HIPAA AND MEDICAL BILLING

MB&CC

HOW DOES HIPAA AFFECT MEDICAL BILLING?

- Standardizes medical codes
  - ICD-9-CM, CPT, HCPCS
- Mandates NPI numbers
- Establishes rules for electronic medical transactions
  - Claims and other transactions are transmitted as EDIs
  - The approved format is ASC X12 05010
    - Within that format, there are a number of different code numbers, each corresponding to a specific *type* of transaction

MB&CC

HIPAA AND ELECTRONIC BILLING

- Note that HIPAA does not prescribe the form of the claim, so much as the way it is transmitted

- Think of medical transactions as cars
  - Under HIPAA, the exteriors must be the same, but each car can carry different passengers

MB&CC

MORE ON ASC X12 005010

- Within ASC X12 005010, each type of transaction gets its own code set number
- Each code set number is preceded by an "X12"
- Each of these code set numbers refers to a specific Electronic Data Interchange (EDI)
  - Each different EDI has its own rules and formats, which we won't get into here

Let's look at the different ASC X12 005010 EDIs now

MB&CC

X12 837

- What it is: Health Care Claim Transaction
  - The health care claim is the most basic and common type of electronic medical transaction. Billers use claims to request reimbursement on the behalf of providers. Claims include information about the patient, the provider, the patient's health insurance plan, in addition to codes for the procedure and diagnosis.

MB&CC

X12 835

- What it is: Health Care Claim Payment/Advice Transaction
  - This code set can be used to transmit a payment, an Explanation of Benefits and remittance advice. Forms in this code set only go directly from a payer to a provider.

MB&CC

X12 834

- What it is: Benefit Enrollment and Maintenance
  - These forms can be used by employers, government agencies, unions, and other bodies to enroll an individual with a health insurance payer.

X12 276

- What it is: Health Care Claim Status Request
  - These forms are used by billers to ask after the status of a particular health care claim.

MB&CC

X12 277

- Health Care Claim Status Notification
  - These forms are used by payers to notify providers and/or patients of the status of their claim. Forms issued via this format may include information about an individual's eligibility with the payer.

MB&CC

X12 278

- What it is: Health Care Service Review Information
  - Can be used to transmit all of the information present on a claim (patient, demographic, diagnosis, procedure, etc.) for the purposes of a study or review.

MB&CC

WRAPPING UP EDIs

- Just like medical coders have to use the proper code set to describe a diagnosis, billers have to use the right type of EDI to transmit a medical transaction

MB&CC