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**Sent:** Wednesday, January 05, 2011 10:45 AM  
**To:** MedCCC; HIPAA1  
**Subject:** Draft Requested Conformance to the HIPAA 837 Transaction Recommended 5,000 Claim Segment Limit  
**Importance:** High

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The Health Insurance Portability and Accountability Act (HIPAA) Health Care Claims (837) professional and institutional transaction implementation guides recommend that trading partners limit the size of the transaction (ST-SE envelope) to a maximum of 5,000 CLM (claim) segments. The State is requesting trading partners submit 837 claims to the Short-Doyle / Medical (SD/MC) system that conform to this recommendation by March 1, 2011.

Conformance to the recommended limit to the size of a claim (837) transaction will improve the SD/MC system performance. The SD/MC system is designed to efficiently and quickly process up to 5,000 CLM segments per transaction simultaneously with other claim transactions from the same or other claim files. However, if a transaction contains more than 5,000 CLM segments, the SD/MC system can only process the claims in a serial manner, significantly degrading performance, where in some cases, claim files have taken up to two weeks to process. This claim processing delay is a statewide issue for multiple reasons:

- 1) Performing system maintenance or software releases is delayed while waiting for claims to complete processing.
- 2) Overall system responsiveness is slowed since adjudication results are not available as timely.
- 3) Payments to trading partners are delayed since the approved claims are not available as timely.

It is anticipated that the State will programmatically limit the number of CLM segments in an ST-SE to 5,000 at some point after March 1, 2011.

Your attention to this request, by March 1, 2011, is appreciated.