

NCVHS Standards and Security Subcommittee

NPI Vendor Panel Testimony

July 31, 2007

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2007-2008 Chair HIMSS AFHET Financial Systems Steering Committee



Introduction



Thank you from the HIMSS AFEHCT
Financial Systems Steering Committee

- Miriam Paramore is today's Committee representative
 - Steering Committee Chair
 - HIMSS Board of Directors member

Today's Testimony

Today's testimony represents real world impressions from clearinghouses and software vendors on:

- 1) NCPDP D.0 Standard
- 2) Moving from ASC X12N 4010A1 to 5010
- 3) Deadline Dates

1) NCPDP D.0 Standard NPI



The Committee does not have substantial comments on this topic as it is not core to the businesses that provided comments.

2) Moving from ASC X12N 4010 to 5010



Supports Moving to 5010

Why 5010?

- Defines situational requirements more precisely than 4010A1 -- removing most of the ambiguity
- Improves interoperability and enforceability of the standards
 - Makes transactions easier to implement in a consistent manner across participants
- Reduces data optionality and supports the privacy "minimum necessary"
- Supports implementation of ICD10
- Supports implementation of the NPI

Supports Moving to 5010

Why 5010 is an improvement ?

834 - Enrollment

- Adds control totals
- Expands the maintenance reason codes
- Adds privacy options for subscribers

820 – Premium Payments

- Provides better premium adjustment functions for plan sponsors
- Adds premium receiver's payment delivery method (check, EFT)

270/271 – Eligibility Inquiry & Response

- Improves response requirements to provide more meaningful/helpful information to health care providers; eliminates simple yes/no responses
- Supports more efficient response reporting when reporting multiple benefits
- Improves provider search options, that will help to eliminate false-negative inquiries

278 – Referrals & Authorizations

- Restructures the transaction to better handle patient service review information
- Aligns service reporting with claims for more consistent cross reporting
- Adds support for dental services, needed specifically for Medicaid

Supports Moving to 5010

Why 5010 is an improvement ?

837 - Claims

- Improves instructions for COB reporting and balancing
- Adds COB crosswalk and examples
- Aligns subscriber/patient hierarchy to be consistent with 270/271 reporting
- Improves rules and instructions for reporting provider roles
- Supports ICD10

276/277 – Claims Status Inquiry & Response

- Adds ability to inquire on pharmacy claims

835 – Claim Payment

- Adds a place for health plans to report Health Care Medical Policy via URL
- Improves rules to eliminate options
- Provides better guidance on reporting adjustments
- Resolves several of the industry problems that are preventing many from implementing automatic posting to Accounts Receivables

3) Deadline Dates



Industry Deadline for Compliance

Industry History

- “Everyone waits until the last minute”
- Proposed Rule vs. Final Rule: 3 Key Issues with a 2 Year Deadline Date
 - Not enough time for:
 - vendors to analyze, code, and test system for implementing changes
 - vendors to deploy changes to their massive customer base
 - for vendor customers to test the new systems after delivery

Bottom Line two years is typically not long enough to adequately prepare for compliance

- Proposed Rule vs. Final Rule – Other Significant Issues:
 - Most wait for final rule to begin any system changes
 - Significant differences have occurred in the past between the two rules
- Federal government programs (CMS) are not ready by deadline date
 - As a result, federal government leadership is not as strong as it could be
- Past efforts were not successful due to overall unrealistic deadline dates
 - *Not enough time allowed to make required changes to achieve deadline dates*

Industry Deadline for Compliance

Industry Experience – In conclusion

- Simply designating new compliance deadline dates will not change current industry cycle
- Two years is typically not long enough to adequately prepare for compliance
- Regardless of any decision on compliance deadline dates – any deadlines must be endorsed and inline with CMS capabilities to meet them
- If compliance dates are not sequenced appropriately, the industry will fail again

Industry Deadline for Compliance

Recommendation to Break this Historic Cycle

**Convene a Summit of Industry Stakeholders
(A Project Management Meeting for Cooperative Compliance)**

*Hold this Summit Project Management Meeting
to provide feedback into the final rule*

Industry Deadline for Compliance

Summit Participants:

- “Project Management Meeting” of all key stakeholders
 - Representing CMS, Medicaid programs, clearinghouses, large providers, systems and software vendors, payers, etc
 - Ensure CMS involvement and commitment in the overall planning process and in the establishment of deadline dates
 - Include CMS operations staff
 - Obtain CMS’ commitment to implement according to the final recommendation -- absolutely critical for the plan to succeed
 - Include industry segments not typically represented such as small physician practice management system vendors

Industry Deadline for Compliance

Summit Purpose:

- Identify realistic industry compliance dates achievable by the industry stakeholders
 - Allow time for gap analyses to evaluate current systems, workflow, and operations with new rule requirements to ensure that required steps are identified and that compliance will be achieved
- Identify and clearly link the activities and dependencies with key milestones required to achieve these realistic compliance dates
 - Identify the sequence of activities along with associated stakeholder's responsibility
 - » Example: Payers and clearinghouses who receive transactions may be first group of stakeholder that should reach compliance so other stakeholders can ensure there is someone to receive the transaction when their systems are in compliance and ready for testing and implementation
 - Align or stagger compliance dates to conform with realistic project plan

Industry Deadline for Compliance

Summit Purpose - *Continued*:

- **Additional Key Points to include:**

- Ensure there is adequate time to analyze, code, and test software
- Ensure software developers have time for beta testing with trading partners
- Ensure there is time to roll out software from vendors to stakeholders
- Ensure providers and payers have time to test internally
- Ensure there is adequate time to test externally with trading partners
- Ensure there is adequate time to test the transaction once software is in place

- **Pilot Testing** – *Prior to Deadline Date*

- Pull key stakeholders together for an initial pilot for industry demonstration and guidance that includes CMS and other critical stakeholders – ***mini connect-athon for 5010 – ‘IHE like’***

HIMSS AFEHCT

- ***Has no comment on NCPDP D.0 Standard***
- ***Supports moving to 5010, which is an improvement over 4010A1***
- ***Urges that compliance deadline dates be realistic***

Thank you



Thank you for letting us participate
in today's panel testimony

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