

Procedural Rules and Electronic Data Interchange Rulebook

Includes:

- 1) Table of Contents**
- 2) Current Update Information**
- 3) Complete set of Procedural and EDI Administrative Rules**

DEPARTMENT OF HUMAN SERVICES, MEDICAL ASSISTANCE
PROGRAMS

DIVISION 001

PROCEDURAL AND ELECTRONIC DATA INTERCHANGE RULES

Update Information (most current Rulebook changes)

Other Provider Resources Information

Administrative Rules:

Procedural Rules

- 410-001-0000 Model Rules of Procedure
- 410-001-0005 Notice of Proposed Rulemaking and Adoption of Temporary Rules
- 410-001-0020 Delegation of Rulemaking Authority

Electronic Data Interchange Rules

- 410-001-0100 Definitions
- 410-001-0110 Purpose
- 410-001-0120 Registration Process
- 410-001-0130 Trading Partner as EDI Submitter
- 410-001-0140 Trading Partner Agents as EDI Submitters
- 410-001-0150 Testing
- 410-001-0160 Conduct of Transactions
- 410-001-0170 Confidentiality and Security
- 410-001-0180 Record Retention and Audit
- 410-001-0190 Material Changes
- 410-122-0200 DHS System Administration

New Rulebook!

Procedural and Electronic Data Interchange Rulebook

Update Information

June 1, 2006

OMAP is now responsible for the Procedural rules (410-001-0000, 410-001-0005 and 410-001-0020) and the Electronic Data Interchange (EDI) rules (410-001-0100 through 410-001-0200), resulting in this new Rulebook.

The order of this document includes:

- Rulebook cover
- Table of Contents
- Update Information
- Administrative Rules: all current rules for this program.

Administrative Rule changes:

The Procedural rules (410-001-0000, 410-001-0005 and 410-001-0020) were revised to reflect that OMAP adheres to all DHS Chapter 407 administrative rules, including those having to do with procedures for administrative rule filing.

The EDI rules (410-001-0100 through 410-001-0200) were not revised.

If you have questions, contact a Provider Services Representative toll-free at 1-800-336-6016 or direct at 503-378-3697.

410-001-0000 Model Rules of Procedure

Department of Human Services (Department), Office of Medical Assistance Programs, Chapter 410, will adhere to Department rules in Chapter 407 regarding Model Rules of Procedure.

Stat. Auth.: ORS 183.335, 183.341, 409.050

Stats. Implemented: ORS 183.325, 183.330, 183.335, 183.341, 409.050, 409.120

6-1-06

410-001-0005 Notice of Proposed Rulemaking and Adoption of Temporary Rules

Department of Human Services (Department), Office of Medical Assistance Programs, Chapter 410, will comply with Department rules in Chapter 407 for Notices of Rulemaking and adoption of Temporary rules.

Stat. Auth.: ORS 183.335, 183.341, 409.050

Stats. Implemented: ORS 183.325, 183.330, 183.335, 183.341, 409.050, 409.120

6-1-06

410-001-0020 Delegation of Rulemaking Authority

Department of Human Services (Department), Office of Medical Assistance Programs, Chapter 410, will comply with Department rules in Chapter 407 for Delegation of Rulemaking Authority.

Stat. Auth.: ORS 183.335, 183.341, 409.050

Stats. Implemented: ORS 183.325, 183.330, 183.335, 183.341, 409.050, 409.120

6-1-06

410-001-0100 Definitions

For purposes of these rules, the following terms shall have the meanings set forth below. Capitalized terms used in these Electronic Data Interchange (EDI) Rules have the same meaning as those terms are defined in this section.

(1) Access. The ability or the means necessary to read, write, modify or communicate Data or information or otherwise use any Information System resource.

(2) Agents. Third parties or organizations that contract with a Trading Partner to perform designated services in order to facilitate a Transaction or the conduct of other business functions on behalf of the Trading Partner.

(a) Examples of Agents include billing agents, including but not limited to the following: claims clearinghouses, vendors, billing services, service bureaus, and accounts receivable management firms.

(b) Agents may also include clinics, group practices and facilities that submit billings on behalf of Providers but the payment is made to the Provider, including the following: an employer of a Provider, if the Provider is required as a condition of employment to turn over his fees to the employer; the facility in which the service is provided, if the Provider has a contract under which the facility submits the claim; or a foundation, plan, or similar organization operating an organized health care delivery system, if the Provider has a contract under which the organization submits the claim.

(c) Agents may also include EDI Submitters as that term is defined in these DHS EDI rules.

