



HIPAA and Electronic Data Interchange: Frequently Asked Questions

The Health Insurance Portability and Accountability Act (HIPAA) established electronic data interchange (EDI) and medical data code set requirements that become effective October 16, 2003. Mid Atlantic Medical Services, Inc. (MAMSI) is a regional holding company for health care organizations. Our health plans – MD-Individual Practice Association, Inc., Optimum Choice, Inc., Optimum Choice of the Carolinas, Inc., MAMSI Life and Health Insurance Company, and PPO network, Alliance PPO, LLC – will begin using specific transaction layouts for eligibility, claims, claim status, referrals and certain other common health care transactions. The ultimate goal is to simplify how health care practitioners, facilities, health plans, and payors send and receive health information.

We have provided responses to some frequently asked questions to address common concerns as we prepare to complete our compliance process by October 16, 2003. If you have any questions, please call our Professional Services Department at 1-800-342-6141 or 301-360-8053. Health care practitioners in North Carolina and South Carolina should call the North Carolina Professional Services Department at 1-800-257-6458 or 919-281-7134.

1. How is MAMSI Health Plans preparing to meet HIPAA electronic transaction regulations?

We use translator software that incorporates HIPAA standard transactions and code sets.

We test with multiple vendors, clearinghouses and direct connections with physicians and health care practitioners.

We are developing a certification process through a software vendor in order to test HIPAA transactions.

We use secure communication lines.

2. Does MAMSI Health Plans use a HIPAA companion guide that contains claims transmission and processing procedures that will assist the vendor in complying with HIPAA regulations

We use the HIPAA transaction implementation guide as our companion guide, in Physicians Health Plan of Maryland, Inc. (PHP-MD) *Manual for Physicians and Health Care Practitioners*. The implementation guide can be found at www.wpc-edi.com under *HIPAA*. The PHP-MD manual can be obtained through the Professional Services Department. The implementation guide and manual inform the recipient of the data necessary to adjudicate a claim.

3. Is a physician or other health care practitioner considered to be a business associate of a health plan or other payor?

Generally, health care practitioners are not business associates of payors. A business associate is a vendor hired to provide functions or services on behalf of a covered entity, such as a health plan. For example, Doctor X is not a business associate of Health Plan Y solely by providing health care to Health Plan Y's members and submitting claims for payment. Both Doctor X and Health Plan Y are covered entities, and neither is performing business associate services or functions.

4. Is MAMSI Health Plans prepared to receive various electronic transactions in standard format? Are health care practitioners required to submit claims using the electronic transaction standards? May the health care practitioner continue to submit claims on paper?

We are testing the electronic transaction procedures now. Health care practitioners are not required to use the HIPAA electronic transaction standards and may continue to submit claims on paper. However, if they choose to submit claims electronically, they must use the HIPAA transaction standards. If the health care practitioner uses a clearinghouse or software vendor, the clearinghouse or software vendor must work with the health care practitioner to ensure use of the standard format.

5. Will MAMSI Health Plans coordinate efforts between health care practitioners and clearinghouses during the testing phase of claim submissions?

We are in the process of testing or scheduling with all of our clearinghouses. If you are currently submitting to a clearinghouse, please check with the clearinghouse on their readiness to test.

6. Will health care practitioners be permitted to fax referrals and Consultant Treatment Plans between Primary Care Physician and specialist offices after October 16, 2003?

Yes.

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