

DENTAL OFFICE UPDATE



Winter/Spring 2002

What's New in the World of HIPAA?

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 is an extensive federal initiative that includes administrative simplification and privacy of individual information.

As many of you are aware, the healthcare system is paper intensive. Administrative simplification is about moving into electronic transactions, thereby reducing paper. It is also about standardization of how information is sent and what information is sent electronically. The vision is that healthcare providers, payors and clearinghouses will communicate using the same language on a national basis, thereby reducing costs in the healthcare system.

Putting administrative simplification into action is no small task. As more organizations involved in healthcare have become familiar with the resources required, there has been a lot of interest in delaying the date of compliance. In an effort to meet those concerns, the Administrative Simplification Compliance Act (ASCA) was signed by President Bush in December, 2001.

The following questions and answers are provided to help you better understand the content of this law:

Q: What was the original compliance date for Transactions and CodeSets?

A: October 16, 2002

Q: What is the new compliance date?

A: October 16, 2003. That is a one-year extension for those entities who will not be able to achieve compliance by October 16, 2002.

Q: What has really been delayed by this legislation?

A: The implementation of the electronic transactions and related code sets are the only two areas of Administrative Simplifications that have been delayed.

Q: I had been planning to be compliant by October 16, 2002? Do I need to change my plans?

A: No. The Department of Health and Human Services (DHHS) is actually encouraging covered entities to be compliant by the original compliance date of October 16, 2002.

Q: What if I want to take advantage of the October 16, 2003 date?

A: You will have to file an extension form with DHHS by October 15, 2002. The extension form is being developed by DHHS and should be available by April 1.

Q: Has the Privacy compliance date been delayed as well?

A: No. The compliance date for Privacy continues to be April 14, 2003.

Many offices will have Practice Management Software that is vendor-supported. Please contact your software vendor to discuss their plans for making the software compliant. Also, be sure to discuss how this legislative delay will affect their plans, if at all.

Additional Resources:

For additional information on HIPAA, visit these websites:

-Department of Health and Human Services:

www.aspe.hhs.gov/admnsimp

-HIPAAAdvisory:

www.hipaadvisory.com

-American Dental Association:

www.ada.org

Upcoming Events

ODA Conference

April 11-13

We hope to see you there!

ODS Office Closures

Memorial Day: May 28

Independence Day: July 4, 5



ODS is a member of the Delta Dental Plans Association

News and Notes

Immediate Denture brochures available

ODS Health Plans' Immediate Denture brochures are now available in English and Spanish versions. These informative brochures are designed to take the confusion out of patients having this procedure.

To order the brochures, please contact Trisha Lostrom at 503-228-6554, ext. 1145.

ODS to sponsor 2002 Bear Fair!

ODS Health Plans will be in attendance at the Oregon Zoo's 2002 Bear Fair on Saturday, March 23 from 10 a.m. to 4 p.m. in Portland.

Among the exhibits and events will be the ODS "Bear Your Teeth" booth where we will be passing out information about the benefits of regular dental care. For more information, visit www.oregonzoo.org.

Deferred compensation provides tax relief for dentists who treat OHP patients

Through an innovative program offered by ODS Health Plans, Oregon dentists have a way to both strengthen their financial futures and ensure that dental care remains available for some of the state's less fortunate residents.

Dentists who sign up to treat ODS' Oregon Health Plan (OHP) subscribers can now take advantage of two deferred compensation plans. According to Barry Rice, Director of Dental Professional Relations for ODS, the plans are an excellent benefit for Oregon dentists. "These deferred income products are our way to increase the value of the fees we pay to treat people on the Oregon Health Plan," Rice said.

The first deferred compensation option is a tax-qualified plan authorized under Section 457 of the Internal Revenue Code. Under this plan, you can defer your ODS/OHP earnings in five percent increments from 5% to 100%. Earnings deferred up to the lesser of \$11,000 or 50% of

your total ODS/OHP income is eligible for deferral into the 457 plan. Deferrals over these amounts can be placed in the Premium Plan.

There are no limits in absolute dollars on amounts that can be placed in the Premium Plan; however, tax treatment differences upon retirement are significant.

For additional information on the deferred compensation options available through ODS, call Barry Rice at 503-228-6554, ext. 5549.

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