(3) Allied Agencies. Local and regional Allied Agencies include the following: local Mental Health Authority; Community Mental Health Programs; Oregon Youth Authority; Department of Corrections; local Health departments; schools; education service districts; developmental disability service programs; area agencies on aging; federally recognized American Indian tribes; and such other governmental agencies or regional authorities that have a Contract (including an interagency agreement, or an intergovernmental agreement, or a grant agreement, or an agreement with an American Indian tribe pursuant to ORS 190.110) with DHS to provide for

the delivery of services to Covered Individuals and that requests to be a Trading Partner with DHS in the conduct of EDI in relation to the Contract.

(4) ANSI. American National Standards Institute.

(5) Centers for Medicare and Medicaid Services ("CMS"). CMS is the federal agency charged with the administration of the Medicare and Medicaid programs within the U.S. Department of Health and Human Services and also charged with implementation of the HIPAA Transaction Rule.

(6) Clinic. A group practice, facility or organization that is an employer of a Provider, if the Provider is required as a condition of employment to turn over his fees to the employer; the facility in which the service is provided, if the Provider has a contract under which the facility submits the claim; or a foundation, plan, or similar organization operating an organized health care delivery system, if the Provider has a contract under which the organization submits the claim; and such group practice, facility or organization is enrolled with DHS, and payments are made to the group practice, facility or organization. If such entity solely submits billings on behalf of Providers and payments are made to each Provider, then the entity is an Agent.

(7) Companion Guide. DHS's business-specific instructions describing the Transaction-specific information necessary to submit a Data Transmission and have it be successfully processed.

(8) Confidential Information. Information relating to Covered Individuals (as defined herein) which is exchanged by and between DHS, the Provider, Prepaid Health Plan, Clinic or Allied Agency and/or Agents for various business purposes, but which is protected from disclosure to unauthorized persons or entities by applicable state and federal statutes such as ORS 344.600, 410.150, 411.320, 418.130, or the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA") and its implementing regulations, which statutes and regulations shall hereinafter be collectively referred to as "Privacy Statutes and Regulations".

(9) Contract. A specific written agreement between DHS and a Provider, Prepaid Health Plan, Clinic or Allied Agency that provides, or manages the provision of, services, goods or supplies to Covered Individuals and in the provision of which DHS and the Provider, Prepaid Health Plan, Clinic or

Allied Agency may exchange Data (as defined herein). A Contract specifically includes, without limitation, an OMAP Provider Enrollment Agreement, a Fully Capitated Health Plan Managed Care Contract, a Dental Care Organization Managed Care Contract, a Mental Health Organization Managed Care Contract, a Chemical Dependency Organization Managed Care Contract, a County Financial Assistance Agreement, or any other applicable written agreement, interagency agreement, intergovernmental agreement, or grant agreement between DHS and Provider, Prepaid Health Plan, Clinic or Allied Agency.

(10) Covered Individuals. Individual persons who are eligible for payment of certain services or supplies provided to them or their eligible dependents by or through a Provider, Prepaid Health Plan, Clinic or Allied Agency (as defined herein) under the terms, conditions, limitations and exclusions of a Contract applicable to a governmental program and for which DHS processes or administers Data Transmissions.

(11) Data. A formalized representation of specific facts or concepts suitable for communication, interpretation, or processing by people or by automatic means.

(12) Data Transmission. The transfer or exchange of Data between DHS and an EDI Submitter by means of an Information System (as defined herein) which is compatible for that purpose, and including without limitation, EDI, ERA, or EMC (all as defined herein) transmissions, pursuant to the terms and conditions set forth in a Trading Partner Agreement and these rules.

(13) Department of Human Services ("DHS"). The Oregon Department of Human Services or any of its divisions, programs or offices, including DHS Information Systems.

(14) Electronic Data Interchange ("EDI"). The exchange of business documents from application to application in a federally mandated format or (if no federal Standard has been promulgated) such other format as DHS shall designate.

(15) EDI Submitter. A person or entity authorized to establish the Electronic Media connection with DHS to conduct an EDI Transaction. An EDI

Submitter may be the Trading Partner, or may be an Agent of the Trading Partner.

(16) Electronic Media. (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media includes, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission.

(17) Electronic Media Claims ("EMC"). An Electronic Media means of submitting claims or encounters for or in relation to payment of services or supplies provided by a Provider, Prepaid Health Plan, Clinic or Allied Agency (as defined herein) to a Covered Individual.

