BlueCross BlueShield Association

An Association of Independent Blue Cross and Blue Shield Plans

TESTIMONY

Before the

NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS

SUBCOMMITTEE ON STANDARDS

ON

PROPOSED HEALTH CLAIM ATTACHMENT STANDARD

Presented by:

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BLUE CROSS BLUE SHIELD ASSOCIATION

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Good morning. My name is Gail Kocher and I am a Director, National Programs, for the Blue Cross Blue Shield Association. BCBSA is a national federation of 36 independent, community-based and locally operated Blue Cross and Blue Shield companies ("Plans") that collectively provide healthcare coverage for nearly 105 million members – one in three Americans – across all 50 states, the District of Columbia and Puerto Rico.

On behalf of BCBSA and its Plans, I would like to thank you for the opportunity to respond to Subcommittee questions and provide our perspective on attachments. While attachments are ultimately a local Plan business decision, our comments provided below in response to your questions reflect a representative view of all Blue Plans.

As we have testified before the Subcommittee previously on attachments, today I would like to summarize a few key points and then focus on one question in particular. First and foremost, we continue to strongly support standardization, which brings value to all stakeholders within our industry. Rules for attachments that automate today's largely manual processes have the potential to generate significant savings for all stakeholders. Further, we support the rules being applied not only to claims transactions, but also to referral and prior authorization, through a staggered implementation approach.

I will briefly address these overarching recommendations to enable the realization of these goals in response to the Subcommittee's questions. :

(1) Build in flexibility allowing mutually agreeing trading partners to use flexible methods to exchange healthcare attachments.
(2) Make standards, protocols and rules for health data exchange fully open and supportive of data portability and interoperability.
(3) Put limits on unsolicited attachments, avoiding unnecessary work in the management and control of unwanted and unnecessary documents.
(4) Plan for extensive provider outreach, encouraging participation that enables fully realizing the value proposition.
(5) Sequence the implementation of operating rules such that finalization of operating rules is after finalization of the transaction standards.
(6) Stagger the implementation of attachments for all other uses after the claim, i.e. the referral and prior authorization (278) transaction and other business purposes, to limit operational overload and facilitate other IT priorities, such as clinical interoperability.

Plans have indicated that the lack of attachment standards creates a barrier to administrative simplification. Implementing attachments creates an opportunity, which meets Plans' needs when additional clinical data is required for prior authorization or claims adjudication. For prior authorizations, the more conversational need to exchange clinical data would benefit from the ability to conduct that exchange electronically. Having the flexibility to exchange the attachment standard via newer business technologies may benefit providers, who often prefer to use portals for prior authorization processes. NCVHS noted in their draft "Review Committee Findings from the June 16 and 17, 2015 NCVHS Hearing on Adopted Standards, Code Sets, Identifiers and Operating Rules letter that "health plans' web portals

have become predominant venues for providing greater level of functionality and information exchange to achieve prior-authorizations." As a support to claims adjudication, attachments via electronic methods will facilitate more timely processing as electronic data can be associated much more efficiently than paper attachments.

In terms of administrative process costs, Plans do believe that adoption rates for electronic prior authorizations might increase when attachment standards are adopted, which has the potential to decrease overall costs. They also indicate that moving from paper to electronic attachments will decrease manual resources needed to scan and process paper attachments into processing systems, freeing up resources for other tasks.

We know that attachment standards can be operationalized. Plans have participated in pilots of earlier versions of the attachment standards and use clinical data standards to exchange some clinical data today.

BCBSA supports the adoption of attachments. We recognize their value in achieving the overall goal of quality and affordable healthcare. Affordability and quality necessitates the exchange of patient information. Plans see attachments as a priority for administrative simplification. We believe attachments should continue to move forward for adoption, even while other HIPAA administrative provisions can and should be pushed out, e.g. Unique Health Plan Identifier, Health Plan Certification. The value of standards and operating rules would be enhanced if the industry developed a timelier and more predictable maintenance cycle. Future predictable cycles would also facilitate the coordination and communication that will be essential to keep standards and operating rules consistent with one another as we move forward.

Given the number of mandates with implementation dates in the next few years, we continue to encourage CMS to consult the National Committee on Vital and Health Statistics to develop a strategic road map for Administrative Simplification provision implementations. This road map should balance all mandates from the ACA, not just Administrative Simplification provisions, along with other ARRA/HITECH mandates, to work towards avoiding bottlenecks and overlapping resource commitments. We would also request that the NCVHS work with industry stakeholders in developing such a road map.

We appreciate the opportunity to testify and I would be happy to answer any questions.