

FAQ: [Administrative Simplification Final Rule](#)

## 1. What is this rule about?

This rule requires the health care system and providers to move away from faxing, mailing, or uploading documents separately when insurers ask for more information about a claim. Instead, it creates a standard way to send medical records electronically along with claims including required documentation like clinical notes or reports.

## 2. Why does this matter?

Right now, when insurers need more information:

- Providers often send documents by fax, mail, or portals
- Each payer has different requirements
- This creates delays, denials, and administrative burden

This rule aims to:

- Reduce paperwork and manual processes
- Speed up claim decisions and payments
- Improve consistency across payers

## 3. Who is impacted?

The rule applies to HIPAA “covered entities,” including:

- Health care providers (including psychiatrists)
- Health plans (insurance companies)
- Clearinghouses

For psychiatrists specifically:

- Any psychiatrist who submits electronic claims is affected
- Solo practices, group practices, and health systems are all included

## 4. What exactly is changing for psychiatrists?

When a payer asks for more information about a claim (e.g., documentation to support medical necessity):

Today:

- You fax/upload/send records separately

Under the rule:

- You (or your EHR/vendor) will send that information using a standard electronic format tied directly to the claim

Key point:

- This applies to claims only (not prior authorization)

## 5. What is an “attachment”?

An “attachment” is:

- Any extra documentation needed to process a claim
- Example: progress notes, evaluations, test results

It must be:

- Information not already included in the claim itself

## **6. What about prior authorization?**

- This rule does NOT apply to prior authorization attachments
- HHS decided to delay that piece due to industry concerns and evolving standards

## **7. What is the timeline?**

- Rule published: March 2026
- Effective date: ~60 days after publication
- Compliance deadline: May 26, 2028

## **8. What do psychiatrists need to do?**

Most psychiatrists will not implement this alone. Your EHR/vendor will play a major role.

Key actions:

- Talk to your EHR/practice management vendor about readiness
- Ensure your systems can:
  - Send documentation electronically with claims
  - Use the new standardized formats
- Train staff on new workflows for responding to payer requests

## **9. Will this increase workload?**

Short-term:

- Some setup, training, and workflow changes

Long-term:

- Less faxing and manual work
- Faster claim processing
- Fewer back-and-forth requests

The rule is designed to reduce administrative burden overall

## **10. What happens if you don't comply?**

- HIPAA transaction standards are mandatory
- Non-compliance could lead to:
  - Claim processing issues
  - Potential penalties under HIPAA enforcement