Attention All Providers: Affordable Care Act Mandated Changes

The Affordable Care Act, Section 1104 on Administrative Simplification, requires that healthcare operation rules become part of the healthcare regulatory framework. These operational rules serve as guidelines for electronic exchange of information. Mandated electronic funds transfer and electronic remittance advice operational rules with a January 1, 2014 effective date include:

- EFT (Electronic Funds Transfer) Enrollment;
- ERA (Electronic Remittance Advice) Enrollment;
- Dual delivery of paper/electronic ERA (835);
- Uniform use of Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs) code combinations in the ERA; and
- Use of the National Automated Clearing House Association (NACHA) Corporate Credit or Debit Entry with Addenda Record (CCD+Addenda) to facilitate EFT/ERA reassociation.

Molina is on schedule in making the necessary system changes to accommodate the rule requirements by the targeted implementation date. Listed below is a brief high level description of each operating rule and its impact on the provider community.

- RULE 380 EFT ENROLLMENT – Requires health plans to offer electronic EFT enrollment. Molina has required Louisiana Medicaid providers to participate in electronic funds transfer for many years. The EFT enrollment forms will be updated to accommodate the new required data elements and a new web application will be available to request updates.
- RULE 382 ERA ENROLLMENT – Requires health plans to offer electronic ERA enrollment. Molina currently offers a choice of v5010 835 to electronic claim submitters. Forms will be updated to accommodate the new required data elements and a new web application will be available to request 835 enrollment.
- RULE 370 EFT & ERA Reassociation (CCD+835) – Addresses sending of the NACHA CCD+ data elements to help providers reassociate health care payments made via EFT with payment data received by their financial institution. This rule standardizes timeframes between sending the V5010 835 and the receipt of the funds deposit.
- RULE 350 HEALTH CARE CLAIM ADVICE INFRASTRUCTURE – Defines dual-delivery (paper/electronic) of remits. Molina currently offers electronic v5010 835 remittance transactions to enrolled submitters as well as proprietary remittance advice reports via web access. Both will continue to be offered. This rule specifies use of the Master Companion Guide template for the v5010 835 transaction.

- RULE 360 UNIFORM USE OF CARC/RARC CODES in 835 – Identifies a set of four Core-defined Business Scenarios with a maximum set of Core-required code combinations that can be used to provide details in the 835 about claims adjustments or denials to providers. Molina provides a crosswalk between its proprietary error codes and the HIPAA (Core defined) Claim Adjustment Reason Codes on the lamedicaid.com website. This crosswalk will be updated with the new defined code combinations. The complete list can be found at www.wpc-edi.com at CODE LISTS.

As we move closer to the January 1, 2014 implementation date, additional information will be made available. We encourage providers to routinely check the lamedicaid.com website for updates. You may also find additional information regarding these requirements at www.caqh.org/CORE_phase3.php.