



C A L I F O R N I A D E P A R T M E N T O F
Mental Health

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September 5, 2003

DMH INFORMATION NOTICE NO.: 03-09

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
(HIPAA) TRANSACTIONS AND CODE SETS (TCS) COMPLIANCE FOR
THE SHORT-DOYLE / MEDI-CAL (SD/MC) CLAIMING SYSTEM

Purpose

The purpose of this information notice is to announce that the Department of Mental Health (DMH), in conjunction with the Collaborative HIPAA Implementation Project (CHIP) sub-workgroup of the California Mental Health Directors Association (CMHDA), has released the SD/MC technical guides for TCS compliance. These technical guides are also known as “mappings” or “companion guides”. The guides describe how to claim for SD/MC services under the HIPAA TCS compliance rule.

Background

The Administrative Simplification provisions of HIPAA require the federal Department of Health and Human Services to establish national standards for electronic health care transactions and national identifiers for providers, health plans, and employers. The act also defines standards for the security and privacy of protected health information (PHI). These standards will improve the efficiency and effectiveness of the nation's health care system through the use of specific guidelines for the privacy, security and transmission of PHI. The compliance date for each rule is:

- Privacy: April 14, 2003
- TCS: October 16, 2003
- Security: April 21, 2005



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www.dmh.cahwnet.gov

As the compliance date for TCS quickly approaches, continuity of services and payments remains the highest priority for DMH. Resource and time limitations have led the Department of Health Services (DHS), with agreement from DMH and the Department of Alcohol and Drug Programs (ADP), to implement a phased SD/MC remediation approach for achieving full HIPAA compliance.

SD/MC HIPAA Remediation Approach

The objective of Phase I is the continuation of timely claim reimbursements after the TCS compliance date. Phase I will allow DMH and ADP to accept claims and return payment information in HIPAA compliant format and data content including national procedure codes. The SD/MC claiming system will be changed only to the extent necessary to successfully process HIPAA compliant claims and create HIPAA compliant payment / advices. Phase II is the long-term remediation solution to meet all functional aspects of HIPAA requirements including: financial balancing, claim inquiry responses, claim replacements and reversals, and system re-engineering. DMH, ADP, and DHS will begin Phase II in November 2003 and implement a fully HIPAA compliant system by March 2005.

Phase I Schedule

During Phase I, an automated translator will convert a HIPAA compliant claim, called an 837 transaction, into the current proprietary SD/MC claim format. This translator will also convert the proprietary SD/MC explanation of balances (EOB) format to the HIPAA compliant payment / advice format, called an 835 transaction. The existing proprietary claim format and codes will continue to be accepted from counties unable to meet the HIPAA TCS compliance date. In addition to the 835, DMH and ADP will continue to provide counties their EOB files and Error Correction Reports (ECR). DMH began testing 837 transactions from the counties in August 2003. State analysts will contact each county to continue testing in order of county readiness as specified in the HIPAA county survey that was due to DMH by July 31, 2003 (see DMH Information Notice 03-07). The SD/MC claiming system will accept HIPAA compliant claims beginning October 16, 2003.

Technical Guide (Mapping / Companion Guide)

A technical guide is a description of how to translate the proprietary SD/MC claim or EOB information into HIPAA compliant TCS format. For Phase I, there are three guides, each describing one HIPAA compliant transaction mapping. The 837 P guide is for professional service claims, the 837 I guide is for inpatient (hospital) service claims, and the 835 guide is for claim payment / advice.

The guides are located on the DMH website at <http://www.dmh.ca.gov/hipaa/tcs.asp> and are formatted as Excel workbooks. Each workbook contains multiple tabs and is organized as follows:

HIPAA TCS Technical Guides Table of Contents			
	837 P Claim	837 I Claim	835 Payment / Advice
Tab 1	Change Control	Change Control	Change Control
Tab 2	Map Legend	Map Legend	Map Legend
Tab 3	ISA Segment Interchange Control Header	ISA Segment Interchange Control Header	ISA Segment Interchange Control Header
Tab 4	GS Segment Functional Group Header	GS Segment Functional Group Header	GS Segment Functional Group Header
Tab 5	837P Transaction Map	837I Transaction Map	835 Transaction Map
Tab 6	GE Segment Functional Group Trailer	GE Segment Functional Group Trailer	GE Segment Functional Group Trailer
Tab 7	IEA Segment Interchange Control Trailer	IEA Segment Interchange Control Trailer	IEA Segment Interchange Control Trailer
Tab 8	ADP Service Code Crosswalk	DMH Service Code Crosswalk	Sort Key Crosswalk (aka Claim Adjudication Type)
Tab 9	DMH Service Code Crosswalk	Delay Reason Crosswalk	Third Party Liability (TPL) Indicator Crosswalk
Tab 10	Minute to Units Conversion	Crossover Indicator Crosswalk	Error Message Crosswalk
Tab 11	Duplicate Payment Override Code Crosswalk	DMH Service Crosswalk Examples	Transaction Code Denial Reason Code Crosswalk
Tab 12	Delay Reason Crosswalk		835 Code Definitions: 1. Claim Status Code 2. Claim Adjustment Group Code 3. Health Care Claim Adjustment Reason Codes 4. Remittance Advice Remark Codes
Tab 13	Crossover Indicator Crosswalk		
Tab 14	DMH Service Crosswalk Examples		

Please forward copies of this information notice to your county HIPAA Coordinator and your SD/MC Program and Information Technology staff. DMH staff are available to assist counties with their transition from the current SD/MC claiming system to the new HIPAA compliant SD/MC claiming system. This includes support to understand the technical guides and resolving technical issues regarding HIPAA compliant claim submission and testing procedures. Your county's state contact information is available from the DMH website at <http://www.dmh.ca.gov/hipaa/tcs.asp>. For questions about this information notice, please contact Gary Renslo at (916) 653-3882 or GRenslo@dmhhq.state.ca.us.

Sincerely,

Original Signed By

STEPHEN W. MAYBERG, Ph.D.
Director