



Center for Medicaid and CHIP Services

CMCS Informational Bulletin

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SUBJECT: Enforcement Discretion Regarding Compliance with New HIPAA Standards

The Centers for Medicare & Medicaid Services (CMS) has announced today that it would not initiate enforcement action with respect to any HIPAA covered entity non-compliant with the ASC X12 Version 5010 (Version 5010), NCPDP Telecom D.0 (NCPDP D.0), and NCPDP Medicaid Subrogation 3.0 (NCPDP 3.0) standards until 90 days after the January 1, 2012 compliance date. Notwithstanding CMS' discretionary application of its enforcement authority, the compliance date for use of these new standards remains January 1, 2012.

The announcement can be found at <http://www.cms.gov/ICD10>, under "Latest News" link.

Background

By law, all covered entities, including health plans, providers and clearinghouses, must be in compliance with the updated versions of the transaction standards by January 1, 2012. The updated versions of the X12 Version 5010 and NCPDP Telecommunication D.0 and Medicaid Subrogation 3.0 standards must be used by covered entities to exchange electronic transactions between trading partners. Small health plans have until January 1, 2013 to implement NCPDP 3.0.

What the 90-Day Enforcement Discretionary Period Means for Medicaid

During the 90-day period immediately following January 1, 2012, State Medicaid Agencies, plans, providers and clearinghouses may exercise discretion in Version 5010 transactions, and NCPDP 5.1 and D.0 standards without being subject to CMS' enforcement actions against HIPAA-covered entities that have made good faith efforts to become compliant and deploy contingency plans.

Additional information and Frequently Asked Questions are available at <http://www.cms.gov/ICD10>

We strongly encourage State Medicaid agencies to continue working with their trading partners to become compliant with the new HIPAA standards. CMS will continue to accept complaints associated with compliance with the new standards and, if requested, covered entities that are the subject of a complaint (known as filed-against entities) must produce evidence of either compliance or a good faith effort to become compliant.

If you have questions about this Informational Bulletin, please contact Elizabeth Reed at Elizabeth.Reed@cms.hhs.gov or 410-786-5307.