with a health plan or with another provider of health care:

- (1) Health care claims or equivalent encounter information
- (2) Health care payment and remittance advice
- (3) Coordination of benefits
- (4) Health care claim status
- (5) Enrollment and disenrollment in a health plan
- (6) Eligibility for a health plan
- (7) Health plan premium payments
- (8) Referral certification and authorization
- (9) First report of injury
- (10) Health claims attachments
- (11) Other transactions that the Secretary, DHHS, may prescribe by regulation.

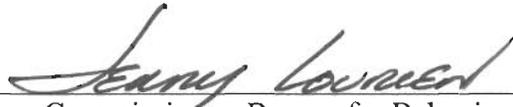
When BHHF uses a direct data entry (DDE) option offered by a health plan, to conduct one of the transactions listed above, the DDE format does not need to comply with the HIPAA format standards. However, the DDE transaction must contain all required and situational data elements that would be included in the standard format, and must use HIPAA standard codes.

When BHHF uses a health care clearinghouse to conduct a standard transaction on its behalf, the agreement with the clearinghouse must comply with BHHF policies regarding trading partner and business associate agreements. The agreement must also explicitly require the clearinghouse to comply with all applicable requirements of federal standards

for transactions and code sets, and to require any subcontractors to comply with these standards as well, to the extent they apply to the processing of BHHF standard transactions.

Effective Date: 4/14/03

Revised Dates:



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Jerome E. Lovrien, Commissioner, Bureau for Behavioral Health and Health Facilities