



# **NCVHS TESTIMONY -CLAIM**

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# Background

Xerox is an Employer group and also has many other roles in the healthcare industry.

- Medicaid MMIS vendor
- Commercial Clearinghouse
- Data capture centers
- Call centers and support centers
- And last but not least a document management company.

# Administrative costs/daily workflow

- Electronic claims have been widely used across healthcare for at least 2 decades using industry standards.
- With over 4 Billion Claim transactions processing across the industry we have an established/working claim infrastructure
- The majority of benefit of the electronic claim has already been realized.

## **Does the operating rule meet the industry's business need/use/problem resolution?**

- The proposed Phase IV claim operating rule does not provide any additional overall value to the industry.
- There is no present issue with the processing of claims as over 4 billion claims are processed a year.
- The burden and cost of these rules will be on the payers

# Business Need

- The law “defines operating rules as necessary business rules and guidelines for electronic exchange of information not defined by a standard or its implementation specifications”
- Payers, clearing houses and providers have evolved their own claim infrastructure solutions across the industry voluntarily without major issues being reported.
- The industry has adopted and has established connections and so they do not need companion guide rules, they have established the methods to communicate down time and are already using communications successfully.

# Administrative Costs

- The “Safe Harbor” rules require various communication protocols to be supported ie: .509 digital certifications
- For claims, there are a variety of ways to secure data and .509 would be a high cost to the industry
- Naming a specific certificate will lock the industry into this and not allow fair trade.
- The industry needs to be able to be agile and adapt to the best secure methods as quickly as they desire
- We need to balance the true needs of the industry with ROI that can honestly be achieved

# Claims Operating Rules – Acknowledgments

- Acknowledgements is part of the Phase IV Claim operating rule as it has been for Phase I II and III. While in all of those cases previously the acknowledgement portion of the rules has been taken out and not adopted.
- We support acknowledgements and they are as is the claim happening in the industry in this case voluntarily.

# Claims Operating Rules – Acknowledgments

- We support the 999, 277CA, and 824 transactions and believe they should be added to the HIPAA suite of transactions as well as the ASC X12 Acknowledgement reference model (ARM).
- The Acknowledgement reference model covers the interaction of attachments for all transactions in one Technical Report type 2 (TR2).



# Conclusion

- Critically evaluate the need of proposed rules covering long established transactions— concentrate on where there is a problem and work to fix them.
- If there MUST be rules across these transaction because of the ACA then do no harm and mandate only the companion guide rules.
- Steer clear of mandating security rules such as .509 in the operating rules.
- Keep the industry moving on positive additional rules to the industry like attachment rules.



**QUESTIONS ?**