Document History Log

STATUS[1]	DOCUMENT REVISION[2]	EFFECTIVE DATE	DESCRIPTION[3]
Baseline	2.0	03/01/2023	Initial version Uniform Managed Care Manual Chapter 5.12.2, "CMS T-MSIS X12 835 Data File Submission Requirements." Chapter 5.12.2 applies to contracts issued as a result of HHSC RFP numbers 529-12-0002, 529-10-0020, 529-13-0042, 529-15-0001, 529-13-0071, 529-08-0001, 529-12-0003, and Medicare-Medicaid Plans (MMPs) in the Dual Demonstration.

[1] Status should be represented as "Baseline" for initial issuances, "Revision" for changes to the Baseline version, and "Cancellation" for withdrawn versions.

[2] Revisions should be numbered according to the version of the issuance and sequential numbering of the revision—e.g., "1.2" refers to the first version of the document and the second revision.

[3] Brief description of the changes to the document made in the revision.

Applicability of Chapter

This chapter applies to Managed Care Organizations (MCOs) and Dental Maintenance Organizations (DMOs) participating in the STAR, CHIP, STAR+PLUS, Medicare-Medicaid Dual Demonstration (MMP), STAR Kids, STAR Health, Children's Medicaid Dental Services and CHIP Dental. The term "MCO" or Contractor includes a party to this contract and is an insurer licensed or approved by TDI as an HMO, ANHC formed in compliance with Chapter 844 of the Texas Insurance Code, or an EPO with an Exclusive Provider Benefit Plan approved by TDI in accordance with 28 Tex. Admin. Code § 3.9201-3.9212. The requirements in this chapter apply to MCOs and DMO's participating in all programs listed above except where noted otherwise.

I. Purpose

This chapter establishes reporting requirements for the X12 835 Health Care Payment and Remittance Advice Data File submission. MCOs and DMOs are required to submit X12 835 Health Care Payment and Remittance Advice Data to Accenture within their designated Texas Medicaid & Healthcare Partnership (TMHP) secure TXMedCentral server location.

II. Authority

42 C.F.R. §438.818 and HHSC managed care contract sections pertaining to reporting requirements.

III. Background

The Centers for Medicare and Medicaid Services (CMS) requires HHSC-contracted MCOs and DMOs to submit CHIP and Medicaid program and operational data that is utilized by the Transformed Medicaid Statistical Information System (T-MSIS). The X12 835 Health Care Payment and Remittance Advice Data file submissions will assist HHSC in resolving Texas' CMS T-MSIS high priority data quality issues.

In Texas, MCOs, DMOs, and T-MSIS data trading partners submit required CMS data to Accenture to the designated TMHP secure TXMedCentral server location. Upon TMHP receipt of the X12 835 Health Care Payment and Remittance Advice Data File, the TMHP system will validate the data and generate a Daily Error Report if any HIPAA or business edits set for a file processed the previous day. MCOs and DMOs are expected to read the error report, correct errors, and resubmit the corrected data file.

Since 1999, federal law has required that states collect encounter data from managed care plans and report these data to CMS (Balanced Budget Act of 1997, Section 4753[a][1]). In 2010, Section 6505(b) of the Affordable Care Act strengthened the requirements for Medicaid managed care plans to provide encounter data to states and permitted the federal government to withhold federal matching payments to states "with respect to any amounts expended for medical assistance for individuals for whom the State does not report enrollee encounter data to [CMS] in a timely manner" (Affordable Care Act, Section 6402[c]).

In May 2016, CMS updated and expanded the requirements for managed care plans and states related to Medicaid encounter data (42 CFR §438.242, 42 CFR §438.818). These regulations require states to validate the completeness and accuracy of the encounter data that managed care plans submit and to ensure compliance with the privacy and security standards of the Health Insurance Portability and Accountability Act (HIPAA) before submitting the data to CMS (42 CFR §438.242[d], 42 CFR §438.818[a][2], 42 CFR §438.818[a] [1]). The rules obligate states to require that managed care plans verify the accuracy and completeness of encounter data (42 CFR §438.242[b][3][i]-[ii]) and to require through their contracts with managed care plans that states receive:

1. Sufficient encounter data to identify the provider who delivers any items or services to enrollees (42 CFR §438.242[c][1])
2. Encounter data at a frequency and level of detail to meet the program administration, oversight, and program integrity needs of the state and CMS (42 CFR §438.242[c][2])
3. All encounter data that the state is required to report to CMS (42 CFR §438.242[c][3])
4. Encounter data in a standardized format: the ASC X12N 837 and NCPDP formats, as well as the ASC X12N 835 format when applicable (42 CFR §438.242[c][4])

The regulations also allow CMS to withhold federal financial participation from states that fail to comply with the data submission and validation requirements (42 CFR §438.818[c]).

I. CMS T-MSIS 835 Data File Submission Requirements

Frequency

MCOs and DMOs can submit the X12 835 Health Care Payment and Remittance Advice Data File daily. However, the individual 835 encounter transactions must have a corresponding accepted 837 encounter.

Due Date

MCOs and DMOs must submit X12 835 Health Care Payment and Remittance Advice encounter transactions within 30 days from the corresponding 837 encounter transaction being accepted.

File Format

MCOs and DMOs must submit the 835 Health Care Payment and Remittance Advice Data File in HIPAA Compliant X12 5010 data format.

Submission Method

MCOs and DMOs must upload X12 835 Health Care Payment and Remittance Advice Data File to TXMedCentral using a remittance subfolder within their existing designated 837 encounters folder. (Example: XXXENC/REMITTANCE).

MCOs and DMOs must submit X12 835 Health Care Claim Payment and Remittance Advice Data Files with same submitter IDs and same processes as used for submitting X12 837 Encounter Data transactions.

II. Resources

Additional information on X12 formatting may be found on the American National Standards Institute (ANSI) website using this link: https://ansi.org/

The following CMS T-MSIS X12 835 Data File Submission Requirement documents may be found on the TexMedCentral website using this link https://txmedcentral.tmhp.org effective 11/01/2022:

- 835 Medicaid Encounters Companion Guide
- 835 Medicaid Encounters Business Edits
- 835 Error Report
- 837 Missing 835 Report