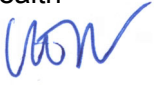




**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Division of Medical Assistance**  
600 Washington Street  
Boston, MA 02111  
[www.mass.gov/dma](http://www.mass.gov/dma)

**MassHealth**  
**All Provider Bulletin 116**  
**July 2002**

**TO:** All Providers Participating in MassHealth  
**FROM:** Wendy E. Warring, Commissioner   
**RE:** HIPAA Eligibility and Response Transaction 270/271

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***Important Information***

This bulletin contains very important information about the Health Insurance Portability and Accountability Act of 1996 (HIPAA). One of the enclosed documents may require an authorized signature. Please be sure to share this information with all the appropriate people in your organization.

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***A Brief Summary of HIPAA***

HIPAA was enacted to streamline the administration of health care and to protect the security and privacy of patient information. HIPAA applies specifically to electronic transactions. Under HIPAA, payer-specific (local) codes are eliminated. Patients will have access to their protected health information, which will be safeguarded against unauthorized access.

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***Trading Partner Agreements***

All MassHealth providers must sign a document called a MassHealth Trading Partner Agreement before they can conduct standard HIPAA transactions with the Division. By signing the Trading Partner Agreement, you agree — among other things — to comply with the terms of your provider agreement, to bear costs associated with submitting transactions to us, and to conform to other related documents applicable to the transactions you wish to conduct.

The Trading Partner Agreement does not replace your current provider agreement. It is in addition to your provider agreement.

You will need to sign a MassHealth Trading Partner Agreement only once, even if you wish to use more than one standard HIPAA transaction. You will have an opportunity to sign a Trading Partner Agreement prior to the implementation of each HIPAA transaction.

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***New Web-Based  
Eligibility Verification  
Option***

In July, the Division will implement MassHealth WebREVS, which enables you to access the MassHealth Recipient Eligibility Verification System (REVS) via the Internet. WebREVS is a HIPAA-compliant Eligibility Inquiry/Response Transaction (also known as a 270/271 transaction). This is the first Web-based application for MassHealth and the first to meet HIPAA standards. WebREVS allows you make single eligibility inquiries similar to using a point-of-sale device. If you would like to start using WebREVS to conduct your eligibility inquiries, you must sign the enclosed Trading Partner Agreement and return it to the following address:

EDS  
ATTN: MassHealth Provider Services  
155 Federal Street, 6<sup>th</sup> Floor  
Boston, MA 02110

Once the Trading Partner Agreement is received, EDS will contact you with additional information and instructions for WebREVS.

Also attached is a Specifications Addendum for the Eligibility Inquiry/Response Transaction (270/271). The Specifications Addendum applies immediately to WebREVS. A notice will be sent later about using updated PC software to access REVS via the Internet. Please note that you may still use other non-Web-based methods to verify member eligibility, such as the point-of-sale (POS) device.

If you do not plan to use WebREVS, do not sign the enclosed Trading Partner Agreement, but please note that if you plan to use other electronic transactions (such as electronic claims submission), you may be asked at a later date to sign a Trading Partner Agreement. Providers submitting electronic claims will be required to have a signed Trading Partner Agreement on file no later than October 16, 2003. However, until further notice, your current electronic transactions are not affected and can continue as usual.

Note: The Trading Partner Agreement refers to an Intermediary Authorization Rider, which does not apply to the 270/271 transaction.

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***Future Communications  
About HIPAA***

In the upcoming months, the Division will announce the availability of other standard HIPAA transactions and will distribute the associated documents. Please remember that you need to sign the Trading Partner Agreement only once.

For more information about HIPAA, visit the following Web sites:  
[www.cms.gov/hipaa](http://www.cms.gov/hipaa) and [www.mass.gov/dma](http://www.mass.gov/dma).

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***Questions***

If you have specific questions about the Trading Partner Agreement or Specifications Addendum for the Eligibility Inquiry/Response Transaction, please contact EDS Provider Services at 1-800-462-7738.

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# MassHealth Trading Partner Agreement

This Trading Partner Agreement (“Agreement”) is made as of \_\_\_\_\_ 200\_\_,  
between the Division of Medical Assistance (“Division”) and

\_\_\_\_\_  
*Trading Partner Name (please print)*                      *Provider No.*

The Trading Partner wishes to conduct MassHealth transactions with the Division of Medical Assistance in electronic form. Both parties acknowledge and agree that the privacy and security of data exchanged between them is of utmost priority. Each party agrees to take all steps reasonably necessary to ensure that all electronic transactions between them conform to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and regulations promulgated thereunder. Without limiting the generality of the preceding sentence, the parties agree as follows:

1. Each party will take reasonable care to ensure that the information submitted in each electronic transaction is timely, complete, accurate, and secure, and will take reasonable precautions to prevent unauthorized access to (a) its own and the other party’s transmission and processing systems, (b) the transmissions themselves, and (c) the control structure applied to transmissions between them.
2. Each party is responsible for all costs, charges, or fees it may incur by transmitting electronic transactions to, or receiving electronic transactions from, the other party.
3. The Trading Partner will conform each electronic transaction submitted to the Division to the Specifications Addendum applicable to the transaction, and to the applicable Companion Guide. The Division may modify the Specifications Addendum and the Companion Guide at any time without amendment to this Trading Partner Agreement. Only the last-issued Specifications Addendum of each type will be effective as of the date specified in the Specifications Addendum. The Division may reject any transaction that does not conform to the applicable Specifications Addendum and the Companion Guide.
4. Before the first data transmission after the effective date of this Agreement, and throughout the term of this Agreement, the Trading Partner will cooperate with the Division and the Division’s Business Associates (i.e. vendors with whom the Division contracts to handle certain business functions) in such testing of the transmission and processing systems used by both parties in connection with MassHealth as the Division deems appropriate to ensure the accuracy, timeliness, completeness, and security of each data transmission.
5. The Trading Partner warrants its authority to disclose to the Division the data contained in each submission, and will provide evidence of that authority to the Division upon request.
6. The Trading Partner may authorize one or more intermediaries to send or receive electronic submissions on its behalf by submitting the Division’s Intermediary Authorization Rider form to the Division. Every intermediary named in the Rider form must be bound by written agreement with the Trading Partner to comply with the current applicable Specifications Addendum and the terms of this Agreement. The Division for reasonable cause may decline to approve any intermediary named in the Rider form. The

Division may decline to process any transaction submitted on Trading Partner's behalf, unless and until the Division has approved the Authorization Rider designating the intermediary who submitted the transaction. The Trading Partner may revoke or correct an Authorization Rider only by written notice to the Division. The Division is not liable for actions it takes in reliance on information and authorizations contained in an approved Intermediary Authorization before its receipt of such written correction. Use of an intermediary shall not relieve the Trading Partner of any risks or obligations assumed by it under this or any other agreement with the Division, or under applicable law and regulations. The Trading Partner will bear all costs resulting from its use of intermediaries.

7. The Trading Partner will comply with all laws, rules, and regulations governing its relationship with MassHealth and with the terms of this Agreement and other contracts with the Division. In case of conflict between this Agreement and prior contracts between the parties, this Agreement will prevail.
8. The Trading Partner is solely responsible for the preservation, privacy, and security of data in its possession, including data in transmissions received from the Division and other persons. The Trading Partner agrees:
  - (a) not to copy, disclose, publish, distribute, or alter any data, data transmissions, or the control structure applied to transmissions, or use them for any purpose other than the purposes for which the Trading Partner was specifically given access and authorization by the Division, or in any manner except as necessary to comply with the terms of this Agreement;
  - (b) not to obtain access to any data, transmission, or the Division's systems by any means or for any purpose other than as the Division has expressly authorized the Trading Partner; and
  - (c) if the Trading Partner receives data not intended for the receipt of the Trading Partner, the Trading Partner will immediately notify the Division to arrange for its return or re-transmission as the Division directs. After such return or re-transmission, the Trading Partner will immediately delete all copies of such data remaining in its possession.
9. Termination or expiration of this Agreement or any other contract with the Division does not relieve the Trading Partner of its obligations under this Agreement and under federal and state laws and regulations pertaining to privacy and security of Individual-Identified Data nor its obligations regarding the confidentiality of proprietary information.

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Trading Partner Authorized Signature

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Printed Name of Signer

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Date

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Telephone Number

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E-mail Address

**MassHealth**  
**Specifications Addendum**  
**Health Care Eligibility Benefit Inquiry and Response**  
**(ASC X12N 270/271)**

All approved Trading Partners of the Division must comply with this Specifications Addendum when conducting Health Care Eligibility Benefit Inquiries and Responses with the Division. This Specifications Addendum is incorporated into the MassHealth Trading Partner Agreement as if fully restated therein. The Division retains the right to modify this Specifications Addendum at any time. Only the last issued Specifications Addendum of each type will be effective, as of the date specified in the amendment.

1. Applicability: A Trading Partner may conduct an Eligibility Benefit Inquiry and Response transaction with the Division using one of the following transmission options:
  - (a) the Division's eligibility operator system;
  - (b) a MassHealth point-of-service (POS) device owned by the Trading Partner;
  - (c) the Division's automatic voice response system (AVR);
  - (d) Windows-based software and a dial-up modem installed on the provider's computer network; or
  - (e) a Web browser installed on the provider's computer network pointing to [www.massrevs.eds.com](http://www.massrevs.eds.com).

This Specifications Addendum applies only to the transmission methods described in 1(d) and 1(e) above.

2. Specifications: When conducting an Eligibility Benefit Inquiry and Response via a transmission method described in 1(d) and 1(e) above, the Trading Partner agrees to:
  - (a) prevent unauthorized persons from accessing its computer systems or the computer systems of the Division;
  - (b) prevent persons with authorized access to its computer systems or computer systems of the Division from exceeding the scope of their access;
  - (c) refrain from circumventing any security mechanism or procedures established by the Division;
  - (d) treat its user ID and password confidentially; to change its password regularly; and to notify the Division promptly of any unauthorized use of its user ID or password; and
  - (e) require its current and former employees and agents to comply with the terms of its Trading Partner Agreement with the Division and this Specifications Addendum.