

**RULES
OF
TENNESSEE DEPARTMENT OF HEALTH
BUREAU OF HEALTH INFORMATICS
OFFICE OF HEALTH STATISTICS**

**CHAPTER 1200-07-04
AMBULATORY SURGICAL TREATMENT CENTER DATA SYSTEM**

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1200-07-04-.01 DEFINITIONS.

- (1) "Ambulatory Surgical Treatment Center" shall have the same definition as contained in T.C.A. § 68-11-201.
- (2) "ASTC" is the acronym for ambulatory surgical treatment center.
- (3) "Claim" shall mean a charge or bill for services rendered, billed to the patient, to another private individual, or to a third party payer, public or private.
- (4) "Claims Data" shall mean all data elements collected for all patients for whom an ASTC or ODC provides services that are entered on any claim form prepared by the ASTC or ODC and shall always include those required data elements identified in the subparagraphs listed in rule 1200-07-04-.04, paragraphs (1) and (2).
- (5) "CMS-1500" shall mean the claim form "Centers for Medicare & Medicaid Services 1500" or its successor form.
- (6) "Commissioner" shall mean the commissioner of the Tennessee Department of Health.
- (7) "Data Element" shall mean any individual piece of information collected from a patient by an ASTC or ODC during the process of providing services to that patient for which the ASTC or ODC will file a claim.
- (8) "Department" shall mean the Tennessee Department of Health.
- (9) "Error" shall mean data that are incomplete or inconsistent with the specifications in the ASTC Data System Procedural Manual, the ODC Data System Procedural Manual, or these rules.
- (10) "Final Joint Annual Report" shall mean the most recent Joint Annual Report filed by an ASTC or ODC where the data contained in the report have been edited, queried, and updated when appropriate, by the Department.
- (11) "JAR" is the acronym for Joint Annual Report.
- (12) "ODC" is the acronym for outpatient diagnostic center.
- (13) "Outpatient Diagnostic Center" shall have the same definition as contained in T.C.A. §68-11-201.

(Rule 1200-07-04-.01, continued)

- (14) "Personal Identifiers" shall be defined to include all the identifiers contained in 45 C.F.R. § 164.514 (b) or (e).
- (15) "Processed Data" shall mean data that have been analyzed by the Department or the Department's designated data vendor(s) and errors, inconsistencies, and/or incomplete elements in the data set, if any, have been identified.
- (16) "Public" shall mean anyone other than the Tennessee Department of Health, its vendors, and its contracted agencies.
- (17) "Record Level Data" shall mean a set of data that is specific to individual patient claims.
- (18) "State" shall mean the government of the State of Tennessee including all its agencies.
- (19) "UB-04" shall mean the CMS Form 1450, [a.k.a. "the Uniform Hospital Billing Form"], or its successor forms as established by the National Uniform Billing Committee and the State Uniform Billing Implementation Committee.
- (20) "Vendor" shall mean a third party entity, approved by the Department, through whom an ASTC or ODC submits its claims data for the purpose of compilation and editing according to these rules and the instructions of the Department.
- (21) "Verified Data" shall mean data that have been processed by the Department after the ASTCs or ODCs have had the opportunity to suggest corrections and/or deletions, and all appropriate revisions have been made to the data and approved by the Department.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.02 PURPOSE.

- (1) The reporting of ambulatory surgical and outpatient diagnostic data will provide two statewide databases and permit assessment of variations in utilization, practice parameters, access to care, and charges.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.03 REPORTING REQUIREMENTS.

- (1) Each ASTC and ODC shall contract with one of the approved vendors and shall report through its vendor all its claims data. Claims data for all free or charity services provided by any ASTC or ODC that otherwise submits claims for reimbursement shall also be reported to the vendor.
- (2) No claim reporting is required for any of the following:
 - (a) From a licensed ASTC or ODC that provides only free care and never bills for any services.
 - (b) Regarding any procedures already reported by an ASTC or ODC to the Department under T.C.A. § 68-3-505 or services ancillary thereto such as counseling, testing, or follow-up.

