



BlueCross BlueShield
of Tennessee

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Health Insurance Portability & Accountability Act

BlueCross BlueShield of Tennessee HIPAA Overview

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HIPAA Overview

The **Administrative Simplification (AS)** element of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) provides standards and rules developed by the U.S. Department of Health and Human Services for the maintenance and transmission of health information. This includes how you send your claims and how you store your medical records.

The AS element of HIPAA applies to providers, health plans and clearinghouses, otherwise known as covered entities. This flyer focuses on HIPAA-AS.

HIPAA-AS Implementation Dates

Transactions – October 16, 2002

(or October 16, 2003, if an extension was filed.)

These are the electronic formats used to send claims, obtain remits and perform other transmissions of health care information.

Code Sets – October 16, 2002

(or October 16, 2003, if an extension was filed.)

Providers who submit electronic and paper claims are required to use standard codes when submitting health information. The code sets include CPT™, ICD-9, HCPCS and CDT codes.

Privacy – April 14, 2003

These are the rules that protect the confidentiality of health information.

Security – April 21, 2005

Security is the way health information is protected.

Identifiers – Pending Final Rules

These are unique numbers to identify provider, health plans and individuals. (The final rule on employer identifier was established May 31, 2002).

Testing HIPAA Transactions

BlueCross BlueShield of Tennessee began accepting test files for HIPAA electronic transactions early June 2002. The HIPAA transaction types are:

- Claims - ANSI 837
- Remittance - ANSI 835
- Eligibility - ANSI 270/271
- Enrollment/Disenrollment - ANSI 834
- Claim Inquiry/Response - ANSI 276/277
- Authorization/Referral - ANSI 278
- Premium Payment - ANSI 820

Providers and/or vendors are encouraged to submit tests that are a true reflection of their normal claims transmissions. This includes:

- A minimum of three unique test files
- At least 20 claims per Type of Bill/Line of Business
- A maximum of 1,000 claims per test file

Software vendors may transmit tests with data from only one of their clients. Once approved, all clients under the approved vendor will be considered tested and approved. We will not require each provider using the approved software to test with us; however, each provider must **register** with e-Commerce prior to submitting production claims in the new format.

Once tests are approved by BlueCross BlueShield of Tennessee, production files will be accepted.

To schedule testing or for technical questions, contact e-Commerce at (423) 755-5717 from 8 a.m. to 5:30 p.m. Monday through Friday (EST).



Implementation Guide Companion Documents

Providers/vendors who submit ANSI transactions are encouraged to review our Implementation Guide Companion Documents prior to testing.

The documents are available on the company Internet Web site at: www.bcbst.com/providers/docs/ecommm/tech_info.shtm

The documents include:

- Instructions on sending and receiving files on the new EC Gateway Bulletin Board System (BBS)
- Transmission confirmation reports
- Edits (error messages)
- Tips on how to build an ANSI transaction

Providers who do not have Internet access may contact e-Commerce at (423) 755-5717 from 8 a.m. to 5:30 p.m. Monday through Friday (EST) to obtain a hardcopy version of the documents.

BlueCross BlueShield of Tennessee Changes Bulletin Board System (BBS) for HIPAA

If you send your claims electronically, you do so through the BlueCross BlueShield of Tennessee BBS. Due to HIPAA, we are updating our current system to a new BBS called *EC Gateway* that allows us to accept all HIPAA transactions.

Electronic submitters must migrate to the new EC Gateway BBS as soon as possible to ensure uninterrupted service.

Electronic submitters are encouraged to begin migrating to the new EC Gateway system now. Once you move to the new system, you may continue to send claims and pick up remits using the same format you use today (until the HIPAA transaction deadline). You must be set up on the EC Gateway when you begin testing HIPAA transactions. Migration

to the EC Gateway will include new sign on instructions, user IDs and passwords. User IDs and passwords will be assigned to each individual, rather than assigning one user ID and password for each client.



In addition, passwords will expire every 45 days. The use of individual sign ons and changes in passwords are important to ensure our compliance with the Privacy and Security elements of HIPAA.

Due to the frequency of password changes and need for individual user IDs and passwords, you may find it difficult to use "scripting" when sending or receiving data on the new BBS.

Scripting is an automated process the vendor creates so the sender simply pushes a single "button" that dials the BBS and responds to the BBS options. For security reasons under HIPAA, each user in your office must be able to manually key in their unique user ID and password when prompted by the BBS. Your vendor may not "hardcode" the user ID and password into the script so that it enters the user ID and password automatically for you.

Privacy Rules Now In Effect

Privacy rules under HIPAA-AS apply to all health plans, clearinghouses and providers as of April 14, 2003. Privacy applies to verbal, written and electronic forms of individually identifiable health information. You may have changed some of your office procedures to ensure patient privacy and to meet the rules on release of information. Some organizations hired HIPAA or legal consultants to help meet HIPAA rules on Privacy.

