



Center for Medicaid and CHIP Services

CMCS Informational Bulletin

DATE: March 15, 2012

FROM: Cindy Mann, Director
Center for Medicaid and CHIP Services (CMCS)

SUBJECT: Medicaid and CHIP Updates

This bulletin provides information on the following topics:

- 5010 Implementation Moratorium Period Extension
- Approval of Nation's First Balancing Incentive Program Grant Award
- Award of Medicaid Emergency Psychiatric Demonstrations

5010 Implementation Moratorium Period Extension

This is a follow up to the announcement the Centers for Medicare & Medicaid Services (CMS) made on November 17, 2011, about enforcement discretion regarding compliance with new HIPAA standards for electronic health transactions. The prior informational bulletin on this topic is available at <http://www.cms.gov/CMCSbulletins/downloads/CIB-HIPAA-11-17-11.pdf>

Today CMS has announced a three month extension of the 90-day moratorium period allowing HIPAA covered entities (including State Medicaid programs) to exercise discretion in accepting and submitting both Version 4010 and Version 5010 electronic health transactions, as well as NCPDP Telecom 5.1 and D.0 for pharmacy transactions. The compliance date for use of Version 5010, NCPDP D.0 and 3.0 by HIPAA covered entities remains January 1, 2012. With this extension, the three month moratorium period now will begin on April 1, 2012 and will end on June 30, 2012.

The announcement can be found at <http://www.cms.gov/ICD10>, under "Latest News" link.

Approval of Nation's First Balancing Incentive Program Grant Award

On March 1, 2012, CMS approved the nation's first Balancing Incentive Program grant award. The Balancing Incentive Program is authorized under section 10202 of the Affordable Care Act. This program offers \$3 billion enhanced Federal matching dollars to support States in further developing community-based services and supports for people who need long-term care so those people can continue to live in the community instead of living in an institutional setting, like a nursing home.

The New Hampshire DHHS Balancing Incentive Program, in partnership with community organizations throughout the state, plans to further develop the systems of community-based care that serve individuals with behavioral health needs, physical and/or intellectual disabilities. The goal of the New Hampshire Balancing Incentive Program is to increase the percentage of expenditures for LTSS that are provided in community settings to equal or exceed the expenditures for facility-based LTSS. We anticipate New Hampshire will spend approximately \$26 million over the 3-year grant period.

The press release for this award is located at:

<http://www.cms.gov/apps/media/press/release.asp?Counter=4296>

For more information about the Balancing Incentives Program, please refer to the letter issued to State Medicaid Directors on September 12, 2011, available at <http://medicaid.gov/Federal-Policy-Guidance/Federal-Policy-Guidance.html>

Award of Medicaid Emergency Psychiatric Demonstrations

On March 13, 2012, CMS announced that 11 States and the District of Columbia will participate in the Medicaid Emergency Psychiatric Demonstration, established under the Affordable Care Act to help people who are experiencing a psychiatric emergency get immediate, appropriate care.

This demonstration will provide up to \$75 million in federal Medicaid matching funds over three years to 11 States—Alabama, California, Connecticut, Illinois, Maine, Maryland, Missouri, North Carolina, Rhode Island, Washington, and West Virginia— and the District of Columbia, to enable institutions for mental diseases (IMDs) to receive Medicaid reimbursement for emergency care provided to Medicaid enrollees aged 21 to 64 who have an acute need for treatment.

The Demonstration will be administered by the Center for Medicare and Medicaid Innovation, which was created by the Affordable Care Act to test innovative payment and service delivery models that have the potential to reduce program expenditures while preserving or enhancing the quality of care.

Additional information can be found here: innovations.cms.gov/initiatives/medicaid-emergency-psychiatric-demo

To read the full CMS Press Release issued:

<http://www.cms.gov/apps/media/press/release.asp?Counter=4300>

Also, the CMS Fact Sheet Additional information:

<http://www.cms.gov/apps/media/press/factsheet.asp?Counter=4301>