(Rule 1200-07-04-.03, continued)

- (3) The Department will prepare the ASTC and ODC Data System-Procedural Manuals that will list the variables to be reported, their descriptions and reporting format, and other information associated with data submission. The Department shall issue revisions to the Procedural Manuals when the Commissioner deems it necessary. The Department will notify each ASTC, ODC, and vendor of all revisions. These revisions become effective one hundred and eighty (180) days following the date of notification. At that time, failure to meet the amended requirements is subject to the penalties as prescribed by T.C.A. §68-1-119.
- (4) Each ASTC or ODC shall report all data elements using the actual values used for billing by the ASTC or the ODC. No data elements shall be encrypted or otherwise altered. This rule shall not be interpreted to prevent encryption of entire files for security in transmission to parties having the appropriate decryption software.
- (5) Each ASTC and ODC shall be responsible for submitting its data to the approved vendor in a format and medium approved by the State.
- (6) Each ASTC and ODC shall be responsible for the costs associated with the processing of the data by the approved vendors.
- (7) Each ASTC and ODC shall report in a format using the data elements which correspond with the claim form used by the ASTC or ODC for billing. If an ASTC or ODC submits claims using both the CMS-1500 and UB-04 forms, the claims data shall be submitted in separate data sets for each form.
- (8) Each ASTC and ODC shall report the claims data at least quarterly, pursuant to rule 1200-07-04-.05, to its approved vendor with a separate data set for each facility location.
- (9) Each ASTC and ODC shall designate one staff member to be responsible for reporting the claims data and shall notify the Department and its approved vendor of the name, title, work address, work telephone number, and e-mail address of the designated staff member.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.04 REQUIRED DATA ELEMENTS.

- (1) CMS-1500 Claims Forms
 - (a) Each ASTC and ODC must report to the Department all the following data elements for each and every claim based on the CMS-1500 form:
 1. Patient's Birth Date
 2. Patient's Sex
 3. Patient's Address (State)
 4. Patient's Address (Zip Code)
 5. Dates of Service (Through Date)
 6. Diagnosis or Nature of Illness or Injury
 7. Total Charge

(Rule 1200-07-04-.04, continued)

8. Patient's Social Security Number
9. Patient's Race/Ethnicity
- (b) Each ASTC and ODC must report to the Department all CMS-1500 data elements listed in the relevant ASTC or ODC Procedural Manual whenever the data element is collected by the ASTC or ODC and/or used for billing.
- (2) UB-04 Claims Forms
 - (a) Each ASTC and ODC must report to the Department all the following data elements for each and every claim based on the UB-04 form:
 1. Statement Covers Period
 2. Patient's Address (State)
 3. Patient's Address (Zip Code)
 4. Patient's Date of Birth
 5. Patient's Sex
 6. Revenue Codes
 7. Total Charges (By Revenue Code Category)
 8. Principal Diagnosis Code
 9. Patient's Social Security Number
 10. Patient's Race/Ethnicity
 - (b) Each ASTC and ODC must report to the Department all UB-04 data elements listed in the relevant ASTC or ODC Procedural Manual whenever the data element is collected by the ASTC or ODC and/or used for billing.
- (3) Each ASTC and ODC shall report to the Department all data elements that it collected from patients and which it reported by making an entry in any or all of the data element spaces contained on any form other than the CMS-1500 or UB-04 on which it submits a claim. However, the data elements identified in paragraphs (1)(a) and (2)(a) above that must be collected, entered and reported to the Department by the ASTC or ODC for the identified claim form shall also be reported to the Department when any other claim form is used.
- (4) Data elements collected by the ASTC or ODC that are not specifically identified in either paragraphs (1) through (3) of this rule or in the procedural manual shall not be reported to the vendor or the Department.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.05 SUBMISSION SCHEDULE.

- (1) Each ASTC or ODC shall submit all required claims to its approved vendor according to the following quarterly schedule:

(Rule 1200-07-04-.05, continued)

Quarter	Time Span	Submission Due Date
Q1	January 1 – March 31	May 30
Q2	April 1 – June 30	August 29
Q3	July 1 – September 30	November 29
Q4	October 1 – December 31	March 1

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.06 VENDOR REQUIREMENTS.

