

# BHG UPDATE

## Parallel MACSIS Billing Systems Beginning July 1, 2003

In early January 2003, the Ohio Departments of Mental Health and Alcohol and Drug Addiction Services announced they will operate parallel MACSIS billing systems beginning July 1. The State Departments had announced in mid-2002 that the changeover to HIPAA compliant EDI (Electronic Data Interchange) and standard code sets would coincide with the beginning of the fiscal year (July 1) rather than the national compliance deadline of October 16, 2003. In addition to the earlier deadline for compliance with the new standards, the changeover to the HIPAA compliant format and standards was expected to result in a shutdown of the system for a period of four to eight weeks. The decision for parallel systems came in response to an overwhelming expression of concern from ADAMH Boards and service providers that any interruption in claims processing would adversely affect cash flow and operations.

The operation of parallel systems will eliminate any disruption in cash flow and avoid any downtime usually associated with the transition to a new

system. One system will process claims with service dates prior to July 1, 2003 using current procedure codes and the HCFA 1500 format. The second system will process claims with service dates after July 1, 2003 using the HIPAA compliant ANSI (American National Standards Institute) 837 format. This second system will use new MACSIS software, new HIPAA compliant EDI format, and new service and modifier codes. The new system will also use the FY 04 business rules to adjudicate claims.

The parallel systems will likely operate to accommodate the 365-day billing requirement for Medicaid claims. However, the availability of the "old processing system" after July 1 will in no way negate the requirement for provider agency compliance with the ANSI 837 format and new code standards for billing services performed in FY 04 (July 1, 2003) and beyond.

To stay abreast of the latest news from the State regarding HIPAA compliance, join the HIPAA listserv at: [www.mh.state.oh.us/hipaa/how-to-subscribe.html](http://www.mh.state.oh.us/hipaa/how-to-subscribe.html)

### Behavioral Health Generations

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#### Special points of interest:

- *State Announces Two Billing Systems for July 1, 2003*
- *HIPAA EDI and Code Sets Documents Delivered*
- *BHG Serves New Board*
- *BHG HIPAA Compliance Manual Completed*

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## MACSIS HIPAA EDI Compliance Trainings Held

Training sessions for MACSIS HIPAA EDI (Electronic Data Interchange) compliance were held in several regions of the state in January and early February. The sessions, jointly sponsored by ODMH and ODADAS, were intended to inform boards, providers and software vendors of the technical requirements and the data content policies necessary to effectively interface with the MACSIS system and achieve compliance with the HIPAA EDI standards by July 1, 2003.

In addition to presentations regarding the organizational structure of the MACSIS operation and the methodology for policy decisions, the training offered an opportunity to review documents related to the technical requirements for implementing the ANSI (American

National Standards Institute) 837 (professional claim format) and 835 (healthcare claim/payment advice), and documentation related to various claim content elements including: procedure and modifier codes for mental health and alcohol and drug services; diagnosis codes considered for payment under HIPAA; correcting and resubmitting claims; and, duplicate claims procedures. Details of the new system implementation strategy, including the schedule for testing software to implement the new ANSI standards, were not available, .

The documents distributed at the trainings are available at the MACSIS website: [www.mh.state.oh.us/macsis/hipaa/macsis.hipaa.edi.index.html](http://www.mh.state.oh.us/macsis/hipaa/macsis.hipaa.edi.index.html).

## BHG Signs Service Agreement With Licking-Knox Board

BHG signed a service agreement with the Licking-Knox Mental Health and Recovery Services Board effective November 1, 2002. The Board office is located in Newark, OH about 30 minutes east of Columbus and just north of Interstate 70. Under the agreement BHG will provide several services including claims processing and routine claims reporting, monthly management reports, Medicaid audits of contract agencies and participation in BHG HIPAA compliance activities.

The agreement was signed subsequent to a leadership change at the board. In October 2002, Kathleen Raffo was appointed Executive Director. Ms. Raffo came to the Licking-Knox Board from the Ohio Department of

Mental Health. Prior to her time at the State Department, Kay served for a number of years as the Executive Director of the MHRS Board of Logan and Champaign Counties.

The BHG family is pleased to be working with Kay once more!

# BHG HIPAA Compliance Manual Completed

After fifteen months of work, the BHG HIPAA compliance manual was completed and distributed to member boards in early December 2002. In October 2001, the staff at BHG assembled a HIPAA Compliance Workgroup composed of representatives from four of the six BHG member Boards and representatives from six provider agencies serving one or more of the BHG Boards. The purpose of the Workgroup was to plan strategies for compliance and to develop materials to facilitate and execute the strategies. The Workgroup meets monthly. The worksheets, assessment and gap analysis tools, and the Privacy compliance policies and procedures contained in the manual are the products of the past months' work. To assure consistency of the structure and format for the materials as well as consistency in syntax and vocabulary, materials were written by Larry Bosserman, BHG Chief Executive Officer.

Under HIPAA (Health Insurance Portability and Accountability Act, 1996), ADAMH Boards and local providers are covered entities. Covered entities are healthcare providers, healthcare clearing houses and health plans. As defined by the law, local agencies are health care providers and one of the functions of the Board is that of a health plan. The relationship between the Board and its contract providers is a close and symbiotic one, especially in the relatively rural counties served by the Boards that created Behavioral Health Generations (BHG). Since the HIPAA compliance requirements are virtually identical for health plans and healthcare providers and the BHG Boards and providers participate in a "system of care", it seemed appropriate that the compliance strategies and activities should be shared between the entities.

The manual was developed for use by ADAMHS Boards and direct service providers. It was reviewed by a Columbus law firm and found to be thorough, generally complete, and consistent with the types of policies developed by other covered entities. The manual contains more than 300 pages of policies, procedures, forms and CMS (Centers for Medicare and Medicaid Services) Guidance that serve as a convenient resource for an entity's Privacy Officer. It also provides a customizable foundation for creating the entity's required policies and procedures to meet its responsibilities and to assure client's rights under HIPAA.

The package includes:

- Binder with paper copies of policies, forms and CMS Guidance (December 3, 2002).
- 3 Computer disks with all policies, forms and other compliance materials.
- Notice of Privacy Practices for ADAMH Board and Provider
- Business Associate Agreement
- Other compliance materials:
  - Gap Analysis Form
  - Risk Assessment Form
  - Policy and Procedure Worksheet
  - Minimum Necessary Worksheet
  - Information Inventory
  - Privacy Rule and Policy Matrix

The manual is also under review by the Ohio Association of County Behavioral Health Authorities (OACHBA) for use by other ADAMH Boards across the state. For additional information about the manual and its use, contact Larry Bosserman at BHG —phone 513-759-6345 or e-mail: [bosserman@bhg.org](mailto:bosserman@bhg.org).

## Behavioral Health Generations

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*Promoting Improved Performance and Outcomes Through Collective Voice and Action*

Member Boards:

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**Hancock County ADAMH**, Findlay, OH  
**Logan Champaign Counties MHDAS**, West Liberty, OH  
**Seneca Sandusky Wyandot Counties MH & RS**, Tiffin, OH  
**Union County MH & R**, Marysville, OH  
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**Visit the BHG Web Site at [www.bhg.org](http://www.bhg.org) and link to member Boards.**

## BHG Provides Basic HIPAA Training

BHG Chief Executive Officer, Larry Bosserman has been active in recent weeks providing education and training sessions related to compliance with the HIPAA Privacy Standards that become effective April 14, 2003. In November, a 4 hour training session was conducted in Newark, OH for the Licking-Knox Board staff and staff of its contract providers. In December, a training was held for the privacy officers of each of the BHG member boards. On Saturday, January 25, Bosserman provided a workshop for members of the Kentucky Association of Marriage and Family Therapists in Louisville, KY.

In February and March, the focus of the training sessions will turn from entity privacy officers to entity staff and member board directors. Bosserman will make presentations to the staff of two providers in Warren and Clinton Counties and to the board of directors at the Union County and Licking-Knox Boards.

Future training and workshops will also focus on readiness for compliance with the EDI and standard code sets requirements set for July 1, 2003. Now that ODMH and ODADAS have published their implementation guidelines for MACSIS HIPAA compliance and new procedure codes, diagnosis codes and modifiers are available, Steve Kirschner, BHG MIS Director will begin to work with boards and providers on compliance strategies and issues. Steve has been a participant in the State EDI compliance workgroup and has been involved in the policy and procedure decisions reflected in recently published guidelines. His knowledge and expertise will be invaluable to BHG member entities. Training and consulting sessions regarding HIPAA privacy and EDI are provided at no cost to BHG Boards and their contract providers. Contact Larry Bosserman 513-759-6345 or Steve Kirschner 513-759-6346 if BHG can assist in your compliance activities.