(18) Electronic Remittance Advice ("ERA"). A document or electronic file containing information pertaining to the disposition of a specific claim for payment of services or supplies rendered to Covered Individuals (as defined herein) which are filed with DHS on behalf of the Covered Individual by Providers, Clinics or Allied Agencies (as defined herein). The documents include, without limitation, information such as the Provider name and address, Individual name, date of service, amount billed, amount paid, whether the claim was approved or denied, and if denied, the specific reason for the denial. For Prepaid Health Plans the Remittance Advice file contains information on the adjudication status of claims submitted.

(19) Envelope. A control structure in a mutually agreed format for the electronic interchange of one or more encoded Data Transmissions either sent or received by the EDI Submitter or DHS.

(20) HIPAA Transaction Rule. The Standards for Electronic Transactions at 45 CFR Part 160 and 162 (2003) adopted by the U.S. Department of

Health and Human Services to implement the Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d et. seq ("HIPAA").

(21) Information System. An interconnected set of information resources under the same direct management control that shares common functionality. A system normally includes hardware, software, information, data, applications, communications and trained personnel necessary for a successful Data Transmission.

(22) Lost or Indecipherable Transmission. A Data Transmission which is never received by or cannot be processed to completion by the receiving Party in the format or composition received because it is garbled or incomplete, regardless of how or why the message was rendered garbled or incomplete.

(23) Prepaid Health Plan. A managed health care, dental care, chemical dependency or mental health care organization that contracts with DHS on a case managed, prepaid, capitated basis under the Oregon Health Plan.

(24) Provider. An individual, facility, institution, corporate entity, or other organization which supplies or provides for the supply of services, goods or supplies to Covered Individuals pursuant to a Contract with DHS. The term "Provider" as used in these DHS EDI rules does not include Billing Providers as that term is used in the OMAP General Rules. OMAP Billing Providers are defined in these DHS EDI Rules as Agents (defined herein), except for OMAP Billing Providers that are Clinics (as defined herein).

(25) Registered Transaction. Each type of Transaction (e.g., claims submission, eligibility inquiry, etc.) applicable to a Trading Partner must be registered with DHS before it can be tested or approved for transmission. Registration is initiated with an EDI Registration Form.

(26) Security Access Codes. Those alpha-numeric codes assigned to the EDI Submitter by DHS for the purpose of allowing access to DHS's Information System for the purpose of successfully executing Data Transmissions or otherwise carrying out the express terms of a Trading Partner Agreement and these rules.

(27) Source Documents. Documents or electronic files containing underlying Data which is or may be required as part of a Data Transmission

with respect to a claim for payment of charges for medical services rendered or supplies provided to a Covered Individual, or with respect to any other Transaction. Examples of Data contained within a specific Source Document may include, without limitation, the following: Individual's name and identification number, claim number, diagnosis code for the services rendered, dates of service, service procedure description, applicable charges for the services rendered, the Provider's, Prepaid Health Plan's, Clinic's or Allied Agency's name and/or identification number and signature.

(28) Standard. A rule, condition or requirement describing the following information for products, systems or practices: (a) classification of components; (b) specification of materials, performance, or operations; or (c) delineation of procedures.

(29) Standards for Electronic Transactions. A Transaction that complies with the applicable Standard adopted by the U.S. Department of Health and Human Services (DHHS) to implement the Standards for Electronic Transactions.

(30) Transaction. The exchange of Data between DHS and its Trading Partner using Electronic Media to carry out financial or administrative activities.

(31) Trade Data Log. The complete written summary of Data and Data Transmissions exchanged between DHS and an EDI Submitter over the period of time a Trading Partner Agreement is in effect and, including, without limitation, sender and receiver information, the date and time of transmission and the general nature of the transmission.

(32) Trading Partner. A Provider, Prepaid Health Plan, Clinic or Allied Agency (as defined herein) that has entered into a Trading Partner Agreement with DHS in order to satisfy all or part of its obligations under a Contract by means of EDI, ERA and/or EMC or any other mutually agreed means of electronic exchange or transfer of Data as provided for herein.

(33) Trading Partner Agreement ("TPA"). A specific written agreement between DHS and a Provider, Prepaid Health Plan, Clinic or Allied Agency that governs the terms and conditions for EDI Transactions in the performance of obligations under a Contract. A Provider, Prepaid Health

Plan, Clinic or Allied Agency that has executed a TPA will be referred to herein as a Trading Partner in relation to those functions.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0110 Purpose

(1) The purpose of these rules is to establish a registration process and requirements applicable to individuals or entities that desire to be treated as Trading Partners or EDI Submitters with the Department of Human Services. These rules govern the conduct of all EDI Transactions with DHS.

