

Medical Practice Advisor

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How will ANSI 5010 and ICD-10 changes Impact You?

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Are you prepared for the ANSI 5010 and ICD-10-CM conversions? Even though these deadlines are months away, it is time to start thinking about the changes.

What is the 5010 transaction standard?

HIPAA requires the U.S. Department of Health and Human Services (HHS) to adopt required standards for covered entities to use when conducting certain health care transactions electronically, such as claims, remittance advices, and requests and responses for eligibility and claims status. Covered entities include health plans, health care clearinghouses, and health care providers.

The current transaction standard is X12 version 4010A1 for health care claims, remittance advices, eligibility, claims status, referrals, and NCPDP version 5.1 for pharmacy claims. The Centers for Medicare & Medicaid Services (CMS) has mandated that the industry upgrade to X12 version 5010 and NCPDP version D.0. The new standards will:

- Increase transaction uniformity
- Support pay-for-performance
- Streamline reimbursement transactions
- Support ICD-10-CM codification

Impact to You

The implementation of HIPAA 5010 means substantial changes in the data that you submit with your claims as well as the data you receive in response to your electronic inquiries. The implementation may require changes to the software, systems, and perhaps procedures that you use for billing Medicare and other payers.

It is extremely important that you are aware of these HIPAA changes and plan for their implementation.

Why transition to ICD-10-CM from ICD-9-CM?

ICD-9 Clinical Modification (ICD-9-CM) is nearly 30 years old, and many of its diagnosis categories are full, preventing further expansion. In fact, it is estimated that the ICD-9-CM procedure code set will run out of codes in 2009. In addition, ICD-9-CM is not flexible enough to quickly incorporate emerging diagnoses and procedures. Also, it is not accurate enough to identify diagnoses and procedures precisely. In contrast, ICD-10-CM provides detailed information on procedures, allows ample space for capturing new technology and devices, and has a logical structure with clear, consistent definitions.



What You Need to Know

American Medical Software (through our integration partner, Gateway EDI systems) will be fully compliant for processing both ANSI 5010 and the ICD-10-CM code sets according to the timelines established by the U.S. Department of Health and Human Services (HHS).

January 1, 2011–AMS/Gateway EDI systems will be ready to begin testing the new 5010 standards.

January 1, 2012–AMS/Gateway EDI plans to handle all current formats including the new ANSI 5010 standards for incoming claims and inquiries and for outgoing payer files and remittances.

October 1, 2013–The ICD-10-CM code is set to replace ICD-9-CM code set, following 5010 implementation

Note on ICD-10-CM–The implementation of ANSI 5010 is a prerequisite for implementing the new ICD-10 codes. While the new claim format accommodates the ICD-10 codes, ICD-10 codes will not be accepted as part of the 5010 project.

What You Need to Do

Providers should consider the requirements for implementing the ICD-10 code set in preparing for the implementation of these new ANSI 5010 standards. Please prepare for the implementation of these standards and contact your software / EDI vendor to make sure of their plans to be ready for these standards.

Additional Information

You can be confident that AMS and Gateway EDI will help through the process and keep watching for updates like this in the future. Do not hesitate to contact us at any time for updates or answers.

You can find more about HIPAA 5010 at http://www.cms.hhs.gov/ElectronicBillingEDITrans/18_5010D0.asp on the Electronic Billing & EDI Transactions page of the CMS Web site. Medicare has posted a side by side comparison of the current X12 HIPAA EDI standards (Version 4010/4010A1) with Version 5010 and the NCPDP EDI standards Version 5.1 to D.O.

A special edition MLN Matters® article on the ICD-10 code set is available at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0832.pdf>.

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