

DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Blvd. Baltimore, Maryland 21244

HEALTH PLAN BENEFITS GROUP

DATE: January 14, 2002

TO: Medicare Managed Care Organizations

SUBJECT: ASC X12 834, Benefit Enrollment and Maintenance transaction

The Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 requires that the Secretary of the Department of Health and Human Services adopt a set of national electronic data interchange (EDI) standards for the health care industry. The 834, Benefit Enrollment and Maintenance transaction is one of the standard transactions to be adopted by the health care industry.

The purpose of this letter is to inform you that CMS will not use the 834 Benefit Enrollment and Maintenance transaction to exchange Medicare enrollment transactions with managed care organizations.

Although MCOs are not required to submit the 834 to CMS, some MCOs were interested in submitting the 834 to CMS. In response to this request CMS discussed this issue with the MCO industry. As a result, CMS will not accept voluntary submission of the 834. Rather all MCOs will continue to submit the current 80-byte enrollment transaction to CMS.

If you have any questions, concerns, or need additional information, feel free to contact Yolanda Robinson at 410-786-7627.

Sincerely,

/s/

Gary A. Bailey Director Health Plan Benefits Group, CBC