

HHS Adopts Operating Rules for Health Care Electronic Funds Transfer and Remittance Advice Transaction Standards

On August 10, 2012, the Department of Health and Human Services (HHS) published an Interim Final Rule with comment period (IFC) entitled "Administrative Simplification: Adoption of Operating Rules for Health Care Electronic Funds Transfers (EFT) and Remittance Advice (RA) Transactions." This IFC implements parts of section 1104 of the Patient Protection and Affordable Care Act (ACA). The comment period will close on October 9, 2012.

The IFC adopts the Phase III Council for Affordable Quality Healthcare (CAQH) Committee on Operating Rules for Information Exchange (CORE) EFT/RA operating rules set. Earlier this year, HHS adopted standards for health care claim payments made via EFT and for electronic RA. The operating rules adopted in this recently published IFC aim to improve the following administrative tasks for the EFT/RA HIPAA transactions:

1. Provider enrollment in EFT/RA
2. Setting up initial trading partner connectivity and processes between providers clearinghouses, and health plans
3. Reassociating EFT data with RA data
4. Posting payment adjustment and claim denials

The compliance date for the EFT/RA transaction standards and operating rules is January 1, 2014.

The EFT & ERA Operating Rules Set includes the following rules:

- Phase III CORE 380 EFT Enrollment Data Rule;
- Phase III CORE 382 ERA Enrollment Data Rule;
- Phase III Core 360 Uniform Use of Claim Adjustment Reason Codes and Remittance Advice Remark Codes (835) Rule;
- CORE-required Code Combinations for CORE-defined Business Scenarios for the Phase III Core Uniform Use of Claim Adjustment Reason Codes and Remittance Advice Remark Codes (835) Rule;
- Phase III CORE 370 EFT & ERA Reassociation (CCD+/835) Rule; and
- Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule.

The Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule includes a requirement, that entities' companion guides must follow the format/flow as defined in the CORE v5010 Master Companion Guide Template, which is also adopted by the IFC. Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule Requirement 4.2, titled "Health Care Claim Payment/Advice Batch Acknowledgement Requirements" is not adopted by the IFC because that requirement calls for the use of the ASC X12 999 acknowledgement standard, and the Secretary has not yet adopted standards for acknowledgement transactions.

Covered entities, including TRICARE, are required to be compliant with EFT/RA standards and operating rules. The new EFT/RA standards and Operating Rules impact the electronic payment transmission mechanisms for TRICARE purchased care as a health plan and bill payer. There may also be future implications for the Services' Third Party Collection (TPC) Systems if the Services elect to receive EFT/RA transactions as part of their Military Treatment Facility TPC billing processes.

To view the EFT/RA Operating Rules IFC, please [click here](#).

To view the complete set of Phase III CORE EFT/RA Operating Rules, please [click here](#).

For more information on the EFT/RA Transaction Standards, see TRICARE's [Fact Sheet](#).

For more information on Operating Rules, see TRICARE's [Fact Sheet](#).

Please send any comments and questions to HIPAATCSIMail@tma.osd.mil