

SDMC P2 5010 Cut-Over Approach December 7, 2011

Announcement to Trading Partners:

1. The State requests that counties and direct providers submit claims (837) and claim status requests (276) transactions in 5010 format after January 1, 2012. Short-Doyle Medi-Cal (SDMC) P2 5010 system will send corresponding remittance advice (835) and claim status response (277) transactions in 5010 format after January 1, 2012.
2. The State requests that counties and direct providers continue to submit 270 transactions for eligibility requests and spend down in 4010 format for up to a year. The State will respond with eligibility and spend down information (271) in 4010 format.
3. To maintain continuous trading partner cash flow, the State will:
 - Maximize system claims processing performance.
 - Individually work with SDMC Counties and Trading Partners that cannot submit claims and/or claim status request transactions in 5010 format after January 1, 2012.

HIPAA 5010:

The State will accept 5010 claims after January 1, 2012. If your organization cannot submit 5010 claims after January 1, 2012, please contact the State. For eligibility and spend down (270/271) the State requests that you continue to submit in 4010 format for up to a year. For EDI claims submitted on and after January 1, 2012, trading partners are expected to be compliant with 5010 standards following the Final Rule defined in the Federal Register 74 FR 3296-3328:

Professional & Institutional Health Care Claims: 45 CFR § 162.1102 (74 FR 3325 - 3326)

Health Care Claim Status: 45 CFR § 162.1402 (74 FR 3326 - 3327)

Health Care Payment & Remittance Advice: 45 CFR § 162.1602 (74 FR 3327)

On November 17, 2011, CMS announced a 90-Day period of enforcement discretion for compliance with new HIPAA transaction standards. This allows trading partners who have made good faith efforts towards compliance to submit 4010 claims without enforcement actions by CMS through March 31, 2012.

Please inform the State immediately of any changes in your organization's 5010 cut-over readiness and approach. Send email with Subject '**Change in 5010 Cut-Over Approach**' to Lorenza Pennington at Lorenza.Pennington@DHCS.CA.GOV.