Informational Notice

Date: April 12, 2011

To: Participating Hospitals: Chief Executive Officers, Chief Financial Officers, and Patient Accounts Managers; Hospices; Ambulatory Surgical Treatment Centers; Renal Dialysis Facilities; and Division of Alcoholism and Substance Abuse (DASA) Treatment Providers

Re: Elimination of Multiple Payees from HFS Provider Database

This notice pertains only to claims submitted in the HIPAA X12 837I format. As noted in the September 9, 2010 notice to all providers, the department plans to gradually transition to the federally-mandated HIPAA X12 Version 5010 later this year. The new institutional electronic claim layout does not allow identification of Payees. Therefore, the department is required to close any open additional payees on file for each institutional provider, and will no longer allow additional Payees for hospitals, hospices, ASTCs, renal dialysis facilities, and DASA providers.

The department will be contacting those institutional providers currently enrolled with more than one Payee to initiate this action. Providers may verify their Payee information by reviewing their Provider Information Sheet, which contains the enrollment information carried in the department’s database. HFS anticipates closing all additional institutional provider Payees by May 1, 2011. The department will default payment to a provider’s only open Payee with the implementation of 5010 electronic claim submissions.

Please note, some providers may have a Payee #9 identified on their Provider Information Sheet. Payee #9 is used for administrative purposes. It is not affected by the new HIPAA requirements and will not be closed.

Any questions regarding this notice may be directed to the Provider Participation Unit at 217-782-0538.

Theresa A. Eagleson, Administrator
Division of Medical Programs