In an effort to achieve compliancy with Privacy as a health plan, BlueCross BlueShield of Tennessee developed its own privacy plan to include:

- Assessment
- Mapping
- Implementation

The mapping phase was a review of all our processes that use Protected Health Information (PHI). PHI is information about a person that could be used to identify the patient and their health data. The mapping phase allowed us to evaluate each process to ensure we are only using the minimum amount necessary of PHI to complete each process. HIPAA stresses releasing only the minimum amount of health information on a patient to complete a task. For example, we should only request a lab report, rather than complete medical records, if the lab report will provide enough information to complete a process.

You can view BlueCross BlueShield of Tennessee's privacy policies via the company's Web site at http://www.bcbst.com/hipaa/HIPAA_privacy/default.shtm. If you have questions on our privacy policies, you may contact our Privacy hotline at 1-888-455-3824.

Minimum Necessary and Reasonable Reliance

Minimum necessary is based on sound current practice that protected health information should not be used or disclosed when it is not necessary to satisfy a particular purpose or carry out a function.

Covered entities can share individually identifiable health information according to the Privacy rule when they need it to carry out treatment, payment, or as part of their health care operations.

They can reasonably expect that the covered entity is requesting only the minimum necessary amount of protected health information (PHI) to carry out treatment, payment, or as part of their health care operations.

Per the Privacy regulations, reasonable reliance is permitted when the request is made by:

- A public official or agency
- Another covered entity
- A professional who is a workforce member or business associate of the covered entity holding the information
- A researcher with appropriate documentation from an Institutional Review Board (IRB) or Privacy Board

For additional information concerning Minimum Necessary visit: <http://www.hhs.gov/ocr/hipaa/guidelines/minimumnecessary.pdf>

Incidental Uses and Disclosures

The Privacy rule permits certain incidental uses and disclosures that occur as a by-product of another permissible or required use or disclosure, as long as the covered entity has applied reasonable safeguards and implemented the minimum necessary standard where applicable, with respect to the primary use or disclosure.

Covered entities must have in place appropriate administrative, technical, and physical safeguards that protect against uses and disclosures not permitted by the Privacy rule.

Covered entities are not required to document incidental disclosures, which are permitted by the Privacy rule.

Covered entities are not required to prevent any incidental use or disclosure. Rather the rule requires only that covered entities implement reasonable safeguards to limit incidental uses or disclosures.

For additional information concerning Incidental Uses and Disclosures visit:

<http://www.hhs.gov/ocr/hipaa/guidelines/incidentalu%26d.pdf.20030403>

HIPAA and Other Blue Plans

The American National Standards Institute (ANSI) transactions regulations under HIPAA cover:

- Eligibility Requests (ANSI 270/271)
- Claim Inquiries (ANSI 276/277)
- Authorizations/Referrals (ANSI 278)

HIPAA also provides for a flexible implementation of these transaction sets through October 16, 2003. Last year, in the Administrative Simplification Compliance Act (ASCA), Congress authorized a one-year extension for those covered entities required to comply in 2002. **This means that not all BlueCross BlueShield Plans will be ready to process ANSI transactions at the same time prior to October 2003.**

Therefore, it is important to remember that while BlueCross BlueShield of Tennessee will be able to handle your ANSI transactions for 270/271, 276/277, and 278, we may not be able to handle these transactions for members in other BlueCross BlueShield Plans that may have later implementation dates. All BlueCross BlueShield Plans will be able to handle all ANSI transactions by October 16, 2003.

For More Information

BlueCross BlueShield of Tennessee will continue to provide information and updates on HIPAA to its provider community via:

- *BlueAlert* newsletter
- The company Web site – <http://www.bcbst.com>
- Provider letters
- Provider workshops

The following Internet links provide additional information on HIPAA:

BlueCross BlueShield of Tennessee

Includes general overview of HIPAA as well as testing dates and companion documents needed for transaction submissions to BlueCross BlueShield of Tennessee.

<http://www.bcbst.com/hipaa/default.shtm>

U.S. Department of Health and Human Services - Administrative Simplification

This site provides background information on the Administrative Simplification element of HIPAA including frequently asked questions on Privacy, Security, Transactions, and Code Sets.

<http://aspe.hhs.gov/admsimp/>

Office of Civil Rights

This site concentrates specifically on patient privacy, including patient consent.

<http://www.hhs.gov/ocr/hipaa/>

Washington Publishing Company

Free ANSI implementation guides may be downloaded from this site.

http://www.wpc-edi.com/hipaa/hipaa_40.asp

Southern HIPAA Administrative Regional Process (SHARP)

SHARP is a combined public and private workgroup formed to assist with regional HIPAA readiness.

<http://www.sharpworkgroup.com>

Workgroup for Electronic Data Interchange (WEDI)

WEDI works to improve health care through e-Commerce. This site features a glossary of HIPAA terms, a copy of the Health Insurance and Portability Act of 1996 and other related information.

<http://wedi.org>

Centers for Medicare and Medicaid Services (CMS)

Documents for Medicare HIPAA Electronic Data Interchange (EDI) may be downloaded from this site.

<http://cms.hhs.gov/hipaa/>



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