

**Statement of Jordan Firfer**  
**Florida Blue**  
**to the**  
**National Committee on Vital and Health Statistics'**  
**Subcommittee on Standards**  
**Regarding the Implementation of HIPAA 5010**  
**June 20, 2012**

**Overview and Introduction:**

Good Morning, My name is Jordan Firfer and I am the Director of Provider Connectivity Services for Florida Blue with primary responsibility for managing and monitoring the efficient and effective processing of provider standard electronic transactions to ensure business continuity. Florida Blue is the largest health Plan in the state of Florida with approximately 102 million members with 24 million included in national accounts.

Florida Blue began planning for the 5010 implementation along with the rest of the industry early and understood the need to be successful in the implementation of 5010 by the January 1, 2012 date; certain steps had to be taken with both internal and external stakeholders. These included a controlled migration, collaboration and continuity.

**Controlled Migration:**

Florida Blue implemented a production validation process (PVP) in April 2011 with select vendors and providers. The PVP process by definition was a controlled migration into the HIPAA 5010 production environment to provide an industry-wide end-to-end test. This was accomplished by:

- Identifying the top submitters (clearinghouses and direct submitters) that provide 80% of our transaction volume
- Scheduled two or more controlled HIPAA 5010 submissions for the identified submitters “flash cuts”
  - Provider submitted a 5010 file with 500 to 1500 5010 transactions and;
  - Provider reverted back to 4010 format during analysis of the 5010 submission
- Florida Blue, the submitters and respective providers monitored and analyzed the process results
- Submitters were moved to a full 5010 production submission following the successful processing of controlled files. Success was defined as limited to no business impact to internal and external parties (“industry-wide”).

### **Business Continuity Monitoring:**

The Production Validation Process allowed Florida Blue to collaborate with submitters/providers to ensure the efficient and effective processing of their 5010 transactions; while providing reasonable assurance of business continuity (including revenue management, operational efficiency, reporting effectiveness and compliance). Florida Blue implemented Business Continuity Monitoring Program by first establishing a cross functional team that monitored the 5010 submissions and results.

The cross-functional team would:

- Identify systemic and operational issues caused by the 5010 transactions
  - Monitoring provider specific error rates and volumes
- Assess the business disruption rating of the identified issue using a consistent risk methodology. The assessment included the following:
  - Frequency of the event,
  - Business Impact, and
  - Current remediation effectiveness;
- Worked collaboratively with internal and external partner to identify remediation.
- Monitored and managed the issue remediation; and,
- Communicated significant issues and remediation to all impacted parties (internal and external).

### **Collaboration:**

Florida Blue understood the need to engage and collaborate with both internal and external stakeholders to experience a successful HIPAA 5010 implementation. We conducted provider/vendor outreach on the implementation through various channels:

- Hosted weekly “Open Line Friday” calls with external participants including large and small practices and vendors to communicate our implementation status as well as a resource of information sharing on emerging issues.
- Hosted “internal 5010 Thursday” calls to keep the front line staff and provider advocates up to date on the implementation status.
- Established a public mailbox for all questions and comments related to Florida Blue and HIPAA 5010.
- Continuous submitter, vendor, clearinghouse and provider outreach to determine their HIPAA 5010 readiness.

As a result of the calls we were able to address and mitigate the concerns from our customers. A few of the concerns included:

- P.O Box issue for billing and rendering provider;
- Impact of Errata in the midst of the implementation ;
- Redundant data; and,
- Florida Blue processing challenges due to automated business rule.

### **Challenges:**

Along with the successes noted above we were not without our challenges both externally and internally. The challenges we faced were similar to what my fellow panel members have or will indicate.

- Providers and vendors were slow to accept the production testing concept due to operational risk.
- Limited ability to test a sufficient volumes of relevant electronic transactions in a “production-like” test environment from End to End to:
  - Identify “unknown” issues; and,
  - Validate the effectiveness and efficiency of the system and business processes.
- Providers were not ready and some were not aware of 5010
- Other mandates, such as “meaningful use”, were negatively impacting resource availability to finish 5010
- Vendors and payers were out of sync for testing efforts due to the issuance of the Errata October

### **Results:**

As of the original mandate of January 1, 2012 Florida Blue successfully received:

- 84% of claims volume in the 837 5010 format;
- 74% of Eligibility and Benefits in 270/271 5010 format;
- 58% of Claim status in 276/277 5010 format; and,

***As of today, we receive nearly 100% of all electronic transactions in HIPAA 5010 format; while retain efficient and effective business processes and reporting, both internally and externally.***

### **Lessons Learned:**

From the Florida Blue (a payer) perspective, the key elements for a successful industry mandate implementation are:

- Industry stakeholder collaboration (including but not limited to providers, practice management and billing systems, clearinghouses and payers);
- Continuous monitoring and management of business continuity;
- Ability to operate in dual mode both pre- and post-implementation; and,
- Constant communication between all industry stakeholders.

### **Closing**

I want to thank you for the opportunity to provide one Payer’s perspective on the lessons learned with the implementation of HIPAA 5010.