



SEP 27 2002

Dear Tribal Leaders, Tribal Health Directors, and Other Interested Parties:

This letter is to inform you the Indian Health Service (IHS) will be requesting a 1 -year extension to the October 16, 2002, legislative deadline to comply with the Electronic Health Care Transactions and Code Sets Standards of the Health Insurance Portability and Accountability Act (HIPAA) and to recommend to you that all Tribally-operated programs also request extensions to the deadline.

An important requirement of the HIPAA is for all health care providers and programs to comply with the new Standards by October 16. Not meeting this requirement could prevent Indian health programs from billing third parties for medical services. The Centers for Medicare and Medicaid (CMS) is encouraging health care providers and programs to apply for 1-year extensions to the deadline.

The IHS has just been informed by the Department of Health and Human Services and the CMS that the scope of the IHS extension request cannot include Tribally-operated programs. Therefore, the IHS strongly recommends that Tribally-managed programs compacted or contracted under Public Law 93-638 file for their own extensions.

To obtain an extension, the requester must submit a compliance plan to the CMS by October 15. If the plan is not submitted by the due date, the health provider/program must be compliant with the new Standards by October 16.

Instructions for completing a request for an extension can be found at the CMS web site, <http://www.cms.hhs.gov/hipaa/hipaa2/ASCAForm.asp>. For your convenience, a copy of the IHS request for extension and instructions for filing is enclosed. It takes about 15-20 minutes to complete the extension request. The requests can be filed electronically at the CMS website shown above or by mailing a paper request postmarked no later than October 15, 2002, to:

Attention: Model Compliance Plans  
Centers for Medicare & Medicaid Services  
P.O. Box 8040  
Baltimore, MD 21244-8040


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The IHS Division of Information Resources has implemented changes in the Resource and Patient Management System (RPMS) to comply with the HIPAA transactions and code sets standards. The new RPMS components that are HIPAA-compliant transactions packages are available from the Information Technology Support Center. The Area Information Systems Coordinator will be downloading the new transactions packages for installation at the local level. After installment, the packages must be tested with the various payers and, in many instances, Electronic Data Interchange (EDI) agreements must be established with the payers.

Please note, however, that the majority of third-party payers, including State Medicaid programs, do not have HIPAA-compliant business transactions programs and have filed for extensions to comply with the new national Standards. So, although the IHS has developed HIPAA-compliant transactions packages, they cannot be tested with payers that are not also HIPAA-compliant. Also, most sites have not developed EDI agreements.

If you have any questions, please contact the HIPAA Compliance Team at your IHS Area Office for assistance.

Sincerely,

  
Robert H. Harry, D.D.S.  
Assistant Surgeon General

[Enclosures](#)