

**National Committee on Vital and Health Statistics
(NCVHS)
Subcommittee on Standards
Hearing on HIPAA and ACA Administrative
Simplification**

Attachment Standards

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Jopari Solutions, Inc.

- Jopari is a national corporation that provides technology solutions as well as connectivity services between medical providers and payers in the Property and Casualty (P&C) and Commercial marketplace.
- Jopari has been processing attachments since 2007 and today is delivering **over 3 million plus attachments a month.**
- Jopari is actively engaged in the following Standard Setting and Professional Organizations, which includes but not limited to, Health Level Seven International (HL7), Healthcare Information and Management Systems Society (HIMSS), Attachment Collaboration Project (ACP), Cooperative Exchange (CE) National Clearinghouse Association, and holds leadership roles within: Accredited Standards Committee (ASCX12), Work Group for Electronic Data Interchange (WEDI), and the International Association of Industrial Accidents Boards and Commissions (IAIABC) which is the international workers' compensation standards organization.



Background – Evolution of Attachment Standards in the Property & Casualty Industry

- P&C requires documentation to support the level of services billed for all claim types with the exception of pharmacy billing.
- States mandate in their regulations and or fee schedule the types of services billed that require an attachment for payment.
- These attachment requirements are part of “Complete Bill (Clean Claim)” rules.
- The identification of attachment types upfront to support a claim mitigates claim rejection on the back end and increases first time complete bill submission.
- Since 2007, the **costly, manual paper claims and attachment processing** has been a **motivating factor** for states to move to adopt HIPAA X12 EDI standards, however attachments standards were rarely used.
- Many of the health care providers, vendors and some payers that are engaged in P&C attachment processing are the same entities submitting /processing X12 transaction sets today for Government and Commercial Carriers.



Background – Evolution of Attachment Standards in the Property & Casualty Industry

In 2008 the International Association of Industrial Accidents Boards and Commissions (IAIABC) established Workers' Compensation Attachment Standards as part of the National Workers' Compensation Electronic Medical Billing and Payment Companion Guide. The intent was to encourage:

- states to adopt the same standards across states to make it easier for provider, payers and vendors sending/receiving/processing claims across states(national standard approach)
- compliance with HIPAA Transactions and Code Set (TCS), as appropriate to allow the same process as group health market, which would increase vendor capability to send/receive these transactions.
- Provider adoption as it would promote one workflow for all lines of business, payers and products.



Background – Evolution of Attachment Standards in the on Property & Casualty Industry

- IAIABC recognized that any standard attachment solution would **need to be flexible** to address the different states' **business requirements** as well as accommodate **low to high tech stakeholders**.
- Since 2008, states that have adopted the IAIABC Attachment Standards **include CA, NC, TX, LA, GA, OR,VA** and **others states are expected to follow**
- Examples of entities processing P&C electronic attachments today includes: Change Health, Availity, ZirMed, SSI, Optum, Passport Health, Athena Health, Practice Insight, and many more



Summary of eBill States' Attachment Rules (IAIABC)

- **Attachment Front End Edits:** Requires the ASCX12/005010 Health Care Claim 837 “PWK segment” be properly annotated based on services being billed. If not, the payer is allowed to reject the claim upfront/Unsolicited attachments (80/20 rule)
- **Missing Documentation:** Requires clean claims missing attachments be “pended” by the payer during pre-adjudication for a specified time period (5 to 7 days). Exception: MN
- **Acknowledgement Requirements:**
 - ASCX12/005010 TA1 Acknowledgment
 - ASC X12C/005010X231A1 Implementation Acknowledgment (999)
 - The payer is to notify the submitter of a “pended” claim status via the ASCX12/005010X214 Health Care Claim Acknowledgment (277CA).
 - When the attachment is, or is not, received within the specified time period, a separate 277CA is required to be sent with the appropriate healthcare claim status message to indicate that the attachment was received and processed for adjudication or was rejected for missing documentation.



Summary of eBill States Attachment Rules (IAIABC)

- **Message Content/Format:**
 - **95% Unsolicited Attachments**
(state/payer and provider predefined attachment requirements to support a claim)
 - **5% Solicited Request for Attachments**
(ASCX12 277 Request for Additional Information)
 - IAIABC working with HL7 to obtain additional report Type External LOINCs
 - **98 % Unstructured Format**
(Allow flexible formats based on Trading Partner Agreements (e.g., PDFs, TIFFs, Objects) to accommodate PMS, EMR or other administrative systems)
 - **2% Structured Format (C-CDA)**
(Lack of consistency in use of the C-CDA across submitters)
- **Routing/Envelope – Transport Methodologies**
 - **10% Envelope** ASC X12N/005010X210 Additional Information to Support Health Care Claim (275)
 - **90% Flexible Transport Methodologies** for Trading Partner Agreements to include secure electronic fax, secure encrypted email, EDI SFTP with PGP encryption based on stakeholder EDI readiness.



Property and Casualty Stakeholder Reported Attachment Return on Investment Over the Past 9 Years

- Saves time and money, expedites claim adjudication process, and results in fewer claim denials
 - Electronic attachment processing with standards-based formatting has resulted in expedited claims adjudication and faster payment cycles
 - PWK01 **Identified Report Type/LOINC**s - has significantly expedited routing for Clinical as well as Administrative processing resulting in **faster payment**.
 - Providers reporting average manual payment cycle, **60 plus days now 8-10 days**
 - Payers and Providers are reporting that electronic attachment exchange over the prior paper process has led to **expedited treatment authorization which impacts patient care**.
(Eligibility is not used in P&C - legal system)



Property and Casualty Stakeholder Reported Attachment Return on Investment Over the Past 9 Years

- Some payers are **reporting 15-30 %** administrative savings due to front end attachment edits (mitigates the cost of claim adjudication and allows increase claim volume/without increase in overhead cost)
- Providers reporting **average increase of 75%** “First Time Clean Claim Submission” by sending electronic attachments using the application of front end edits and faster payment
- Providers reporting an **average 30-50% administrative savings** due to front end attachment edits that are deployed by their agents prior to payer submission to ensure “Clean Claim” processing as well as acknowledgements confirmation



Recommendations

- Flexible Phased in Approach
- Clinical Data Content
 - HL7 Consolidated Clinical Documentation Architecture & Templates (C-CDA R2.1)
 - HL7 Attachment Supplement Specification: Exchange Implementation Guide Release 1
 - HL7 Clinical Documents for Payers Set 1 (Optional)
 - LOINC (subset HIPAA Panel)
- Administrative Standards
 - ASC X12N 277 Health Care Claim Request for Additional Information (Required in Solicited Model)
 - ASC X12N 275 Additional Information to Support a Health Care Claim or Encounter (minimal requirement)
 - ASC X12N 275 Additional Information to Support a Health Care Services Review (minimal requirement)
- ASCX12 Acknowledgement Reference Model (ARM)
- Flexible Transport Methodology with a minimum EDI standard, however allow for other existing and emerging technologies
- Industry Collaborative Education and Outreach Across All Sectors of Industry:



Conclusion

- States are continuing to adopt the IAIABC eBill Model Rule and Companion Guide that include the ASC X12 275 standard transaction within the attachment rules and recognize the need to **align with HIPAA covered entities** as appropriate for the P&C industry to facilitate stakeholder EDI adoption
- We strongly believe in **one EDI workflow** for all payers, lines of business and products to ensure increased adoption by all parties, which will effectively remove unnecessary administrative costs from the healthcare system
- We again encourage NCVHS to also advise HHS that EDI standard transactions must be viewed as an **end to end cycle, not in isolation.**



Thank You

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