

Minnesota's E3 Initiative

Frequently Asked Questions (FAQs) [\(2007 Minnesota Statutes 62J.536\)](#)

Simplifying health care transactions in Minnesota **62J.536 Uniform Electronic Transactions and Implementation Guide Standards**

General Questions

1. What does the 62J.536 law do?

This law simplifies, standardizes and automates the processes for:

1. Checking a patient's eligibility and reporting back eligibility status
2. Submitting and adjudicating claims; and
3. Producing and receiving a remittance advice (RA)

These transactions must be electronically transmitted between providers and payers by 2009, using a single, uniform, standard data content and format.

2. When do these changes take effect?

This law takes effect in three phases in 2009:

1. Eligibility (implementation deadline 1/15/09)
2. Claims (implementation deadline 7/15/09)
3. Payment and remittance advice (implementation deadline 12/15/09)

3. Why was this law enacted? Paper and nonstandard electronic health care transactions are expensive and inefficient for providers, payers, consumers, and government alike. This law is intended to improve efficiency, and applies to all providers and payers to get the most benefit from electronic, standard exchanges. Electronic data interchange can also speed up reimbursement time and enhance the accuracy of a claim before it is submitted for adjudication.

4. Who must follow the law?

With some limited exceptions below, this law applies to all health care providers in Minnesota who provide services for a fee, and all group purchasers (insurance companies, health plans, and other payers) licensed or doing business in Minnesota.

5. Are there any exceptions to the law's requirements? There are only two exceptions, as follows:

1. State laws do not apply to Medicare or other federal programs, so the requirements do not apply in these cases.
2. A one-year exception has also been authorized, and granted to all non-HIPAA covered entities (workers' compensation, auto, and property/casualty carriers) and only for the eligibility inquiry and response transaction. The exception also applies to providers in those situations where they cannot exchange the eligibility inquiry and response transaction because the responder is an exempt non-HIPAA covered group purchaser. This exception was authorized only because the ANSI ASC X12 270/271 Eligibility Inquiry and Response lacks certain data fields required by these carriers to conduct business.

6. Can small providers such as those without computers or with few transactions receive an exception or be allowed to delay implementation?

No. The only exceptions to the requirements in Minn. Stat. § 62J.536 are those noted above. Minnesota Statutes, section 62J.536 and related rules apply to all health care providers, as well as all group purchasers (payers) as described above.

The Minnesota Uniform Companion Guide rules are being promulgated one year before they take effect to allow providers and payers time to make changes that best meet their business needs.

7. What are the options for providers? Health care providers will have options for becoming compliant with the rule. Consider your options for how you will verify eligibility, submit claims and receive your remittance advice (RA) electronically. Options include a practice management system, billing service, clearinghouse or web-based portals offered by some payers.

8. Is Minnesota the first state to do this? Utah also uses one set of billing standards. However, Minnesota is the first state to require that all providers and health care purchasers exchange transactions electronically, using a single standard data content and format.

9. What is the difference between the MN Uniform Companion Guides and the AUC Best Practices documents?

The MN Uniform Companion Guides are intended to serve as companion documents to the corresponding HIPAA Implementation Guides. The MN Uniform Companion Guides which reflect the new uniform billing and coding standards for all licensed MN group purchasers and MN health care providers are required by Minnesota law.

Best Practices documents are intended to reduce variation and encourage further industry administrative simplification. Best Practices documents are not under the force of Minnesota law, but may be proposed to be included in future revisions of the MN Uniform Companion Guides.

10. Do the requirements of Minnesota Statutes, section 62J.536 apply to Medicaid subrogation or other payer to payer exchanges?

The requirements for standard, electronic exchanges of health care administrative transactions in Minnesota Statutes, section 62J.536 apply only to HIPAA-covered transactions. HIPAA does not include Medicaid subrogation, and the Uniform Minnesota Companion Guides do not apply to Medicaid subrogation or other payer to payer exchanges.

11. We know that as of January 15, 2009, when we check a patient's eligibility for insurance coverage and benefits, it has to be done electronically. What does "electronically" mean for us? Can eligibility and benefits ever be verified by calling and talking to a live person, or by calling and using an automated Interactive Voice Response (IVR) telephone system?

"Electronically" means that initial eligibility inquiries and responses must be exchanged either via compliant internet ("web") or "electronic data interchange" (EDI) connections. Interactive Voice Response (IVR) is not compliant for this initial exchange. If, after an initial compliant exchange (via web or EDI) additional information or review is needed, other options that may be available from payers may be used, including IVR. Many in the industry are transitioning away from the IVR systems they had made available to check eligibility and are putting into place compliant web-based and EDI alternatives. The Minnesota Department of Health appreciates and encourages everyone's good faith efforts in making this transition.