



## Operating Rules Response

The National Medicaid EDI Healthcare (NMEH) Workgroup supports reduction of administrative burden and complexity in the healthcare payment system. The NMEH recognizes the value that adopting operating rules will have in enhancing the existing standards for information exchange. Specific facts impacting the NMEH's recommendation are:

- State Medicaid programs are experiencing financial strain due to the current economic conditions and increased enrollment in the programs.
- The Patient Protection and Affordable Care Act (PPACA) includes a multitude of requirements for which Medicaid programs need to comply. Resources available for Medicaid programs, both employees and contractors, are becoming increasingly scarce.
- State Medicaid programs' Medicaid Management Information Systems (MMIS) vary in size, complexity, and age. Significant federal and state dollars are required to upgrade these systems.
- Many state Medicaid programs are in the process of replacing existing legacy systems as an integral strategy for ICD-10 compliance by October 1, 2013. Adjusting schedules to meet a January 1, 2013 for the eligibility and claim operating rules for these implementations is at best improbable, and in many cases, impossible. These Medicaid programs will be required to spend significant state and federal tax dollars to upgrade legacy systems for little to no return on investment.

The NMEH appreciates the phased approach for operating rules in PPACA. This approach minimizes the system stresses placed on most Medicaid programs. The NMEH recommends that HHS publish proposed rules on the operating rules in future phases as soon as possible to allow the industry more time for implementation.