

Adopted Transaction Standards, Operating Rules, and Code Sets & Identifiers **CLAIM STATUS INQUIRY & RESPONSE (PANEL 6) Cooperative Exchange Testimony Department of Health and Human Services** National Committee on Vital and Health Statistics Subcommittee on Standards **Presented by Sherry Wilson, President** 

June 17, 2015

## **Cooperative Exchange**

National Association of Clearinghouses

- Twenty six member companies representing over 80% of the clearinghouse industry
- Exchange BOTH administrative and clinical transactions (format agonistic)
- Submitting provider organizations over 750,000
- Payer connections over 7,000
- IT vendor connections- over 1,000
- Claims transactions over 4 plus billion annually
- Value of transactions –over \$1.1 Trillion



## 2015 WEDI/CE Clearinghouse Transaction Survey

Percentage of Clearinghouse Support	Support Transaction
Professional Claims	100%
Institutional Claims	100%
Dental Claims	82%
Eligibility Benefit Inquiry and Response	88%
Claims Status Request and Response	94%
Health Care Services Request for Review and Response (Prior Auth/Referral)	40%
Claim Payment Advice (ERA)	100%
Premium Payment	21%
Benefit Enrollment	21%
Claims Request for Additional Information	40%
Additional Information to Support a Health Care Claim	56%

NCVHS Testimony based on 2015 WEDI / CE Clearinghouse Transaction Survey results <u>representing 2/3<sup>rd</sup> of the membership</u>



# **CLAIM STATUS INQUIRY & RESPONSE (PANEL 6)**

#### Value

- The WEDI/Cooperative Exchange surveys both showed significant variability in the use of the transaction which creates a barrier to automated processing and return on investment.
- The transaction value can be enhanced by stakeholders complying with response timelines, adoption of acknowledgments, and improved specificity of codes explanations to mitigate phone communication.

#### Volume

- Moderate to extreme variability in the usage of claim status transactions and operating rules.
- The Cooperative Exchange recommends that further research be conducted to determine the actual usage and adoption of the Claims Status Transaction.

### **Barriers**

- The quality of the claim status response is not granular enough to stop a provider from picking up the phone or simply just resubmitting the claim.
- Many payers continue to offer more complete responses on their web portals or IVRs than can be carried on the ASC X12 277 Claims Status Response, or not providing the information on the transaction.
- Some payers that have not mapped their claim status rejection/pending proprietary
  codes to the most detailed standard codes do not provide the detail information to
  assist the provider in identifying the current status of the claim.



# **CLAIM STATUS INQUIRY RESPONSE (PANEL 6)**

## **Barriers** (cont.)

- Lack of a transaction audit trail results in delay and or duplicate communications between the payer and provider.
- Also, the lack of an audit trail to verify that communications were received and or sent results in manual communication processes which impedes the goal of workflow automation.

### **Opportunities/Recommendations**

- From the onset of claim EDI, many stakeholders have adopted the unsolicited ASCX12 277CA Health Care Claim Acknowledgment transaction to provide file status reporting from their clearinghouses/payers and or vendors.
  - These reports have been built into many PMS and provider workflows.
  - These reports enable the providers to facilitate workflow automation and eliminate the need to request status since these reports are delivered each day.
  - The 277CA also provides an electronic audit trail reducing phone calls and duplicate claims submissions.



# **CLAIM STATUS INQUIRY RESPONSE (PANEL 6)**

#### **Opportunities/Recommendations**

- The Cooperative Exchange urges NCVHS to recommend to HHS that further research be completed to confirm that the next HIPAA version will remove the identified industry barriers and provide ROI before adoption.
- We further recommend that NCVHS work with WEDI and other standards organization to determine the use of the 277CA as an alternative to the ACSX12 271/277 real time transaction based on identified business scenarios.
- Study a staggered approach to adopting each standard transaction individually based on the return on investment and business needs brought to the industry.



## **Cooperative Exchange**

## **Thank You**

Contact Information: Sherry Wilson, President, Cooperative Exchange sherry\_wilson@jopari.com

Tim McMullen, JD, Exec. Director tim@cooperativeexchange.org