(2) These rules also set forth DHS EDI Transaction requirements for purposes of the Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 and sec 264, and the implementing Standards for Electronic Transactions Rule. The Standards for Electronic Transactions Rule permits the use of a Trading Partner Agreement ("TPA") to establish the parameters under which Covered Entities conduct Electronic Data Interchange ("EDI") Transactions. Where a federal HIPAA Standard has been adopted for an EDI Transaction, this rule should be construed to implement and not to alter the requirements of the Standards for Electronic Transactions Rule.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0120 Registration Process

(1) EDI Registration is an administrative process governed by these EDI Transaction rules. The EDI Registration process is initiated by the submission of a Trading Partner Registration Agreement (TPA) by a Provider, Prepaid Health Plan, Clinic or Allied Agency, including all requirements and documentation required by these EDI rules.

(2) Trading Partners Must Be DHS Providers, Prepaid Health Plans, Clinics or Allied Agencies with a current DHS Contract. DHS will accept a TPA only from those individuals or entities who are Providers, Prepaid Health Plans, Clinics or Allied Agencies that have a current Contract with DHS.

(a) DHS may receive and hold the TPA for individuals or entities that have submitted a Provider Enrollment Agreement or other pending Contract, subject to the satisfactory execution of a Contract.

(b) Termination, revocation, suspension or expiration of the Contract shall be deemed to result in the concurrent termination, revocation, suspension or expiration of the TPA without any additional notice; except that the TPA shall remain in effect to the extent necessary for Trading Partner or DHS to complete obligations involving EDI under the Contract for dates of service when the Contract was in effect. Contracts that are periodically renewed or extended do not require renewal or extension of the TPA unless there is a lapse of time between Contracts.

(c) Failure to identify a current DHS Contract as requested during the registration process will result in a rejection of the TPA. DHS will verify that the Contract numbers identified by a Provider, Prepaid Health Plans, Clinic or Allied Agency are current Contracts.

(d) If Contract number or Contract status changes, a Trading Partner shall provide DHS with updated information within five (5) business days of the change in Contract status. If DHS determines that a valid Contract no longer exists, DHS shall discontinue EDI Transactions applicable for any time period in which the Contract no longer exists; except that the TPA shall remain in effect to the extent necessary for the Trading Partner or DHS to complete obligations involving EDI under the Contract for dates of service when the Contract was in effect.

(3) Trading Partner Agreement. In order to register as a Trading Partner with DHS, a Provider, Prepaid Health Plan, Clinic or Allied Agency must submit a signed TPA to DHS. Signing the TPA constitutes agreement by the Provider, Prepaid Health Plan, Clinic or Allied Agency to comply with all DHS EDI Rules, OAR 410-001-0100 through 410-001-0200, and other DHS, state and federal laws and regulations applicable to the application for and conduct of EDI Transactions with DHS, and further constitutes Provider's, Prepaid Health Plan's, Clinic's or Allied Agency's agreement to ensure compliance by its Agents with such laws, rules, policies and procedures.

(4) Application for Authorization. In addition to the requirements of subsection (3) of this Rule, a Trading Partner must submit an Application for Authorization to DHS. The Application provides specific identification of and legal authorization from the Trading Partner for the EDI Submitter to conduct EDI Transactions on behalf of the Trading Partner.

(5) Trading Partner Agents. A Trading Partner may use Agents in order to facilitate the electronic transmission of Data. If Trading Partner will be using an Agent as the EDI Submitter, the Application for Authorization required under subsection (4) of this Rule shall identify and authorize the EDI Submitter and shall include the EDI Certification signed by the EDI Submitter before DHS may accept an electronic submission from, or send an electronic transmission to, such EDI Submitter. Submitting an Application for Authorization is not a guarantee that the EDI Submitter has been accepted by DHS to conduct EDI transactions.

(6) EDI Registration. In addition to the requirements of subsection (3) of this Rule, a Trading Partner shall also submit its EDI Registration Form. This form requires the Trading Partner or its authorized EDI Submitter to register the EDI Submitter and the name and type of EDI Transaction(s) they are prepared to conduct. Signature of the Trading Partner or authorized EDI Submitter is required on the EDI Registration Form. The Registration Form will also permit the Trading Partner to identify the individuals or EDI Submitter(s) who are authorized to submit or receive EDI Registered Transactions.

(7) Review and Acceptance Process. DHS shall review the documentation provided to determine compliance with sections (1) - (6) of this Rule. Submission of such information is not a guarantee that a TPA or an

authorization of an EDI Submitter has been accepted by DHS. The information provided may be subject to verification by DHS. When DHS determines that the information complies with these EDI rules, DHS will notify the Trading Partner and EDI Submitter by email about any testing or other requirements applicable to place the Registered Transaction(s) into a production environment.

