



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 14 No. 40

April 2004

TO: All Providers (excluding Pharmacies), Vendors, HMOs and Electronic Submitters - For Action

SUBJECT: Health Insurance Portability & Accountability Act (HIPAA) Delay of Mandatory Implementation

EFFECTIVE: **April 1, 2004**

PURPOSE: Revised Implementation Schedule for HIPAA 837 and 835 Transactions

BACKGROUND: The Division of Medical Assistance and Health Services (DMAHS) is issuing this newsletter to announce a change in our implementation schedule as it relates to the HIPAA 837 and 835 transactions. DMAHS implemented the HIPAA 837 and 835 transactions on October 16, 2003, as required by Federal law.

DMAHS announced, via Provider Newsletter Volume 13, Number 76, that, for claims submitted electronically with a date of service on or after April 1, 2004, the HIPAA 837 transaction set would be the required format. That same date of April 1, 2004 was also the target for the mandatory use of the 835 transaction set when generating an electronic remittance advice, and was set as the mandatory date for the transition of local procedure codes to their national equivalents.

ACTION: Effective immediately, DMAHS is extending the mandatory implementation of the HIPAA 837 and 835 transaction sets until July 1, 2004.

Note, however, that the transition of local procedure codes to their national equivalents will not be extended.

Furthermore, the following additional requirements are being implemented as part of this extension:

- Effective immediately, Unisys will no longer address proprietary format requirements and file submission status requests over the telephone or by email. Unisys will continue to notify submitters of rejected file submissions. However, all other status information will be reported only via hardcopy reports and correspondence.

- Effective July 1, 2004, DMAHS will delay the processing and payment of all non-HIPAA electronic claims transactions for three weeks.
- Effective July 1, 2004, electronic proprietary formats will be discontinued, regardless of the date of service and without exception, for all existing submitters who have been approved for HIPAA claims based on their HIPAA certification and EDI Agreement as of March 31, 2004.
- Effective October 1, 2004, all electronic proprietary formats will be discontinued regardless of the date of service, without exception, and regardless of the status of your HIPAA implementation efforts.

DMAHS will not delay the implementation of the local code conversion. As directed in Provider Newsletter Volume 13, Number 76, DMAHS will begin to enforce the receipt of national procedure codes for HIPAA 837 claim transactions with a date of service on or after April 1, 2004.

In addition, DMAHS is taking this opportunity to provide a status report on the free HIPAA certification service offered by EDIFECS. Currently, DMAHS strongly encourages the use of either EDIFECS or Claredi to obtain a HIPAA certification. Negotiations with EDIFECS are underway in an effort to extend this free service beyond April 1, 2004. At this time, it is unclear whether the EDIFECS service will be available after April 1, 2004, and if so, if the service will remain free. Regardless of the outcome of the negotiations, the Claredi service, offered for a fee, will continue to be made available.

Please email any questions to njmmis-hipaa@unisys.com or call the HIPAA Coordinator for DMAHS, Michael Chiofalo, at 609-588-2759.

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