Have You Been Ignoring the January 1, 2012 Deadline for 5010? Wake Up – It's Time to Get Serious!

Just in case you haven't had a chance (what have you been doing?) to focus on the January 1, 2012 deadline for the transition to 5010, take 5 minutes to read this post and make sure your healthcare group is on track. It is critical to have **NO interruption in cash flow in January** – a time when cash flow is already lower due to the new deductibles in play for many plans including Medicare.

The American Medical Association (AMA), in its **"5010 Implementation Steps: Getting the Work Done in Time for the Deadline**" recommends the following to protect your cash in January:

- Submit as many transactions as possible before Jan. 1, 2012.
- Decrease expenses before Jan. 1, 2012, to increase cash reserves.
- Consider establishing a line of credit with a financial institution.
- Research payers' advance payment policies.
- Consider using manual or paper processes to complete transactions until the electronic transactions are fixed.

Note that HIPAA standards, including the ASC X12 Version 5010 and Version D.0 standards are national standards and apply to your **transactions with all payers**, not just with FFS Medicare. Therefore, you must be prepared to implement these transactions for your non-FFS Medicare business.

Beginning January 1, 2012 all electronic claims, eligibility and claim status inquiries must use Version 5010 or D.O.

Version 4010/5.1 claims and related transactions will no longer be accepted. The electronic remittance advice will only be available in 5010. For Part B and DME providers, download the free Medicare Remit Easy Print (MREP) software to view and print compliant HIPAA 5010 835 remittance advices, available **here.**

How Does the Transition to Version 5010 Relate to the Adoption of the ICD-10-CM and ICD-10-PCS Code Sets?

Version 5010 is essential to the adoption of the ICD-10 codes and includes the following infrastructure changes in preparation for the ICD-10 codes:

- Increases the field size for ICD codes from 5 bytes to 7 bytes;
- Adds a one-digit version indicator to the ICD code to indicate Version 9 versus Version 10;
- Increases the number of diagnosis codes allowed on a claim; and
- Includes additional data modification in the standards adopted by Medicare FFS.

What are the Improvements in Version 5010?

Version 5010 improvements in front matter, technical, structural, and data content, include the following:

- Standardizes the business information related to the transaction

- Utilizes Technical Reports Type 3 (TR3) guidelines that represent data consistently and are less confusing;
- Is more specific in defining what data needs to be collected and transmitted;
- Accommodates the reporting of clinical data, such as ICD-10-CM diagnosis codes and ICD-10-PCS procedure codes;
- Distinguishes between principal diagnosis, admitting diagnosis, external cause of injury, and patient reason for visit codes;
- Supports monitoring of certain illness mortality rates, outcomes for specific treatment options, some hospital length of stays, and clinical reasons for care; and
- Addresses currently unmet business needs, such as an indicator on institutional claims for conditions that were "present on admission."

Are you at risk of not being able to access electronic information and file claims?

If you can answer NO to any of the following questions, you are at risk of not being able to meet the January 1, 2012, deadline and **not being able to submit claims**:

1. Have you contacted your software vendor to ensure that they are on track to meet the deadline OR if you are submitting claims directly to Medicare, contacted your MAC to get the free Version 5010 software (PC-Ace Pro32)?

2. Alternatively, have you contacted clearinghouses or billing services to have them translate your Version 4010 transactions to Version 5010 (if not converting your older software)?

3. Have you identified changes to data reporting requirements?

4. Have you started to test with your trading partners – practice management software vendor, clearinghouses, or

billing service?

5. Have you started testing with your MAC, **which is required before being able to submit bills** with the Version 5010?

6. Have you updated MREP software to view and print compliant HIPAA 5010 835 remittance advices?

If you answered NO, it’s time to get started!

Resources for 5010 and Version D.O.

Educational Resources & Downloads

“**5010 Implementation Steps: Getting the Work Done in Time for the Deadline**” American Medical Association

If you have questions, contact your Medicare contractor (carrier, FI, A/B MAC, HH+H MAC, and DME MACs) at their toll-free number, which may be found **here.**