[ED. NOTE: Forms referenced are available from the agency.]

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0130 Trading Partner as EDI Submitter

(1) Trading Partner may be EDI Submitter. Any registered Trading Partner that also qualifies as an EDI Submitter may submit his or her own EDI transactions directly to DHS. The Trading Partner will be referred to as the EDI Submitter when functioning in that capacity, and shall be required to comply with all terms and conditions of the these rules applicable to an EDI Submitter, except as expressly provided in subsection (3) of this Rule.

(2) Authorization and Registration Designating Trading Partner as EDI Submitter. Prior to acting as an EDI Submitter, the Trading Partner shall designate in the Application for Authorization that Trading Partner is the EDI Submitter who is authorized to send and/or receive Data Transmissions in the performance of EDI transactions. Trading Partner must complete the "Trading Partner Application for Authorization to Submit EDI Transactions" and the "EDI Submitter Information" required in the Application. Trading Partner shall also submit the EDI Registration Form identifying Trading Partner as the EDI Submitter in applicable required fields. The Trading Partner shall notify DHS of any material changes in the information no less than ten (10) days prior to the effective date of such changes.

(3) EDI Submitter Certification Conditions Not Required. Where Trading Partner is acting as its own EDI Submitter, Trading Partner is not required to submit the EDI Submitter Certification Conditions in the Application for Authorization applicable to Agents.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0140 Trading Partner Agents as EDI Submitters

(1) Responsibility for Agents. If the Trading Partner uses the services of an Agent, including but not limited to an EDI Submitter, in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Trading Partner shall be fully responsible to DHS for any acts, failures or omissions of the Agent in providing said services as though they were the Trading Partner's own acts, failures or omissions.

(2) Notices Regarding EDI Submitter. Prior to the commencement of an EDI Submitter's services, the Trading Partner shall designate in the Application for Authorization, its specific EDI Submitter(s) that are authorized to send and/or receive Data Transmissions in the performance of EDI Transactions of the Trading Partner. Trading Partner must complete the "Trading Partner Authorization of EDI Submitter" and the "EDI Submitter Information" required in the Application. Trading Partner shall also submit the EDI Registration Form identifying and providing information about the EDI Submitter in applicable required fields. The Trading Partner or authorized EDI Submitter shall notify DHS of any material changes in the EDI Submitter authorization or information no less than five (5) days prior to the effective date of such changes.

(3) Authority of EDI Submitter. A Trading Partner shall authorize the actions that an EDI Submitter may take on behalf of Trading Partner. The Application for Authorization permits the Trading Partner to authorize which decisions may be made only by Trading Partner and which decisions are authorized to be made by the EDI Submitter. The EDI Submitter information authorized in the Application for Authorization will be recorded by DHS in an EDI Submitter profile. DHS may reject EDI Transactions from an EDI Submitter acting without authorization from the Trading Partner.

(4) EDI Submitter Certification Conditions. Each authorized EDI Submitter acting as an Agent of a Trading Partner shall execute and shall comply with the EDI Submitter Certification Conditions that are incorporated into the Application for Authorization. Failure to include the signed EDI Submitter Certification Conditions with the Application shall result in a denial of EDI Submitter authorization by DHS. Failure of an EDI Submitter to comply with the EDI Submitter Certification Conditions may result in termination of EDI Submitter registration for EDI Transactions with DHS.

(5) Responsibilities Regarding EDI Submitters. In addition to the requirements of section (1) of this Rule, the Trading Partner is responsible for ensuring that the EDI Submitter will make no unauthorized changes in the Data content of any and all Data Transmissions or the contents of an Envelope, and further that such EDI Submitter will take all appropriate measures to maintain the timeliness, accuracy, truthfulness, confidentiality, security and completeness of each Data Transmission. Furthermore, the Trading Partner further is responsible for ensuring that its EDI Submitter(s) are specifically advised of, and will comply in all respects with, the terms of these rules and any TPA.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0150 Testing

(1) When a Trading Partner or authorized EDI Submitter registers an EDI Transaction with DHS, DHS may require testing before authorizing the Transaction. Testing may include both third party compliance testing and business-to-business testing. An EDI Submitter must be able to demonstrate its capacity to send and/or receive each Transaction type for which it has registered. DHS will reject any EDI Transaction if the EDI Submitter either refuses or fails to comply with DHS testing requirements.

(2) Except as otherwise provided for by DHS, DHS may require its EDI Submitters to complete compliance testing, at the EDI Submitter's expense, for each Transaction type with a DHS selected third party testing firm. Use of the third party testing service allows DHS to efficiently manage the testing process by ensuring that each EDI Submitter has reached a standard level of readiness to send and receive compliant EDI Transactions before entering in to business-to-business testing.

