

implementation. These maintenance items are the result of DSMO change requests that were approved and recommended for adoption via the DSMO process. Therefore, we are not including a discussion of them in this final rule.

The remaining 67 of the 115 change requests were for substantive modifications to the standards, and they are detailed below.

E. Proposed Modifications to the Standards

- Changing usage of data elements from required to situational (about 20 percent of total requested changes).

Required usage of data elements means that particular data elements must be used every time the transaction is conducted. Situational usage of data elements means that, when certain specified situations or conditions exist, particular data elements must be used when the transaction is conducted. Those who submitted DSMO change requests pointed out several data elements for which the adopted standards required usage in all cases, but that was only needed in certain situations. Usage of these data elements was made situational in the Addenda, with the situations explicitly defined. Examples follow:

1. Many health plans store Healthcare Provider Taxonomy Codes when health care providers enroll in the health plan, so there is no need to send this information on every claim. Healthcare Provider Taxonomy Codes are data elements that identify the type, classification, and specialization of providers furnishing health care. The NUCC maintains these codes. The Washington Publishing Company makes the Healthcare Provider Taxonomy Codes available on its Web site (<http://www.wpc-edi.com>). The Healthcare Provider Taxonomy Codes now will be reported only when claim adjudication is known to be impacted by the presence of the code.

2. In another case, "date last seen by physician" (used for certain physical therapy claims) is needed only by Medicare, so usage was changed from required on all claims, to required "when known to impact the payer's adjudication process."

- *Removal of certain data elements* (about 20 percent of changes).

Several data elements were removed because they do not appear to be needed by any covered entity.

- *Allowing certain information to be reported via external code sets rather than via data elements defined in the transaction* (about 20 percent of changes).

ZIP codes, maintained by the U.S. Postal Service, are an example of an external code set. Revisions and updates for transaction data elements adopted by the Transactions Rule must go through the DSMO change request process, while revisions to external code sets require requesters to submit requests to the organizations that maintain the code sets and are not subject to the DSMO review process.

There were several instances where external code sets could be used to indicate certain data elements. The replacement of data elements with external code sets will allow the maintainers of those external code sets to update the codes more easily, as opposed to having the DSMOs make changes to the standards themselves. Two external code sets adopted by the Addenda are special program indicator codes and newborn birth weights.

- *Adding additional functionality to some transactions* (about 40 percent of changes).

Requesters suggested several additional data elements, codes, or loops to enable them to perform certain business functions in the transactions.

These included cross-referencing two subscriber IDs (surviving spouse and dependents) and sending a patient's primary care physician number.

F. Comments on the Modifications Included in the Addenda

CMS-0005-P (67 FR 38050) established the scope for technical comments by limiting comments to only those items being added or changed by the Addenda.

Numerous recommendations and suggestions submitted in the comments, which were not considered critical for implementation, will be considered for improvements or clarifications to future versions of the implementation specifications.

Because the comments were technical in nature, relating to specific data elements and segments, and applied to implementation specifications that were developed and are maintained by external organizations, such as the ASC X12N and the NCPDP, the Secretary could not address all of them directly. Therefore, we analyzed the public comments received to determine which comments fell in this technical category. We consulted with representatives from each of the DSMOs on these technical comments. Some of the technical comments were referred to the external organizations that develop the standards, such as the ASC X12N transaction workgroups, for additional review and consultation.

Comments that did not pertain specifically to the proposed Addenda were considered and determined to be more appropriately addressed through the DSMO Change Request process.

The majority of comments we received generally supported adoption of the proposed Addenda. Most commenters agreed that adopting these proposed changes is necessary to permit successful initial implementation of the standards within the industry. The Workgroup for Electronic Data Interchange (WEDI), the American Hospital Association (AHA), the National Uniform Claim Committee (NUCC), a number of Medicaid State agencies, the Health Insurance Association of America (HIAA), the Blue Cross Blue Shield Association (BCBSA), and the American Medical Association (AMA) were among the numerous health care providers, health plans, and professional organizations that submitted comments expressing support for adoption of the proposed Addenda. Some commenters suggested that work on the implementation specifications continue in order to improve the clarity relating to specific situational data elements and to ensure clear, consistent interpretations and implementation by health plans.

Commenters unanimously supported many specific Addenda items, for example:

- The proposal to use existing UB-92 Condition Codes for reporting special program indicators, as well as UB-92 Value Codes to report newborn birth weights. These changes would eliminate differences in the way this information is handled for electronic and paper submission of claims. It is important wherever possible to follow the same data development paths for both paper and electronic submission in order to simplify the capturing and reporting of billing information.

- The deletion of unneeded data segments and the clarification of ambiguous usage notes.

We discuss other comments on specific modifications below. They are organized according to specific adopted transaction standards.

The Addenda are not stand-alone documents. They are supplemental implementation specifications to the initial standards adopted in the Transactions Rule. In this final rule, we therefore adopt the Addenda as part of the standards to which they apply.

G. Transaction Standard for Health Care Claims or Equivalent Encounter Information

In CMS-0005-P (67 FR 38050), we proposed to adopt the following: