Prep Steps You Can Take

Administrative Simplification Compliance Review Program

The Centers for Medicare & Medicaid Services (CMS) National Standards Group (NSG), on behalf of the Department of Health and Human Services (HHS), launched the Compliance Review Program to ensure compliance among covered entities with HIPAA Administrative Simplification rules for health care electronic transactions.

Summary

The Compliance Review Program involves reviews of randomly selected HIPAA covered entities to assess HIPAA compliance with adopted transactions, code sets, unique identifiers and operating rules. In April 2019, HHS randomly selected nine HIPAA-covered entities—a mix of health plans and clearinghouses—for Compliance Reviews. In 2020, HHS anticipates expanding the number of Compliance Reviews being conducted—any health plan or clearinghouse may be selected. In 2019, providers were invited to participate in a pilot compliance review program on a voluntary basis.

Background

HHS is employing a two-pronged approach to enforcing rules that streamline electronic administrative transactions:

1) **Reactive enforcement**, where HHS continues the existing process for investigating complaints that are filed against covered entities
2) **Proactive enforcement**, where HHS randomly selects health plans and clearinghouses for Compliance Reviews

Are you ready? Here are steps health plans and clearinghouses can take in preparation for compliance reviews.

Health Plans

*For transactions that **clearinghouses conduct on your behalf***:

- Ask your clearinghouses to verify that they're handling your transactions in a compliant way.
- You or your clearinghouse can test the compliance of your transactions.
- Be sure your contracts with clearinghouses and other third parties require compliance with HIPAA Administrative Simplification rules for electronic transactions.

*For transactions that **you conduct yourself***:

- You can [test your transactions](#) for compliance using the [ASETT testing tool](#).
- You can verify compliance with [operating rules](#) for eligibility, claims status, and electronic funds transfer/remittance advice.

- If your transactions don't comply:
    - You may need to make changes to your administrative workflow to be sure, for example, that you respond to real time and batch inquiries in the [operating rules required timeframe](#) about:
        - Eligibility
        - Claims status
        - Electronic Funds Transfer (EFT)/Electronic Remittance Advice (ERA)
    - Your software vendor or IT staff may need to debug or update your system.
    - In some cases, you may be able to use a compliant clearinghouse to conduct transactions on your behalf.

Clearinghouses

- You can [test your transactions](#) for compliance using the [ASETT testing tool](#).
- You can verify compliance with [operating rules](#) for eligibility, claims status, and Electronic Funds Transfer (EFT)/Electronic Remittance Advice (ERA).

- If your transactions don't comply:
    - You may need to make changes to your administrative workflow to be sure, for example, that:
        - You're capturing all the data you need from client documentation
        - You're responding to real time and batch inquiries in the required time frame about:
            - Eligibility
            - Claims status
            - Electronic Funds Transfer (EFT)/Electronic Remittance Advice (ERA)
    - Your software vendor or IT staff may need to debug or update your system.

For More Information

To find out more:

- Visit our website at [go.cms.gov/adminsimp](#), including the Compliance Review page
- View our animated video short about Compliance Reviews
- [Sign up](#) for Administrative Simplification Email Updates

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