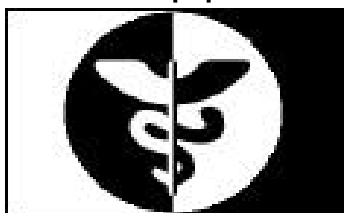


HIPAA Compliance Deadline Approaching



HIPAA, the Health Insurance Portability and Accountability Act, places several requirements on medical practices regarding the electronic transmission, privacy, and security of confidential patient data. One section, the Uniform Electronic Transaction Standards, contains guidelines for simple, uniform electronic health care data submission formats. All health plans will be required to accept this standard electronic data format, and all transmissions must be submitted in this format.



The deadline for compliance with this section was originally set for October 16, 2002. However, NHIC/Medicare, the Fiscal Intermediary for most Avanta clients, has not yet delivered documentation outlining the required changes between the currently accepted ANSI 3051 electronic format and the newly required ANSI 4010 format. Furthermore, they only recently initiated the testing process necessary for changing from the 3051 to the 4010 format. This significantly impairs your system's ability to be ready by this October's deadline.

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Anticipating these failures on the part of the Medicare Administration, Congress has allowed for a one-year compliance extension to October 16, 2003. However, to receive this extension, your practice must file for an extension by October 15, 2002. To assist you in this process, Avanta will facilitate the filing of the proper form with the Centers for Medicare and Medicaid Services (CMS).



The extension form can be submitted electronically via the CMS website or printed out and mailed in. Avanta's website (www.avanta.com) contains a link to the CMS website where the form can be filled out electronically, and a link to download and print the form to mail in. In addition, Avanta representatives will have forms available to either fax to you or bring to your office at the time of your next update.



If you elect to send in the form on your own, please fax a copy to Avanta so that we can include it in our files, which we will use to ensure that all Avanta clients have properly requested their extensions.



If you have any questions or concerns regarding HIPAA, the upcoming Uniform Electronic Transaction Standards deadline, or filing for an extension, please call Avanta at 818.706.9191 and ask for Andy.