



**News Flash – Medicare paid over \$92 million in incentives for 2008 under the Physician Quality Reporting Initiative (PQRI).** More than 85,000 physicians and other eligible professionals who successfully reported quality-related data to Medicare under the 2008 PQRI received these payments, which were well above the \$36 million paid in 2007. The number of eligible professionals who earned an incentive payment increased by one-third from 2007, when 56,700 eligible professionals earned an incentive payment. More information about the PQRI program, including participation guidance and the criteria to qualify for an incentive payment is available at <http://www.cms.hhs.gov/PQRI> on the CMS website.

MLN Matters® Number: MM6744

Related Change Request (CR) #: 6744

Related CR Release Date: December 11, 2009

Effective Date: March 1, 2010

Related CR Transmittal #: R6090TN

Implementation Date: March 1, 2010

## **Implementation of the Health Insurance Portability and Accountability Act (HIPAA) Version 5010 Only in Jurisdiction 12 (J12) Parts A and B (A/B) Medicare Administrative Contractor (MAC)**

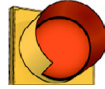
### **Provider Types Affected**

All physicians, providers and suppliers who bill the Parts A and B (A/B) Medicare Administrative Contractor (MAC) in Jurisdiction 12 (Delaware, District of Columbia, Maryland, New Jersey, and Pennsylvania) for services provided to Medicare beneficiaries are affected by CR 6744. **Providers in other jurisdictions should look for articles concerning their readiness and the readiness of their MACs for Version 5010.** Providers in Jurisdictions 10 and 14 were previously informed of this activity in MM6595, released on August 28, 2009, available at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6595.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.

### **Provider Action Needed**

#### **Disclaimer**

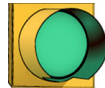
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**STOP – Impact to You**

If you submit claims to the A/B MAC in Jurisdiction 12, you need to be aware that change request (CR) 6744 directs the A/B MAC in this jurisdiction to begin implementing HIPAA Version 5010. Implementation of HIPAA 5010 will require changes to software, systems and perhaps procedures that you use for billing Medicare and other payers. So it is extremely important that you and your staff are aware of this HIPAA change being implemented by your MAC and be alert to future directions for this implementation.

**CAUTION – What You Need to Know**

**Effective January 1, 2012, you must be ready to submit your claims electronically using the X12 Version 5010.** CMS will provide additional information to assist you and keep you informed of progress on Medicare's implementation of HIPAA 5010 through a variety of communication vehicles. This article explains what your A/B MAC must do to begin the process of implementing the HIPAA 5010 standard transaction.

**GO – What You Need to Do**

See the Background and Additional Information Sections of this article for further details regarding these changes.

## Background

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CMS is now implementing the next version of the HIPAA transactions. The purpose of CR 6744 is to instruct the A/B MAC for Jurisdiction 12 to prepare their systems to process ASC X12 version 005010 transaction. The Secretary of the Department of Health and Human Services (DHHS) adopted Accredited Standards Committee (ASC) X12 version 5010 and National Council for Prescription Drug Programs (NCPDP) version D.0 as the next HIPAA transaction standards for covered entities to exchange HIPAA transactions. The final rule was published on January 16, 2009. All covered entities have to be fully compliant on January 1, 2012.

## Additional Information

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The official instruction, CR 6744, issued to your Medicare A/B MAC regarding this change, may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R609OTN.pdf> on the CMS website.

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You can find more information about HIPAA 5010 by going to [http://www.cms.hhs.gov/ElectronicBillingEDITrans/18\\_5010D0.asp](http://www.cms.hhs.gov/ElectronicBillingEDITrans/18_5010D0.asp) on the Electronic Billing & Electronic Data Interchange (EDI) Transactions page on the CMS website. Medicare has prepared a comparison of the current X12 HIPAA EDI standards (Version 4010/4010A1) with Version 5010, and has made the side-by-side comparison available at this website.

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