- (1) An applicant desiring to be approved as a statewide data processing vendor shall make written application to the Department. To be selected as a statewide vendor by the Department the applicant must demonstrate the ability to do all of the following:
 - (a) Process the claims data as specified by the Department using the codes and the standards for completeness and quality specified by the Department.
 - (b) Include in each claims data record the ID number approved by the Department for the reporting ASTC or ODC and all vendor-generated fields specified by the Department.
 - (c) Examine the claims data it receives for accuracy, inform the ASTC or ODC submitting the data of all potential errors in the data which are discovered as a result of the examination of accuracy, and correct the data as directed by the ASTC, the ODC, and/or the Department.
 - (d) Submit the claims data to the Department in an electronic or magnetic medium or process approved by the Department.
 - (e) Report to the Department each ASTC or ODC that has either failed to submit claims data or is tardy in doing so.
 - (f) Affirm that it is familiar with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations, and will comply with all applicable and current HIPAA requirements in the course of doing business with the State. The applicant shall affirm that it will cooperate with the State in the course of its performance so that both parties will be in compliance with HIPAA, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations. The applicant will sign any documents that are reasonably necessary to keep both parties in compliance with HIPAA, including, but not limited to, business associate agreements.

- (2) If any approved vendor fails to carry out its requirements as specified in the rules of the Tennessee Department of Health, the Department may remove its approval as a statewide data processing vendor.

Authority: T.C.A. §§4-5-202, 4-5-204, 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.07 PROCESSING AND VERIFICATION.

- (1) Each vendor must review all claims data submitted for completeness and accuracy. If errors, inconsistencies or incomplete elements are identified by the vendor, the vendor must report the errors to the ASTC or ODC in writing.
- (2) Upon receiving written notification of errors, the ASTC or ODC shall investigate the problem and shall supply correct information to the vendor within fifteen (15) days from notification.
- (3) Each approved vendor must report quarterly to the Department the reporting status of all ASTCs or ODCs utilizing its services. The status of facilities that failed to report, that were delinquent in reporting, or that exceeded the acceptable error rate shall be provided to the Department quarterly and then updated at the initiative of the vendor or upon request of the Department. Each vendor shall maintain and report to the Department any information the Department deems necessary for penalty assessment.
- (4) Each approved vendor must report all data received each quarter, including additions and corrections, to the Department no more than sixty (60) days following the submission due date specified in rule 1200-07-04-.05.
- (5) Each ASTC and ODC shall be given a ten (10) day period to review the quarterly data set relating to their facility after the quarterly data have been computerized, edited, updated, and determined to be the final corrected set by the Department. Upon the expiration of the ten (10) day period, absent receipt of corrections and/or revisions from an ASTC or ODC, the quarterly data is considered verified. If corrections and/or revisions are received by the Department within the ten day period, the quarterly data is considered verified only after the Department has made any corrections and/or revisions it considers appropriate.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.08 PENALTY ASSESSMENT.

- (1) The Department will assess the civil penalties authorized by T.C.A. § 68-1-119(b) each day claims data are reported later than the submission due date identified in rule 1200-07-04-.05 or not reported at all up to the statutory maximum for each claim record.
- (2) Any ASTC or ODC not submitting any claims data by the submission deadline will have the number of quarterly unreported claims records calculated, for purposes of civil penalty assessment, by dividing by four (4), the number of total discharges or admissions reported on Schedule D (Availability and Utilization of Services) of the most current final JAR of the ASTC or ODC on file with the Department for that facility.
- (3) An ASTC or ODC not submitting any claims data by the submission deadline will begin accruing penalties the day immediately following the submission deadline and ending the day when the actual claims data are received by the vendor or the maximum penalty is reached.
- (4) The Department will report the rate of error it identifies to the ASTC or ODC in writing. The acceptable error rate will be two percent (2%). Records that fall within the acceptable error rate will not be subject to penalties. ASTCs or ODCs that exceed the acceptable error rate will be penalized based on total errors.
- (5) An ASTC or ODC that does not timely submit corrected claims records will accrue delinquent penalties starting the sixteenth (16th) day after error notification and ending the day when the

(Rule 1200-07-04-.08, continued)

actual corrected claims data are received by the Department or the maximum penalty is reached.

