



Designated Standard Maintenance Organizations

**Report to the
National Committee on Vital and Health Statistics
June 20, 2012**

On behalf of the members of the Designated Standards Maintenance Organizations (DSMO) we would like to thank the National Committee on Vital and Health Statistics (NCVHS) for the opportunity to present our 2011 Annual Report on the changes, challenges, and opportunities affecting the HIPAA Transaction Standards. The 2011 report is for the period January 2011 through December 2011.

As you know the DSMO includes three ANSI Accredited standard development organizations - ASC X12, HL7 International, and NCPDP; as well as three non-ANSI Accredited data content organizations - the ADA's DeCC, NUBC, and NUCC. Collectively the DSMO reviews change requests to the HIPAA designated standards and for new standards and code sets to be adopted. A change request can be made by anyone. All they need to do is complete the change request form found on the HIPAA-DSMO website. Each organization can opt-in to review the change request and discuss the merits of the request within their organization. Normally each organization has 90 days to review change requests; however, there is an opportunity to request a 45-day extension if any organization requires additional time. Once the organizations complete the review, we collectively meet to discuss the action that each organization has made toward the change request. As the DSMO review each of the responses, a final DSMO recommendation and response is made and then published on the DSMO website.

For the period January 2011 through December 2011 there were 40 change requests that were entered. Seven were withdrawn by the submitter, one was withdrawn by the web administrator because it was not a valid DSMO request, and 32 were subsequently reviewed by the DSMO. Of the 32 change requests reviewed by the DSMO, ten were approved for adoption. Two of the approved change requests pertain to more than one HIPAA transaction standard, one pertains to the professional claim, six pertain to the payment of a health care claim and one pertains to the health care eligibility request and response. The attached report provides details on each of the approved change requests.

Other Discussions and Challenges

During the past year the DSMO continued to discuss provisions of the health reform legislation (Affordable Care Act), particularly the provisions in the Administrative Simplification sections calling for the creation of "Operating Rules" for the HIPAA transaction standards. At the April 27, 2011 NCVHS Subcommittee on Standards meeting, the DSMO reviewed the current process for industry-requested changes. At the November 18, 2011 NCVHS Subcommittee on Standards meeting, the DSMO provided ideas on improvements that could be made to the current process to make it more efficient. As a result, we were presented with four problem statements to which the DSMO provided recommendations and

other observations with recommendations to the NCVHS. One of the problems noted was the industry was unclear about how changes are requested. The DSMO developed an educational presentation which is on the DSMO web-site that provides the industry with valuable information on the DSMO process and the HIPAA regulatory process. The DSMO also began discussion on how to implement some of the recommendations of streamlining the change request processing. The DSMO plans to continue this work during the upcoming year.

In addition, in February 2010, the DSMO made a recommendation to adopt standards for acknowledgement transactions. During the April 2011 hearing, virtually all testifiers were supportive of a mandate for acknowledgment standards because of the time and cost saving benefits associated with their use. In the September 2011 letter to the Secretary, NCVHS recommended the adoption of the ASC X12 TA1, 999 and 277CA Acknowledgment Transactions as standard transactions. To date, no activity has occurred nor has it appeared on the HHS regulation schedule. The DSMO recommends that NCVHS submit another letter to the Secretary calling for immediate action for the adoption of the acknowledgement standards.

Thank you for the opportunity to submit our 2011 annual report.