

The Transition from the UB-92 to UB04

While the transition from the UB-92 to the UB-04 is occurring to provide greater standardization between the billing processes of healthcare providers across the nation, hospital staff must also be aware of the bumps likely to occur along the way. As time progresses and the healthcare industry changes, Congress's Health Insurance Portability and Accountability Act requires that the UB format must also evolve. The new UB-04 meets HIPAA's requirement of aligning with the federal format for electronic billing and to accommodate other newly legislated requirements. Hospital staff must take precautionary measures to avoid the expected increase in denials that a transition from UB-92 to UB-04 is likely to create.

Tips to Ensure the Smooth Transition from UB-92 to UB-04:

TIP: Implement a National Provider Identifier and a National Health Plan Identifier, per the Administrative Simplifications Provisions of HIPAA:

EFFECT: The development of the National Provider Enumeration System (NPPES) ensures that healthcare providers and health plans are legally registered with their respective standard unique identifiers. Without an NPI, any claims filed by the healthcare provider will be denied and conversely, the National Health Plan Identifier serves as the legal registration number for health plans.

⇒ NPI will serve as a standard identifier for healthcare providers and will be entered in Field 56 on the UB-04. The NplanID will serve as a standard unique identifier for health plans.

TIP: Learn the specific field changes on the UB-92 and the UB-04 (certain field descriptions have been changed, have been removed, or have been expanded to greater suit the needs of today's healthcare industry):

EFFECT: By training hospital staff to be aware of minor changes before May 23, 2007, there is less room for error and associated claim denials.

⇒ Example of Changes:

- ICD-9 principal procedure code has been moved from field 80 to field 74.
- Field 67 (illustrating the primary diagnosis code) has expanded from 6 characters to 8 characters in preparation for the upcoming ICD-10 changes.

TIP: Be aware of important dates:

EFFECT: May 23, 2007 is the day of implementation of NPIs and UB-04s. Any provider that is unequipped with the regulated changes can expect to have their claims promptly denied.

TIP: Alert all associated vendors of the upcoming changes:

EFFECT: By keeping vendors informed of upcoming changes, vendors are better able to assess the needs of the provider and continue to do their jobs more effectively.

TIP: Keep the lines of Communication with Insurance companies, smaller payors and TPAs open:

EFFECT: By verifying that all payors are aware of new billing procedures and following the mandated timelines, the healthcare provider can prevent a potential increase in the number of denials.

In Conclusion

Following the tips outlined above will allow the business office to maintain its level of internal efficiency while transitioning from using a UB-92 to a UB-04. Avoiding claim denials is the main goal that these tips offer. If the provider is unaware of the timeline, uneducated about the new reforms, or there is a lack of communication between providers and health plans, the number of denials is sure to spike. In following the tips listed above, and by initiating a preventative approach, providers can take the proper steps to educate their business office staff on the correct procedures to face upcoming changes.