

### **New Minnesota Law: Requirements for Health Care Clearinghouses**

Clearinghouses doing business in Minnesota are now governed by the Administrative Simplification Act (ASA). The goal of the provisions added to law ([Chapter 243-S.F.No. 2852](#)) is to ensure that health care clearinghouses comply with industry best practices and meet the same requirements as health care providers and payers when exchanging administrative transactions. The law:

- States as of Jan. 1, 2012, all providers, payers and clearinghouses must acknowledge receipt of health care claims and remittance advices
- Clarifies when clearinghouse fees may be charged
- Extends the Administrative Simplification Act's (ASA) compliance provisions to clearinghouses
- Requires clearinghouses, on Jan. 1, 2012, to provide mechanisms for providers and payers to track administrative transactions to ensure that transactions make it to their destination
- Requires clearinghouses to make electronic connections with other clearinghouses or trading partners that are willing and capable of meeting the standard business terms and conditions of the clearinghouse, as well as any applicable state laws and regulations
- Prohibits clearinghouses from making the acceptance of a standard transaction contingent on the purchase of additional services
- Provides greater transparency about clearinghouse services, and clearinghouses may be required to provide and post certain information.

#### **Extra, Extra Read All About It!**

Trying to find Best Practices? You know they are out there, but where? See the [Best Practices Summary Guide](#) now available on the [AUC website](#). Check it out: it will make your life easier.

### **New TAG quickly developing electronic acknowledgment Companion Guides**

A law signed recently by Gov. Tim Pawlenty requires providers, clearinghouses and group purchasers to use a standard electronic acknowledgment when receiving health care claims, equivalent encounter information transactions, the health care payment and remittance advice transaction.

A new Technical Advisory Group (TAG) is developing the four companion guides necessary for the acknowledgment transactions. The new law takes effect Jan. 1, 2012. A final version of the guides needs to be published and available no later than Jan. 1, 2011.

Shelagh Kalland, Blue Cross and Blue shield of Minnesota, and Patrice Kuppe, Allina Health System, are co-chairs of the TAG.

The timeframe is extremely short so all interested organizations are strongly encouraged to get involved at the TAG level. Anyone interested in volunteering to work on this take should contact Amy Luitjens at the Department of Health to sign up for the Acknowledgment Transaction TAG. You can reach Amy at [Health.AUC@state.mn.us](mailto:Health.AUC@state.mn.us).

The law's language is available online ([Chapter 243-S.F.No. 2852](#)).

## Administrative simplification efforts go nationwide in new health reform law

The 2,400 page recently enacted federal Patient Protection and Affordable Care Act includes 20 pages on health care administrative simplification. Minnesota is already developing single, uniform data content and format specifications ([Uniform Companion Guides](#)) for the electronic exchange of health care administrative transactions as required under Minnesota law. David Haugen of the Minnesota Department of Health (MDH) says it is not yet clear what impact the federal law will have on Minnesota's administrative simplification efforts.

### New federal transaction standards

The Secretary of Health and Human Services must adopt operating rules for transaction standards. The effective dates of the operating rules and new HIPAA standards occur from July 1, 2011, through Jan. 1, 2016. "Operating rules" are defined as "Necessary business rules/guidelines for electronic exchange that are not defined by a standard or implementation specifications."

### Areas of uncertainty

Some areas where it is unclear what impact the new law will have on Minnesota include:

- The federal operating rules could change the state's uniform companion guides;
- Minnesota's statute applies to non-HIPAA covered entities, such as workers' compensation, property-casualty and auto insurers, but the federal reform provisions probably do not apply to non-HIPAA covered entities; and,
- It is uncertain how the operating rules may relate to other health care information technology (HIT) and reform efforts such as recent federal rules for standards for electronic health records.

A full review of the federal health reform law continues in order to help in plan future work with the AUC. Federal reform information was presented to the AUC Operations Committee on April 12, and is available [online](#).

## AUC Membership Changes

The AUC welcomed [Wisconsin Physician Services Insurance Corporation](#) (WPS) as a new member in 2010 and welcomed back [Hennepin Faculty Associates](#). While full members have voting rights and committee responsibilities, all health care organizations touched by the administrative simplification law are encouraged to attend and participate in meetings.

***The E3 Initiative:*** *The Minnesota Department of Health (MDH) is working with the AUC to implement a state law (Minnesota State Statutes, section 62J.536) for the standard, electronic exchange of common health care business transactions. More information regarding the statute and rulemaking activities briefly summarized in this Update is available on the AUC website: [www.health.state.mn.us/auc](http://www.health.state.mn.us/auc), and the MDH website: [www.health.state.mn.us/asa](http://www.health.state.mn.us/asa).*

Contact the AUC at:  
[Health.AUC@state.mn.us](mailto:Health.AUC@state.mn.us)



### New Version 5010 Guides adopted

Four new [Version 5010 Minnesota Uniform Companion Guides](#) have been adopted as rules for the implementation of the:

- ASC X12/005010X279 Health Care Eligibility Benefit Inquiry and Response (270/271)
- ASC X12/005010X222 Health Care Claim: Professional (837)
- ASC X12/005010X223A1 Health Care Claim: Institutional (837)
- ASC X12/005010X224A1 Health Care Claim: Dental (837)