



---

**Northeastern Regional HIPAA Translator**

**VERMONT TITLE XIX  
HIPAA COMPANION  
GUIDE**

**EDS  
312 HURRICANE LANE, STE 101  
PO BOX 888  
WILLISTON, VT 05495, USA**

## Table of Contents

1. Introduction.....	3
1.1. Purpose .....	3
1.2. HIPAA Resources.....	3
2. Registration and Testing .....	4
2.1. Registration for Electronic Claims Submission .....	4
2.2. Certification and Testing .....	4
2.3. Translator and Data Validation Processes .....	5
2.3.1. Sybase HIPAA Compliance Check.....	5
2.3.2. Vermont Medicaid Data Validation Process.....	6
2.4. Vermont Medicaid claims adjudication.....	7
3. Technical Specifications Instructions and General Information.....	8
4. 837 Institutional Technical Specifications.....	10
4.1. 837I – Institutional, Inpatient claims.....	10
4.2. 837I – Institutional, Outpatient claims .....	11
4.3. 837I – Institutional, Nursing Home claims .....	12
4.4. 837I – Institutional, Home Health claims.....	13
4.5. 837I – Institutional, Hospice claims .....	14
5. 837 Professional Technical Specifications .....	15
6. 837 Dental Technical Specifications .....	16
7. 997 Functional Acknowledgement .....	17
8. Claim Accept/Reject Report .....	18
9. Unsolicited 277 – Pended Claim Report.....	19
10. 835 Remittance .....	20
Appendix A: Trading Partner Agreement.....	21
Appendix B: EDI Registration.....	22
Appendix C: Trading Partner’s Users Guide .....	23
Appendix D: Vendor Interface Specification .....	24
Appendix E: Amendment History - Document Status.....	25

# 1. Introduction

*This guide is provided to assist Vermont Medicaid providers and their agents in the process of utilizing Electronic Data Interchange (EDI) transactions with Vermont Medicaid. The guide is designed to assist providers in testing, submitting and recording transactions and to utilize the Vermont Medicaid Portal, a Web enabled interface, that allows providers to send and receive X12N transactions for the various Vermont Health Access programs.*

## 1.1. Purpose

These specifications are to be used in conjunction with the National Electronic Data Interchange Transaction Set Implementation Guides, which can be obtained from the Washington Publishing Company at [http://hipaa.wpc-edi.com/HIPAA\\_40.asp](http://hipaa.wpc-edi.com/HIPAA_40.asp). The Vermont Companion Guide provides supplemental information specific to Vermont Medicaid as permitted within the structures of the HIPAA transaction sets. This draft version of the specifications includes the Addenda released in October 2002. Specifications may be updated as necessary to reflect changes in the HIPAA standard, or changes in Vermont Medicaid billing requirements.

Detailed information on program rules, covered services and billing guidelines are part of the Vermont Medicaid Provider Manuals that are available from the Provider Relations Department.

HIPAA does not mandate that only X12N transactions can be used to exchange healthcare data. Any provider may continue to submit paper claims and receive a paper remittance advice. However, any provider who wishes to submit claims electronically or receive an electronic remittance advice will be required to adhere to the HIPAA transaction and code set standards. The implementation of X12N will begin in July of 2003, with selected groups of providers. After Oct. 16 and completion of implementation, all electronic claims received are required to be in X12N format, regardless of the date of service on the claim.

## 1.2. HIPAA Resources

The Health Insurance Portability and Accountability Act (HIPAA) was enacted on August 21, 1996. It required several provisions, one of which is “Administrative Simplification”, dealing with Health Care standards, including the Transactions and Code Sets that are the focus of this Companion Guide. Other requirements of the Administrative Simplification provision are for Privacy, Security, National Identifier Codes, and Enforcement. Some of these requirements are already in force, and others such as National Identifier Codes, are in the development process.

All covered entities (health plans, clearinghouses and providers) are required to adhere to all aspects of the provision.

## 2. Registration and Testing

### 2.1. Registration for Electronic Claims Submission

Any business entity who will utilize the Vermont Medicaid Web Portal, Interactive Eligibility Services, or alternative electronic media, to exchange data with the VT Medicaid Claims Adjudication System, will be required to complete a Trading Partner Agreement (TPA) and EDI Registration with The Office of Vermont Health Access (OVHA) and its fiscal agent, Electronic Data Systems (EDS).