(3) After successfully demonstrating the ability to sustain compliant third party testing and obtaining required documentation of successful completion of third party testing requirements for a specific Transaction type to DHS satisfaction, DHS shall initiate business-to-business testing for that Transaction type.

(4) When business-to-business testing is completed to DHS satisfaction, DHS will notify the EDI Submitter that it will register and accept the Transaction(s) in the production environment. This notification authorizes the EDI Submitter to submit the registered EDI Transaction(s) to DHS for processing and response, as applicable. If there are any changes in the Trading Partner or EDI Submitter authorization, profile data or EDI Registration information on file with DHS, updated information shall be submitted to DHS as required in OAR 410-001-0190 of these Rules.

(5) Testing will be conducted using secure Electronic Media communications methods.

(6) The EDI Submitter may be required to re-test with DHS if DHS format changes or if the EDI Submitter format changes.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0160 Conduct of Transactions

(1) EDI Submitter Obligations. In addition to the obligations of the Trading Partner and/or Agent(s) set forth elsewhere in these rules, the EDI Submitter is responsible for the conduct of the EDI Transactions registered on behalf of the Trading Partner, including the following:

(a) Accuracy of EDI Transmission. The EDI Submitter shall take reasonable care to ensure that Data and Data Transmissions are timely, complete, accurate and secure, and shall take reasonable precautions to prevent unauthorized access to the Information System, the Data Transmission itself or the contents of an Envelope which is transmitted either to or from DHS pursuant to these rules. DHS will not correct or modify an incorrect Transaction prior to processing; such Transactions may be rejected and the EDI Submitter will be notified of the rejection.

(b) Re-transmission of Indecipherable Transmissions. Where there is evidence that a Data Transmission is a Lost or Indecipherable Transmission, the sending party shall make best efforts to trace and re-transmit the original Data Transmission in a manner which allows it to be processed by the receiving party as soon as practicable.

(c) Cost of Equipment. EDI Submitter and DHS shall bear their own Information System costs. EDI Submitter shall, at its own expense, obtain and maintain its own Information System. Furthermore, EDI Submitter shall pay its own costs for any and all charges related to Data Transmission under these DHS EDI rules and specifically including without limitation, charges for Information System equipment, software and services, charges for maintaining an electronic mailbox, connect time, terminals, connections, telephones, modems, and any applicable minimum use charges, and for translating, formatting, or sending and receiving communications over the electronic network to the electronic mailbox, if any, of DHS. DHS is not responsible for providing technical assistance in the processing of an EDI Transaction.

(d) Back-up Files. EDI Submitter shall maintain adequate Data archives and back-up files or other means sufficient to re-create a Data Transmission in the event that such re-creation becomes necessary for any purpose, within a timeframe as required by other state and federal law, or by contractual agreement. Such Data archives or back-up files shall be

subject to the terms of these DHS EDI rules to the same extent as the original Data Transmission.

(e) Format of Transmissions. Except as otherwise provided herein, the EDI Submitter shall send and receive all Data Transmissions in the federally mandated format, or (if no federal Standard has been promulgated) such other format as DHS shall designate.

(f) Testing. EDI Submitter shall, prior to the initial Data Transmission and throughout the term of a TPA, test and cooperate with DHS in the testing of Information Systems as DHS considers reasonably necessary to ensure the accuracy, timeliness, completeness and confidentiality of each Data Transmission.

(2) Security and Confidentiality. In addition to the other obligations in these rules, EDI Submitter shall also be specifically obligated to do all of the following:

(a) To refrain from copying, reverse engineering, disclosing, publishing, distributing or altering any Data, Data Transmissions or the contents of an Envelope, except as necessary to comply with the terms of these rules or the TPA, or use the same for any purpose other than that for which the EDI Submitter was specifically given Access and authorization by DHS or the Trading Partner;

(b) To refrain from obtaining Access by any means to any Data, Data Transmission, Envelope or DHS's Information System for any purpose other than that which the EDI Submitter has received express authorization to receive Access. Furthermore, in the event that the EDI Submitter receives Data or Data Transmissions from DHS, which are clearly not intended for the receipt of the EDI Submitter, the EDI Submitter shall immediately notify DHS and make arrangements to return the Data or Data Transmission or re-transmit the Data or Data Transmission to DHS. After such re-transmission, the EDI Submitter shall immediately delete the Data contained in such Data Transmission from its Information System;

(c) To install necessary security precautions to ensure the security of the Information System or records relating to the Information System of either DHS or the EDI Submitter when the Information System is not in active use by the EDI Submitter;

(d) To protect and maintain at all times the confidentiality of Security Access Codes issued by DHS to the EDI Submitter; and

(e) To provide special protection for security and other purposes, where appropriate, by means of authentication, encryption, the use of passwords or by other mutually agreed means. Unless otherwise provided in these DHS EDI rules, the recipient of a Data Transmission so protected shall use at least the same level of protection for any subsequent transmission of the original Data Transmission.

