

**DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS**

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**ADP BULLETIN**

Title:

Department of Alcohol and Drug Programs Transactions & Code Sets  
 Implementation Plan

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*David Monti*

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N/A

**PURPOSE**

The purpose of this bulletin is to inform trading partners of changes to the Department of Alcohol and Drug Programs (ADP) Drug Medi-Cal (DMC) billing process resulting from ADP's transition to full compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Transactions & Code Sets rule (45 CFR Part 162), which requires warrant information to be included on 835 (Health Care Claim Payment/Advice) transactions and requires that claim status information be available through the use of the 276 (Health Care Claim Status Request) and 277 (Health Care Claim Status Response) transactions.

**DISCUSSION**

Effective **May 1, 2008**, ADP will implement a revised 835 transaction, including warrant information for paid claims. Consequently, 835 transactions for paid claims will be generated once a warrant has been issued. For a detailed description of the specific changes made to the 835 remittance advice transaction used for DMC claims, please refer to the *Companion Guide for 837P and 835 Transactions*, version 3.0 (Exhibit A).

Effective **May 1, 2008**, ADP will provide claim status via a request/response mechanism using the 276/277 transaction set. For a detailed description of the 276 and 277 transactions used by ADP, including status descriptions, please refer to the *Companion Guide for 276 and 277 Transactions*, version 1.0 (Exhibit B).

Also effective **May 1, 2008**, ADP will discontinue the Electronic Explanation of Balances as well as all hardcopy reports used to transmit claim status information. Information on

claim adjudication and status will be available through the 835 transaction and through the 276/277 claim status request/response transactions.

Beginning **April 1, 2008**, the testing environment on Information Technology Web Services for the updated 835 transaction and the 276/277 transactions will be available for all county and direct provider trading partners. All trading partners must validate their ability to process the updated 835 transaction prior to May 1, 2008. Trading partners should validate their ability to send 276 transactions and process the resulting 277 transactions before using the 276/277 claim status request/response system in production.

## **REFERENCES**

Title 45, Code of Federal Regulations, Part 162

## **BACKGROUND**

HIPAA requires that health plans provide remittance advice (including warrant number, amount, and date) on the 835 transaction. Also, HIPAA requires that if a health plan offered claim status prior to HIPAA, they must provide claim status using the HIPAA 276/277 claim status request/response mechanism.

## **QUESTIONS/MAINTENANCE**

For general questions regarding this bulletin, please contact:

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An additional copy of this document and the Companion Guides may be requested through ADP's Resource Center at (800) 879-2772. This bulletin and the Companion Guides are also available ADP's Web site at [www.adp.ca.gov](http://www.adp.ca.gov).

## **EXHIBITS**

- [Exhibit A](#) – *Companion Guide for 837P and 835 Transactions*, version 3.0
- [Exhibit B](#) – *Companion Guide for 276 and 277 Transactions*, version 1.0

## **DISTRIBUTION**

County Alcohol and Drug Program Administrators  
Strategic Local Government Services, LLC  
Director's Advisory Council  
Drug Medi-Cal Direct Contract Providers