Trading Partners are required to supply VT Medicaid provider numbers, provider names and provider authorizations to submit and receive specific transactions on their behalf.

The Trading Partner Agreement and EDI Registration may be found in Appendices **B and C**. Original signed documents must be mailed to **EDS, Attn: EDI Coordinator, PO Box 888, Williston, VT 05495-0888**.

Assignment of a Submitter ID and scheduling for testing will follow the completion of the TPA and EDI Registration. It is the responsibility of the submitter to update their EDI Registration as needed to notify EDS when the list of associated VT Medicaid providers is changed.

### 2.2. Certification and Testing

Trading Partners will be required to supply documentation that their transactions are pre-certified to meet the X12N standard.

Avenues for submitters to obtain pre-certification:

AppLabs Technologies	<a href="http://www.applabs.com/">http://www.applabs.com/</a>	info@applabs.net
Claredi	<a href="http://www.claredi.com/">http://www.claredi.com/</a>	info@claredi.com
Edifecs	<a href="http://www.hipaadesk.com/">http://www.hipaadesk.com/</a>	sales@edifecs.com
Foresight	<a href="http://www.foresightcorp.com/">http://www.foresightcorp.com/</a>	
HIPAA testing	<a href="http://www.hipaateesting.com/">http://www.hipaateesting.com/</a>	info@hipaateesting.com
Other certification services		
Internal certification process completed by the vendor themselves		
Use of a certified product or vendor.		

These companies are listed for example and information only. Their appearance here does not imply any recommendation, endorsement or affiliation with either the OVHA or EDS. Either external or self certification is acceptable, documentation of either process is required.

Vermont Medicaid will have two levels of testing for new submitters.

- 1) **Communications Protocol and Transaction Syntax Testing** - All providers will have their communications protocol and transaction syntax tested during the process of re-certification

and authorization to submit transactions through the VT Medicaid Portal. The VT Medicaid Portal will replace the Bulletin Board System (BBS) and is the access point for providers to send claim transactions and receive claim status reports and remittances. The re-certification process is scheduled to begin BEFORE the MMIS production environment will be prepared to accept HIPAA claims and there may be a gap between the time when an authorization is given and when the transaction could be submitted to production. Completion of this process will result in assignment of the security authorization required to submit transactions.

- 2) **End to End or UAT Testing** - EDS and the OVHA will select a group of providers, vendors and submitters who will participate in end to end user testing (User Acceptance Testing or UAT). This is complete testing including accessing the VT Medicaid Web Portal, translator processing, claim submission and the return of processing results through the translator and back to the VT Medicaid Web Portal. Our testing partners will have the advantage of having their formats thoroughly tested, and this will be especially valuable to larger submitters and software vendors. Please send contact information of interested participants to the VT EDI Coordinator.

Providers can save time in the authorization process by using products or services that have already been successfully tested with VT Medicaid. Contact the EDI Coordinator for VT Medicaid trading partner status.

Vermont Medicaid is creating a new version of Provider Electronic Solutions billing software available to participating providers. This product has been developed by EDS for Vermont Medicaid. Providers utilizing the new version of Provider Electronic Solutions will only have to complete the Trading Partner Agreement and EDI Registration, Communications Protocol Testing, and are expected to utilize training and support offered by Provider Services in conjunction with the Provider Electronic Solutions software manual to produce valid claim transactions.

## 2.3. Translator and Data Validation Processes

All EDI files uploaded to the Sybase Translator will be subjected to two levels of edits; an initial edit process to ensure compliance with the X12N format rules, and a subsequent data validation process for VT Medicaid billing. The compliance check will include the Addenda release of October 2002.

### 2.3.1. Sybase HIPAA Compliance Check

**Integrity Testing** – This level of processing performed by the Sybase HIPAA Compliance map will verify the transaction (ST to SE) conforms to specific segment configuration in accordance with the HIPAA Implementation Guide for the type of transaction. Verification of the content related to numeric data elements, and valid date field values.

**Requirement Testing** - This level of processing involves the comparison of the data being validated against configurations of HIPAA implementation guides related to X12 defined standard code values along with absence or presence of segments related to the data element causing the relationship validation.