(3) DHS Obligations. In addition to the other obligations of DHS, which are set forth herein, DHS shall also do the following:

(a) Availability of Data. DHS shall, subject to the terms of these DHS EDI Rules, make available to the EDI Submitter by Electronic Media those types of Data and Data Transmissions which the EDI Submitter is authorized to receive.

(b) Notices Regarding Formats. DHS shall inform the EDI Submitter of acceptable formats in which Data Transmissions may be made and shall provide such notices to the EDI Submitter within reasonable time periods consistent with HIPAA Transaction Standards, if applicable, or at least thirty (30) days prior electronic notice of other changes in such formats.

(c) Security Access Codes. DHS shall arrange to provide the EDI Submitter with Security Access Codes which will allow the EDI Submitter access to DHS's Information System. It is expressly required by these rules that such Security Access Codes are strictly confidential and specifically subject, without limitation, to any and all of the restrictions contained in OAR 410-001-0170. Furthermore, DHS reserves the right to change the designated Security Access Codes at any time and in such manner as DHS in its sole discretion deems necessary. Furthermore, the release of Security Access Codes shall be limited to authorized electronic data personnel of EDI Submitter and DHS with a need to know.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0170 Confidentiality and Security

(1) General Requirements. The Trading Partner and any EDI Submitter or other Agent(s) shall maintain adequate security procedures to prevent unauthorized Access to Data, Data Transmissions, Security Access Codes or the DHS Information System, and shall immediately notify DHS of any and all unauthorized attempts by any person or entity to obtain Access to or otherwise tamper with the Data, Data Transmissions, Security Access Code or the DHS Information System.

(2) Individually Identifiable Health Information. The Trading Partner and EDI Submitter or other Agent(s) and DHS are responsible for ensuring the confidentiality of Individually Identifiable Health Information, consistent with the requirements of the Privacy Statutes and Regulations, and shall take reasonable action to prevent any unauthorized disclosure of Confidential Information by the Trading Partner and any EDI Submitter or other Agent(s). The Trading Partner and EDI Submitter or other Agent(s) shall in their performance under these DHS EDI Rules, comply with any and all applicable Privacy Statutes and Regulations relating to Confidential Information (as defined in these rules).

(3) Notice of Unauthorized Disclosures. The Trading Partner and EDI Submitter will promptly notify DHS of any and all unlawful or unauthorized disclosures of Confidential Information that comes to its attention or to the attention of its Agent(s), and will cooperate with DHS in the event that corrective action is required by DHS. DHS will promptly notify the Trading Partner and EDI submitter of any and all unlawful or unauthorized disclosures of Confidential Information that comes to its attention or to the attention of its Agent(s), and will cooperate with the Trading Partner in the event corrective action is required pursuant to contract or Privacy regulations.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0180 Record Retention and Audit

(1) Records Retention. The Trading Partner and EDI Submitter shall maintain, for a period of no less than seven (7) years from the date of its receipt complete, accurate and unaltered copies of any and all Source Documents associated with all Data Transmissions.

(2) Trade Data Log. The EDI Submitter shall establish and maintain a Trade Data Log which shall record any and all Data Transmissions taking place between the EDI Submitter and DHS during the term of a TPA. The Trading Partner and EDI Submitter will take necessary and reasonable steps to ensure that such Trade Data Log constitutes a current, truthful, accurate, complete and unaltered record of any and all Data Transmissions between the Parties, and shall be retained by each Party for no less than twenty-four (24) months following the date of the Data Transmission. The Trade Data Log may be maintained on Electronic Media or other suitable means provided that, if it is necessary to do so, the information contained in the Trade Data Log may be timely retrieved and presented in readable form.

