

October 16, 2003

**DHHS HIPAA TRANSACTION AND CODE SET BUSINESS CONTINUITY PLAN**

The County of Sacramento Department of Health and Human Services now receives from various health care providers claims for health care services provided to persons in Sacramento County. These claims are submitted to DHHS in different formats.

On October 16, 2003, HIPAA mandates changes in the claiming process. After October 16<sup>th</sup> are supposed to conform to HIPAA rules as to claim format, data content, and transaction codes used. If claims are submitted on paper then the health care provider may continue after October 16<sup>th</sup> to submit claims on paper. However, in cases where claims are submitted on paper, DHHS has the authority to require certain data content and certain transaction code sets.

Nationally, there is a recognition that many health care providers will not be prepared to fully comply with the HIPAA rules on October 16<sup>th</sup>. Recognizing two fundamental principles: (1) HIPAA should not interfere or disrupt the delivery of health care services to consumers; and, (2) HIPAA should not prevent or delay payment to health care providers, a reasonable contingent approach to HIPAA compliance is to allow health care providers to continue to do business with health payors after October 16<sup>th</sup> as those health providers did before October 16<sup>th</sup>.

In recognition of this national policy adopted by such organizations as the federal CMS and Blue Cross and Blue Shield, the County of Sacramento DHHS has adopted the following as its policy toward claim submissions on and after October 16, 2003.

1. Health care providers may continue after October 16<sup>th</sup> to transact health care business electronically with DHHS in the same format and with the same data content and transaction code sets as was transacted before October 16<sup>th</sup>.
2. As a condition of DHHS enacting this business continuity plan, each health care provider electing to transact health care business with DHHS in the same format and with the same data content and transaction code sets as was transacted before October 16<sup>th</sup> agrees to enter into with DHHS a transition plan that will detail the path to be taken by the health care provider from HIPAA noncompliance to HIPAA compliance and the anticipated date for compliance.
3. Those providers who have submitted paper claims may continue to do so, recognizing that at some time in the future the county may require standardization of the data content and codes used. Within the next 90 days the Department of Health and Human Services will be in touch with providers who are currently doing business electronically to work out the details of the transition plan including testing.
4. If a provider who is currently submitting paper claims wishes to change to electronic submission of HIPAA standard transactions, the provider may contact DHHS Office of HIPAA at: [schreiberr@saccounty.net](mailto:schreiberr@saccounty.net)