



October 10th, 2011

TO: Lorraine Doo
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From: HBMA ICD-10 Committee

RE: Definition of 5010 Readiness

Over the past few weeks, HBMA has engaged in various discussions with you and others about the state of 5010 readiness within the industry. As we worked our way through this process, it became apparent that there were different definitions of "ready". Payers, clearinghouses, physicians, billing companies, etc. all seemed to define "5010 ready" just a little differently. Consequently, when we got responses from various folks saying they were "5010 ready", this had little meaning because of the different definitions people were using.

Below is our effort at trying to come up with a uniform definition of "ready". We think there would be value in setting a single standard for "ready" so in making our (and your) assessments, we can know what it means. Absent a uniform definition, ready to a payer may be something completely different from ready for a provider.

HBMA recognizes that this definition does not include other 5010 transaction standards at this time. Based on documented payor implementation of 4010, we know that today very few have implemented more than 2 or 3 of the transaction standards. In addition, the uncontrolled use of companion guides rendered the uniformity and consistency required for administrative simplification virtually meaningless. HBMA recommends the definition of "ready" specifically include each specified standard by the regulatory implementation date. Further, HBMA strongly recommends that payors must be restricted to limited, standardized and approved companion guides, and only when absolutely necessary.

Ready means:

Provider 5010 Readiness:

- Providers are "ready" when they have successfully completed a production submission of claims (837) and received the associated remittance (835) for these claims in compliance with the 5010 specifications.

- Tactics:
 - All Practice Management System upgrades have been completed
 - Confirmation of successful testing with direct submission carriers
 - Confirmation of successful testing with clearinghouses
 - Confirmation of successful production submission of claims (837)
 - Confirmation of successful retrieval of the claims' associated remittance (835)

Payor 5010 Readiness:

- Payors are “ready” when they have successfully accepted a production submission of claims (837) and returned the associated remittance (835) for these claims in compliance with the 5010 specifications.
- Tactics:
 - All system upgrades have been loaded
 - Confirmation of successful testing with direct submitting providers
 - Confirmation of successful testing with clearinghouses
 - Confirmation of successful acceptance of production claims (837) submission
 - Confirmation of successful return of the claims' associated remittance (835)

Entry of the term “ready” (or, alternatively, the date readiness became active) affirms that one or more submitters or receivers have successfully tested standard 5010 transaction(s).

Transaction #	PROVIDER	INSURER	COMPANION GUIDE		
		<i>(Insert Name)</i>	None	Standard ¹	Non-Standard ²
837P					
Sending					
Receiving					
835					
Sending					
Receiving					
270					
Sending					

Receiving					
271					
Sending					
Receiving					
276					
Sending					
Receiving					
277					
Sending					
Receiving					
¹ Name the Standardized Companion Guide ² Identify the source/location of the Companion Guide					
Ongoing 4010 Capabilities – if yes, insert end-date (or <i>open</i>) in the answer block					
Sending			N/A	N/A	N/A
Receiving			N/A	N/A	N/A