(3) Right to Audit. The Trading Partner shall allow, and shall require any EDI Submitter or other Agent to allow, access to DHS, the Oregon Secretary of State, the Oregon Department of Justice Medicaid Fraud Unit, or its designees, and the U.S. Department of Health and Human Services, or its designees, to audit those relevant business records, Source Documents, Data, Data Transmissions, Trade Data Log or Information System of the Trading Partner and/or its Agents as necessary to ensure compliance with these DHS EDI Rules. Trading Partner shall allow, and shall require any EDI Submitter or other Agent to allow, Access by DHS or its designees to ensure that adequate security precautions have been made and are implemented by the Trading Partner and its EDI Submitter or other Agent(s) in order to prevent unauthorized disclosure of any Data, Data Transmissions or other information.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0190 Material Changes

(1) Changes in Any Material Information. Trading Partner shall submit an updated TPA, Application for Authorization or EDI Registration form to DHS within ten (10) business days of any material changes in the information. A material change includes but is not limited to changes in address or email address, Contract number or Contract status (termination, expiration, extension), identification of authorized individuals of the Trading Partner or EDI Submitter, the addition or deletion of authorized Transactions, or any other change that may affect the accuracy of or authority for an EDI Transaction. DHS is authorized to act on Data Transmissions submitted by the Trading Partner and its EDI Submitter(s) based on information on file in the Application for Authorization and EDI Registration forms until an updated form has been received and approved by DHS. Trading Partner's signature or the signature of an authorized EDI Submitter is required to ensure that an updated TPA, Authorization or EDI Registration form is valid and authorized.

(2) Failure to submit a timely updated form may impact the ability of a Data Transaction to be processed without errors. Failure to submit a signed updated form may result in a rejection of a Data Transmission.

[ED. NOTE: Forms referenced are available from the agency.]

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03

410-001-0200 DHS System Administration

(1) No person or entity shall be registered to conduct an EDI Transaction with DHS except as authorized under these DHS EDI rules. Eligibility and continued participation as a Trading Partner or EDI Submitter in the conduct of Registered Transactions is conditioned on the execution and delivery of the documents required in these DHS EDI Rules, the continued accuracy of that information consistent with OAR 410-001-0190, and compliance with the requirements of these DHS EDI rules. The information disclosed by Trading Partner or any EDI Submitter may be subject to verification. Data, including Confidential Information, governed by these DHS EDI Rules may be used for purposes related to treatment, payment and health care operations and for the administration of programs or services by DHS.

(2) In addition to the requirements of subsection (1) of this Rule, in order to qualify as a Trading Partner:

(a) A person or entity must be a DHS Provider, Prepaid Health Plan, Clinic or Allied Agency pursuant to a current valid Contract; and

(b) The Provider, Prepaid Health Plan, Clinic or Allied Agency must have submitted an executed TPA and all related documentation, including the Application for Authorization that identifies and authorizes the EDI Submitter.

(3) In addition to the requirements of subsection (1) of this Rule, in order to qualify as an EDI Submitter:

(a) A Trading Partner must have identified the person or entity as an authorized EDI Submitter in the Application for Authorization.

(b) If the Trading Partner identifies itself as the EDI Submitter, the Application for Authorization must include the information required in the "Trading Partner Authorization of EDI Submitter" and the "EDI Submitter Information."

(c) If the Trading Partner uses an Agent as the EDI Submitter, the Application for Authorization must include the information described in subsection (b) of this section and the signed EDI Submitter Certification.

(4) The EDI Registration process described in these DHS EDI rules provides DHS with essential profile information that may be used by DHS to confirm that the Trading Partner or EDI Submitter is not otherwise excluded or disqualified from submitting EDI Transactions to DHS.

(5) Nothing in these rules or a TPA prevents DHS from requesting additional information from a Trading Partner or EDI Submitter to determine their qualifications or eligibility for registration as a Trading Partner or EDI Submitter.

(6) DHS shall deny a request for registration as a Trading Partner Agreement or for authorization of an EDI Submitter or an EDI Registration if it finds any of the following:

(a) The Trading Partner or EDI Submitter has substantially failed to comply with the applicable administrative rules or laws; or

(b) The Trading Partner or EDI Submitter has been convicted of (or entered a plea of nolo contendere) a felony or misdemeanor related to a crime or violation of federal or state public assistance laws or Privacy Statutes or Regulations (as defined in these rules);

(c) The Trading Partner or EDI Submitter is excluded from participation in the Medicare program, as determined by the Secretary of Health and Human Services; or

(d) The Trading Partner or EDI Submitter fails to meet the qualifications as a Trading Partner or EDI Submitter.

(7) Failure to comply with the terms of these DHS EDI rules, a Trading Partner Agreement, or EDI Submitter Certification or failure of the Application or Certification to be accurate in any respect may also result in sanctions and/or payment recovery pursuant to the applicable DHS program Contract or DHS rule.

Stat. Auth.: ORS 409.050, 409.110

Stats. Implemented: Health Insurance Portability and Accountability Act of 1996, 42 USC 1320d - 1320d-8, Public Law 104-191, sec. 262 & sec 264

8-22-03