

Business to Business Testing for HIPAA Transactions

Introduction

The Michigan Department of Community Health (MDCH) is working aggressively to ensure its systems comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), which will take full effect on October 16, 2003. To prepare for HIPAA's requirements, during 2000, MDCH completed the Uniform Billing Project, which:

- Replaced proprietary claims with industry standard formats,
- Initiated outreach efforts which will continue through full HIPAA implementation,
- Replaced most local billing codes with national codes,
- Installed and tested EDI translation software, and
- Modified MDCH's internal claims processing system to accept and process HIPAA compliant transactions.

While HIPAA does not prohibit the use of paper claims or other paper transactions, MDCH strongly encourages all providers to communicate with the Department electronically. This may be performed by implementation of software that supports such generation and processing of such transactions or by contracting with an electronic service bureau or third-party billing agent who will perform those services on behalf of the provider.

MDCH is currently in testing with all HIPAA compliant transactions. All MDCH electronic trading partners should be testing their transaction processing systems by now, at least internally, and should begin Business to Business (B2B) testing with MDCH without delay. Failure to test jeopardizes the provider's ability get paid after October 16, 2003. Now is the time for all MDCH trading partners to assess HIPAA preparedness and establish an internal testing plan. Your test plan should answer these important questions:

1. Will you submit electronic transaction using software purchased from a vendor? Will you prepare transactions internally? Will you contract with a third party billing agent who will file HIPAA compliant transactions on your behalf? Are you already enrolled as an electronic biller with MDCH? Will you utilize a clearinghouse for file submission?
2. Do you know where to secure information needed to successfully test? Do you know how to assemble resource materials needed for successful testing?
3. Are your transactions syntactically correct?
4. Do you understand procedures for submitting files to the Data Exchange Gateway (DEG) and how to retrieve and understand file acknowledgements?
5. Are you familiar with output that will be generated through the test process?

Providers are responsible for 2 stages of testing: Integrity Testing and B2B Testing.

What is Integrity Testing?

MDCH strongly recommends file integrity testing prior to B2B testing. Integrity testing helps determine if your file format is HIPAA compliant, but it does NOT mean that your file meets all MDCH business rules. It is your responsibility to test transactions independently prior to submission to MDCH. Integrity testing can be done as frequently as needed until files are syntactically correct. Tools available for integrity testing include:

- The *Foresight – HIPAA Validator* tool is available at no cost through a joint effort between MDCH and Blue Cross Blue Shield of Michigan. Access the service at http://www.bcbsm.com/providers/trans_test.shtml.

Certification for HIPAA compliance is available through Claredi and can be purchased at <http://claredi.com/>

What is Business-to-Business Testing?

Business-to-Business (B2B) testing is the process used by MDCH to ensure that trading partners can successfully transmit and receive electronic transactions, including processing of HIPAA compliant 837 claims transactions. MDCH is also performing B2B testing for other transactions, including 837 encounters, 834 eligibility enrollment transactions and 835 remittance advice transactions. B2B testing is recommended for all MDCH electronic trading partners.

Before B2B testing is initiated it is important that electronic billers become familiar with available resource documents needed for successful test transactions. This document identifies and links to many of the available resources that should be utilized in the B2B testing process. Other helpful resources are available on the MDCH web site, <http://www.michigan.gov/mdch/> in the Providers area.

Business-to-Business Testing Instructions

The approach being followed for B2B testing with MDCH differs by transaction. Detailed instructions for each transaction are posted on the MDCH web site, at the following locations:

- [Test Instructions for 837 Institutional \(v4010A1\)](#)
- [Test Instructions for 837 Dental \(v4010A1\)](#)
- [Test Instructions for 837 Professional \(v4010A1\)](#)
- [Test Instructions for 837 Encounter \(v4010\)](#)
- [Test Instructions for 834 Enrollment and 820 Payment \(v4010A1\)](#)
- [Test Instructions for 276/277 Claims Status/Response \(v4010A1\)](#)
- [Test Instructions for 835 Remittance Advice and 277U for pends \(v4010A1\)](#)
- [Test Instructions for 278 Authorization Request/Response \(v4010A1\)](#)

Note that several bullets above refer to links that are not yet active. These links will be active on the MDCH web site when we have completed our pilot B2B testing and are ready for broad-scale B2B testing with all of our trading partners.

Implementation Guides and MDCH Companion Guides (Data Clarification Documents)

Nationally published Implementation Guides should be used to prepare HIPAA compliant test transactions for submission to MDCH. Guides may be downloaded from http://www.wpc-edi.com/hipaa/hipaa_40.asp.

MDCH publishes Michigan Medicaid specific Companion Guides (Data Clarification Documents) that provide essential information regarding transaction usage and content. These Companion Guides should be used by MDCH trading partners to support programming and configuration activities, and ensure that transactions to/from MDCH are prepared/interpreted correctly.