- (6) Upon receipt of the notice of civil penalty assessment the ASTC or ODC has the right to an informal conference with the Commissioner or a formal hearing to contest the assessment.
 - (a) Informal conferences are governed by T.C.A. § 68-1-119(b) and (c).
 - (b) A request for a formal hearing must be made in writing and received by the Department within thirty (30) days of the receipt of the notice of assessment or, if an informal conference pursuant to subparagraph (a) was requested, within thirty (30) days of the receipt of the written disposition of the informal conference. Proceedings involving formal contests of civil penalties are subject to the contested case provisions of the Uniform Administrative Procedures Act.
 - (c) Civil penalties for any ASTC or ODC that continues to violate the law during the pendency of the informal conference will continue to accrue until either the violation ends or the maximum civil penalty is reached.
 - (d) Waiver of penalties is governed by T.C.A. § 68-1-119(c). However, the ASTC or ODC must make a request for the waiver in its request for an informal conference pursuant to subparagraph (a) or in its request for a formal hearing pursuant to subparagraph (b)."
- (7) Unless a request for a formal hearing pursuant to subparagraph (6)(b) is timely received, the civil penalties become final and collectable either on the date that the time for requesting an informal conference has expired without a request being filed, or on the date on which the written final disposition of the informal conference is received.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.09 DATA AVAILABILITY.

- (1) If the Commissioner determines that the quality or completeness of the information is not acceptable, he or she has the authority to delay release of any particular data element(s).
- (2) The Department may create reports for public release using any available processed and verified data. It may also provide custom reports, as requested by the public, using any available processed and verified data. Facility specific data reports will not be released to the public based on less than four (4) consecutive quarters of data.
- (3) The State, its agents and the vendors may receive reports of any record necessary, together with any needed patient identifiers, to carry out their contractual duties. This includes any organization contracted with to provide editing, quality control, database management services, or research for the State, or to provide keying of paper claims forms for the vendors. Any such contractual agent must agree in writing to establish and maintain appropriate controls to protect the confidentiality of the data and must agree to return or destroy any data or records at the termination of the contract.
- (4) The Department will make record level data files available for public release and purchase under the following conditions. The fee for a quarter of data for each data system will be two hundred fifty dollars (\$250.00). The fee for a subset of a quarter of data for each data system will be two hundred fifty dollars (\$250.00) The Department maintains a proprietary

(Rule 1200-07-04-.09, continued)

interest in all record level data it sells or distributes and such data are made available solely for use by the purchaser and may not be given or sold to another entity.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.

1200-07-04-.10 CONFIDENTIAL INFORMATION.

- (1) All information reported to the Commissioner under this part is confidential until processed and verified by the Department.
- (2) The Commissioner may use or authorize use of this data, including the personal identifiers, for purposes that are necessary to provide for or protect the health of the population and as permitted by law. In no event may personal identifiers be released to the public.
- (3) Information regarding the name of an employer will not be released to the public. Information about any employer may be released to the employer identified in the data record. A facility may receive information regarding the name of an employer for its claims only.
- (4) The data may be released pursuant to the provisions of 45 C.F. R. § 164.514 (b) or (e). However, any data released to the public, in addition to those items required by law to be deleted, will also not contain any of the following:
 - (a) Any patient's address city;
 - (b) An insured's address city;
 - (c) The month and day of all dates;
 - (d) Any numbers after the first three numbers of all zip codes for areas having a population under 20,000;
 - (e) Any numbers after the first five numbers of all zip codes for areas having a population 20,000 or more;
 - (f) The year of birth and the actual age of any person over eighty nine (89) years of age; and
 - (g) Information that reasonably could be expected to reveal the identity of a patient, including those items contained in 45 C.F.R. § 164.514 (a) and (b)(2)(i).
- (5) Any agency of the State of Tennessee seeking confidential ASTC or ODC claims data or reports containing such confidential information, must agree in writing to follow all confidentiality restrictions of the Department concerning use of this data. The agency must also agree in writing to release no record level information to any other entity, and shall forward all such requests for record level information to the Department.

Authority: T.C.A. §§ 68-1-103 and 68-1-119. **Administrative History:** Original rule filed January 27, 2005; effective April 12, 2005. Repeal and new rule filed January 29, 2013; effective June 30, 2013.