

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations

SMDL #02-015

October 4, 2002

Dear State Medicaid Director:

This is an urgent reminder to all *entities* covered under the Health Insurance Portability and Accountability Act (HIPAA), and those associations whose memberships are comprised of *covered entities*, that **October 15, 2002**, is the deadline to submit a HIPAA Model Compliance Plan under the Administrative Simplification Compliance Act (ASCA).

This Act extends the deadline for compliance with the HIPAA Electronic Health Care Transactions and Code Sets standards one year – to October 16, 2003 – for all *covered entities*, other than small health plans, who submit a compliance plan. Small plans already have until October 16, 2003. Since you are a *covered entity* and may conceivably not be compliant with the HIPAA Electronic Health Care Transactions and Code Sets standards by October 16, 2002, you must file a compliance plan in order to obtain an extension if you have not already done so. If you would like guidance on determining the extent to which you, your members or your business associates are “*covered entities*” please see our website at www.cms.hhs.gov/hipaa/hipaa2.

In addition, this reminder is also to request that you contact your business associates who may be in a similar situation; i.e. need to file an application for the one-year extension. Business associates are defined as *entities* under contract with providers, state Medicaid agencies, and other *covered entities* (e.g., health plans, health care clearinghouses, health care providers) who transmit any health information in electronic form in connection with transactions for which the Secretary has adopted standards at 45 CFR Part 162. Business associates who are not *covered entities* DO NOT have to submit a compliance plan.

For further information on how to complete this compliance plan, refer to our website at <http://www.cms.hhs.gov/hipaa/hipaa2/ASCAForm.asp>. I strongly encourage you to go to the website and submit this on-line compliance plan electronically, so we can provide an on-line confirmation number as acknowledgment of your extension.

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Please note the urgency of this request so that you and your memberships can comply with the requirements for requesting extensions of the October 15, 2002 deadline in a timely manner.

Sincerely,

/s/

Dennis G. Smith

cc:

CMS Regional Administrators

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