- [Companion Guide for 837 Institutional Claims v4010A1](#)
- [Companion Guide for 837 Professional Claims v4010A1](#)
- [Companion Guide for 837 Dental Claims v4010A1](#)
- [Companion Guide for 835 Remittance Advice v4010A1](#)
- [Companion Guide for 277U Unsolicited Claims Status for pends v4010A1](#)
- [Companion Guide for 270/271 Eligibility Inquiry and Response v4010A1](#)
- [Companion Guide for 276/277 Claim Status Request/Response v4010A1](#)

- [Companion Guide for 278 Health Care Services Request for Review and Response v4010A1](#)
- [Companion Guide for Institutional Encounter v4010](#)
- [Companion Guide for Professional Encounterv4010](#)
- [Companion Guide for Dental Encounter v4010](#)
- [Companion Guide for 834 Benefit Enrollment for Medicaid Health Plans v4010A1](#)
- [Companion Guide for 834 Benefit Enrollment for Mental Health and Substance Abuse PHPs v4010A1](#)
- [Companion Guide for 834 Benefit Enrollment for Healthy Kids Dental v4010A1](#)
- [Companion Guide for 820 Payroll Deductions and other Group Payments – Summary v4010A1](#)
- [Companion Guide for 820 Payroll Deductions and other Group Payments – Detail v4010A1](#)

Supplemental Instructions for Mental Health, Substance Abuse and Medicaid Health Plans

In addition to the documents referenced above, capitated providers should refer to the additional supplemental instructions for encounter reporting. (These documents are not to be used for fee for service B2B testing.) A preliminary version of these documents was distributed to Michigan Mental Health Plans, Substance Abuse Plans, and Medicaid Health Plans during outreach and training programs conducted in 2002. Updated copies of these plans will be published on the MDCH web site as they are available:

- [Supplemental Instructions for 837 Encounter Data Submission for Medicaid Health Plans](#)
- [Supplemental Instructions for 837 Encounter and Quality Improvement Data Submission for Mental Health PHPs](#)
- [Supplemental Instructions for 837 Encounter and Quality Improvement Data Submission for Substance Abuse Coordinating Agencies](#)

Submitting and Retrieving Transactions

The [MDCH Electronic Submission Manual](#) describes how to become an electronic biller and submit data electronically to MDCH via the Data Exchange Gateway (DEG). We recommend that you maintain a copy of this manual for future reference. The links below are excerpts from the manual and provide instructions for:

- [Authorization to Submit Data Electronically](#) (Section 1)
- [Introduction to MDCH Electronic Submission](#) (Section 2)
- [Initial Testing](#) (Section 3)
- [Preparing Electronic Claim Files](#) (Section 4)
- [Using the Data Exchange Gateway \(DEG\)](#) (Section 5)
- [Files Exchanged](#) (Section 6)
- [Resources for Electronic Billing](#) (Section 7)
- [TR9000 Instructions](#) (Appendix A)
- [Files Submitters Send to MDCH](#) (Appendix B)
- [Files MDCH Sends to Submitters](#) (Appendix C)
- [Glossary](#)

Code sets

National Code sets must be used when filing HIPAA compliant transactions. Sources for national codes include:

- Taxonomy Codes <http://www.wpc-edi.com/codes/Codes.asp>
- CPT 4 <http://www.ama-assn.org>
- HCPCS <http://www.cms.hhs.gov/medicare/hcpcs>
- NUBC <http://www.nubc.org>
- ICD-9 <http://www.cdc.gov/nchs/datawh/ftpserv/ftpicd9/ftpicd9.htm>
- Uniform Billing Manual <http://www.mha.org>
- Mental Health [Mental Health Code Crosswalk](#)
- Substance Abuse [Substance Abuse Code Crosswalk](#)
- Dental <http://www.ada.org/prof/prac/manage/benefits/cdtguide.html>

Other Helpful Resources

Other resources available within this website, including:

- [HIPAA FAQs -- Fee for Service Providers](#)
- [HIPAA FAQs -- Health Plans](#)
- [Medicaid Policy](#)
- [HIPAA Primer Course from Michigan Virtual University](#)
- [Third Party Liability](#)

Support Team

AutomatedBilling@Michigan.gov for information and/or assistance in submitting electronic files via the DEG
ProviderSupport@Michigan.gov or (800) 292-2550 for questions and/or information
kunzj@michigan.gov for information and assistance in B2B testing

Hints to access MDCH web documents

General directions to web links listed above:

- For Medicaid Policy, Medicaid Policy Bulletins or Third Party Liability, go to www.michigan.gov/mdch/, then click on Providers, then Information for Medicaid Providers, then the document desired.
- For Medicaid General Information, go to www.michigan.gov/mdch/, then click on Providers, then Information for Medicaid Providers, then Michigan Medicaid Uniform Billing Project, then General Information
- For Michigan Medicaid HIPAA related documents, click on www.michigan.gov/mdch/, then click on Providers, then HIPAA Implementation Materials and this page will contain links to all testing instructions, Companion Guides, and other HIPAA information noted above.