**Balance Testing** - If required by a particular transaction, this level of processing will determine that requirements for detail quantity and dollar amount values roll up to summary levels are appropriately met by data considered for validation.

**Situational Testing** - This level of processing occurs when the instruction(s) in the HIPAA implementation guide require the presence of either a specific loop, segment, data element, or a composite data element to be present as a result of the relationship. Conversely the requirement may impose the situation for the absence of certain loops, segments, data elements, or composite data elements.

**External Code Set Testing** - Validation of External Code Sets will not be performed within the Sybase Compliance Checking facility as this causes duplicate maintenance efforts with the checks currently being performed with the VT Medicaid Core Adjudication platform.

The 997 Functional Acknowledgement for inbound EDI transaction sets will be returned to the Submitter after this initial edit, and will report on detected errors or positively acknowledge an “accepted” transaction. The X12N Compliance check will audit the entire transaction, including data which may not be used in claims adjudication and reporting. Transactions which fail the Sybase HIPAA Compliance Check will not be processed.

## 2.3.2. Vermont Medicaid Data Validation Process

Data required by the VT Medicaid Management Information System (MMIS) for claim adjudication, will have format requirements. These requirements are listed in the Technical Specifications within this document. If the submitted data does not meet requirements, it may cause the claim to fail. A “Claims Accept/Reject Report” in ASCII format will report these errors and will be available for the submitter to download. The location of invalid data in the submission will determine the impact of the rejection. An error in the billing provider loop is going to cause all the claims for that provider to be rejected, while an error in the service loop will impact only the claim which contains the error.

## 2.4. Vermont Medicaid claims adjudication

In order to received reimbursement for services from VT Medicaid, service providers must be enrolled VT Medicaid providers, and the recipient receiving services must be enrolled in one of the Vermont Health Access Plans, and eligible for benefits at the time of service.

Medicaid program rules are not changed by the implementation of HIPAA transaction standards. Claims data which has passed X12N edits and data validation edits may still be denied if the services are non-covered or there are billing errors. Paid and denied claims results may be downloaded at the Vermont Web Portal by Authorized Trading Partners, as an 835 transaction. Pended claims will be identified in the 277 Unsolicited Claims Status. Submitters are encouraged to compare their submission file with the data returned on the 997, Claims Accept/Reject Report, 277 and 835 to ensure that they have accounted for all of their claims.

### 3. Technical Specifications Instructions and General Information

The Technical Specification document lists the data elements of the X12N 837 transaction, and provides information specific to Vermont Medicaid edits and requirements. The column headings for all Technical Specifications are listed below, with a brief description. The page numbers given refer to the Washington Publishing Implementation Guides published in 2000.

**Field:** Implementation Guide Element ID

**Comp:** Implementation Guide Composite Sequence ID

**HIPAA Guide Name:** Implementation Guide Name

**Page #:** Implementation Guide Page Number

**HIPAA Usage:** Implementation Guide indicators “R” for Required Segment or “S” for Situational Segment

**Medicaid Note:** The listed values are used to notify the provider when Vermont Medicaid has specific requirements for segment use or data format. “Y” indicates that there is a specific instruction or limited values for Vermont Medicaid. “N” indicates that there are no Vermont specific instructions and the submitter must provide the data as indicated in the HIPAA Implementation Guide. “X” indicates that VT Medicaid does not expect to receive the Loop/Segment in the claim file. If it is received, it will be ignored as long as the formatting passes the X12N edit.

**MMIS Instruction:** Rules and information for Vermont Medicaid claims.

**NOTE:** National Provider Identifier (NPI) and Taxonomy usage is required for all electronic transmissions beginning May 23, 2007.

Providers who are required to use an NPI must also include the \*Taxonomy Code for proper claims processing. If the NPI and Taxonomy combination does not match the information provided to EDS Provider Enrollment, the claims will be denied.

Providers who are considered Atypical will not be assigned an NPI and will therefore continue using the Vermont Medicaid Provider ID. There is no change to the electronic transactions for these providers.

*For 837 **Dental** and **Professional** transactions, see Medicaid note in the technical specifications page 4 if the billing provider is a group.*

See specific transaction/claim type technical specifications for further details.

\* As of 4/01/08 taxonomy will *not* be required for unique NPIs (i.e., NPIs that are associated with only one taxonomy). NPIs with multiple taxonomies must use taxonomy per the specifications.



