

IMPORTANT INFORMATION FOR MEDICAL PROVIDERS

THE LAW IS CHANGING — MAKE SURE YOU GET PAID!

DID YOU KNOW: It's your responsibility to ensure that your vendors, billing companies and clearinghouses are HIPAA compliant?

The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) requires all Medical Providers, Payers and Clearinghouses to use electronic billing systems that are compliant with HIPAA transaction and code sets (“TCS”) as of **October 16, 2003**. The Department of Banking and Insurance is alerting all providers (anyone who submits a claim for payment) about these requirements. Failure to comply may result in the denial and/or delay of payment of medical claims.

These requirements are mandatory. In fact, the Center for Medicare and Medicaid Services (CMS) has directed that in most cases claims must be submitted electronically and in compliance with the HIPAA TCS standards. **Claims not in compliance may be rejected.** Furthermore, CMS is also charged with the responsibility of taking enforcement action for violations of the HIPAA TCS standards and can impose fines and other penalties, in addition to rejection of the claim.

The New Jersey Health Information Electronic Data Interchange Technology Act (“HINT”) (PL1999,C.154) further implements the requirements of HIPAA. The Department, pursuant to the requirements of HINT, adopted NJAC 11:22-3, which has additional enforcement authority over payers.

All providers should take immediate action to ensure their compliance with the HIPAA TCS requirements. Those providers that use medical billing vendors should insist upon compliance with the HIPAA TCS standards and adequate testing prior to the implementation date.

For more information, visit www.njdobi.org and www.njshore.org on the Web

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