



May 8, 2009

Minnesota eBilling Alert and FAQ

With Minnesota eBilling compliance a little more than 60 days away, PMSI would like to provide a further update regarding the State's eBilling regulatory requirements. We also hope to answer some of the more frequently asked questions about Minnesota eBilling and PMSI's role on your compliance team.

PMSI continues to enhance our existing pharmacy eBilling program and work toward completing implementation of our comprehensive eBilling system. It is our goal to provide our valued partners and clients continued regulatory information and education on this issue and assist in ensuring compliance as it relates to our transactional relationships.

In March of 2009, the Minnesota Department of Public Health (DOH), in conjunction with the Administrative Uniformity Committee (AUC), published a conclusive version of the Minnesota Uniform Companion Guide for Implementation of Electronic Healthcare Billing and Payment, completing final steps towards implementation of eBilling requirements for all healthcare providers and payors in Minnesota. PMSI provides the following Frequently Asked Questions in order to help you understand the impact of this regulation.

Frequently Asked Questions

Why is the Minnesota DOH and AUC implementing eBilling requirements?

In 2007, the Minnesota Legislature passed enhancements to MN Statutes §62J.50 - §62J.61 entitled the *Uniform Electronic Transactions and Implementation Guide Standards*, requiring implementation of an electronic system for processing and payment of all healthcare claims.

What does the law do?

The law simplifies, standardizes and automates processes for checking patient eligibility, submitting/adjudicating claims and producing/receiving remittance or remittance advice.



Who does the law impact?

The law impacts all healthcare providers in Minnesota who provide services for a fee and all group purchasers (insurance companies, health plans and other payors) licensed or doing business in Minnesota.

Is workers' compensation coverage exempt?

No. Workers' compensation providers are covered under the definition of 'healthcare provider' and workers' compensation carriers, TPAs and other processors/payors are covered under the definition of 'group purchasers'. Currently only entities solely engaged in Medicare or other Federal health programs are exempt.

So when does the law and/or requirements take effect?

The regulatory requirements are rolled out in three phases throughout 2009:

1. Eligibility – **January 15, 2009***
2. Claims – **July 15, 2009**
3. Payment and remittance advice – **December 15, 2009**

*A one year exemption from the eligibility requirement has been granted to all non-HIPAA covered entities including workers' compensation. The implementation deadline for workers' compensation eligibility is now January 15, 2010.

Will the DOH grant extensions or issue waivers for entities unable to comply with assigned deadlines?

No. MN DOH is not granting extensions or issuing waivers.

Are there exemptions for small providers/payors or entities with little claim activity?

No. All entities are expected to comply.

Is the state mandating specific technical requirements or formats for eBilling?

No. The state is not mandating use of a specific format, but acknowledges the ANSI 837 File Format(s) (healthcare services) and the NCPDP 5.1 File Format (pharmacy) as *recommended* formats. Providers and payors can agree to utilize customized formats as long as minimum data elements found in the 837 and 5.1 formats are included. Providers and payors cannot mandate utilization of any specific format and cannot force disclosure of data elements outside of those utilized in the 837 and 5.1 formats.

Can fines be levied for non-compliance?

Yes. Fines up to a maximum of \$25,000 a day can be levied against non-compliant entities.



I am already engaged in eBilling for TX. Are there similarities between MN and TX?

Yes. Most similarities are system/technical in nature, enabling insurers and providers conducting business in both states to utilize already existing systems and formats.

- Both states recognize/recommend usage of the ANSI 837 File Format(s) for medical services
- Both states recognize/recommend usage of the NCPDP 5.1 File Format for pharmacy services
- Providers and payors are free to negotiate utilization of other forms of eBilling, but cannot mandate usage of a specific format
- Fines can be imposed for non-compliance
- Providers and payors are free to contract with eBilling agents to handle eBilling transactions

Are there differences between eBilling for MN as compared to TX?

Yes. Fortunately the differences are more regulatory in nature and not technical/system driven, making compliance efforts easier.

- The MN DOH is implementing the program, it does not reside at the Department of Labor/Division of Workers' Compensation
- The requirement covers all healthcare providers, not just those providing workers' compensation healthcare and services
- There are no exemptions for small or limited healthcare business providers and DOH is not granting waivers
- MN requirements also include the ability to provide and accept electronic eligibility

What is PMSI's strategy moving forward?

As the current regulations contain a few implementation bugs, PMSI will monitor developments at DOH and DOL for any updates or revisions executed to address questions and concerns raised by the WC community. Additionally, PMSI will work directly with our business partners to ensure a smooth transition and implementation of the new eBilling requirements.

For More Information

For additional information visit the MN AUC at www.health.state.mn.us/auc/.

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