## **4. 837 Institutional Technical Specifications**

### **4.1. 837I – Institutional, Inpatient claims**

The Institutional Inpatient Technical Specification to be used for inpatient hospital services; where VT Medicaid may be the primary, secondary or tertiary payer. This does not apply to Swing Bed Services, please refer to Section 4.3 Institutional Nursing Home.

*Insert 837 Institutional Inpatient Tech Spec*

## 4.2. 837I – Institutional, Outpatient claims

The Technical Specification to be used for outpatient hospital services where Medicaid may be the primary, secondary or tertiary payer.

*Insert 837 Institutional Outpatient Tech Spec*

### **4.3. 837I – Institutional, Nursing Home claims**

VT Medicaid approved SNF and ICF Nursing Homes should use this guide to bill for services to recipients approved for Long Term Care at their facility, formerly billed on a Turn Around Document (TAD).

Hospitals should use this guide for VT Medicaid approved SNF and ICF Hospital Swing Bed claims for services to recipients approved for Long Term Care at their facility, formerly billed on a Turn Around Document (TAD).

*Insert 837 Institutional Nursing Home Tech Spec*

## 4.4. 837I – Institutional, Home Health claims

The Technical Specification to be used for home health and home and community based waiver services where Medicaid may be the primary, secondary or tertiary payer.

*Insert 837 Institutional Home Health Tech Spec*

## **4.5. 837I – Institutional, Hospice claims**

The Technical Specification to be used for hospice services where Medicaid may be the primary, secondary or tertiary payer.

*Insert 837 Institutional Hospice Tech Spec*

## 5. 837 Professional Technical Specifications

Billing for services provided by group and individual practices of VT Medicaid enrolled service providers (excluding dental practice) where Medicaid may be primary, secondary or tertiary Payer. Includes all providers who submit claims on the HCFA 1500 claim form.

*Insert 837 Professional Tech Spec*

## 6. 837 Dental Technical Specifications

The Technical Specification to be used for dental services where Medicaid may be the primary, secondary or tertiary payer.

*Insert 837 Dental Tech Spec*

## 7. 997 Functional Acknowledgement

A report on the outcome of the HIPAA X12N format edits that are applied to all incoming 837 claim transactions. The 997 Functional Acknowledgement is available in the Download folder of the Trading Partner who submitted the 837 transaction.

*Insert 997 Functional Acknowledgment Tech Spec*

## 8. Claim Accept/Reject Report

Vermont Medicaid will produce an ASCII text file which will identify claims and service data, which have passed initial X12N syntax edits, but have failed Vermont data validation edits. It is available for download by the Trading Partner who submitted the 837 transaction.

*Insert report layout*

## 9. Unsolicited 277 – Pended Claim Report

The Pended Claim report identifies claims which have been loaded for processing within the financial cycle, and not finalized by the close of the financial cycle.

The Pended Claim Report is generated after claims are processed and the financial cycle is complete. It is available for download by the submitter who has been identified by the VT Medicaid provider as the entity who will be authorized to retrieve their Unsolicited 277 transactions.

*Insert 277 Unsolicited Tech Spec*

## 10. 835 Remittance

The 835 transaction contains information on claims that have been paid, adjusted or denied during the current financial cycle.

The remittance is generated after claims are processed and the financial cycle is complete. It is available for download by the submitter who has been identified by the VT Medicaid provider as the entity who will be authorized to retrieve their remittance transactions.

*Insert 835 Remittance Tech Spec*

# Appendix A: Trading Partner Agreement

*Insert Trading Partner Agreement.*

## Appendix B: EDI Registration

*Insert Vermont Medicaid EDI Registration.*

## Appendix C: Trading Partner's Users Guide

*Insert Trading Partner Users Guide.*

# Appendix D: Vendor Interface Specification

*Insert Vendor Interface Specification*

## Appendix E: Amendment History - Document Status

Document Version #	Approval Date	Modified By	Section, Page(s) and Text Revised
1	04/09/03	ML	Version 1
2	04/01/07	ML	Version 1.1, NPI Information added to Section 3 and Tech Specs
3	03/28/08	RRR	Version 1.2, Caveat added to Section 3 noting the relation of taxonomy requirements for NPI processing.