



NCVHS Panel 7

# ACA Health Plan Compliance Certification – Initial Ideas



Testing Issues

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WEDI Statement

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## Workgroup for Electronic Data Interchange

### CORE PURPOSE

*Improve the administrative efficiency, quality and cost effectiveness of healthcare through ... electronic record-keeping, and information exchange and management.*

- Envisioned by HHS Secretary Sullivan
- Established 1991
- Named under HIPAA
- Board comprised of industry cross section
- Web site: [www.wedi.org](http://www.wedi.org)



# Certification Objective

## What are we trying to accomplish?

- **Needs clear definition**
  - Readiness?
  - Interpretation?
  - Internal/business processing?
  - Trading partner issues?
- **Must provide ROI**
  - Focus on critical root issues
  - Avoid re-testing

# Health Plan Identifier

## The HPID rule must be considered

- **“Health plans” must certify**
  - Clarify definition of health plan
  - Will other entities be included?
  - Will some health plans be excluded?
- **How will enumeration relate to certification requirements?**
  - Sub plans
  - Fully insured plans

# Depth and Format

**The effort will depend heavily on what certification implies and what documentation is specified**

- **Attestation**
- **Sample EDI reports**
- **Validation tool**
- **Robust testing**

**The sheer number of providers makes it not feasible to test individually**

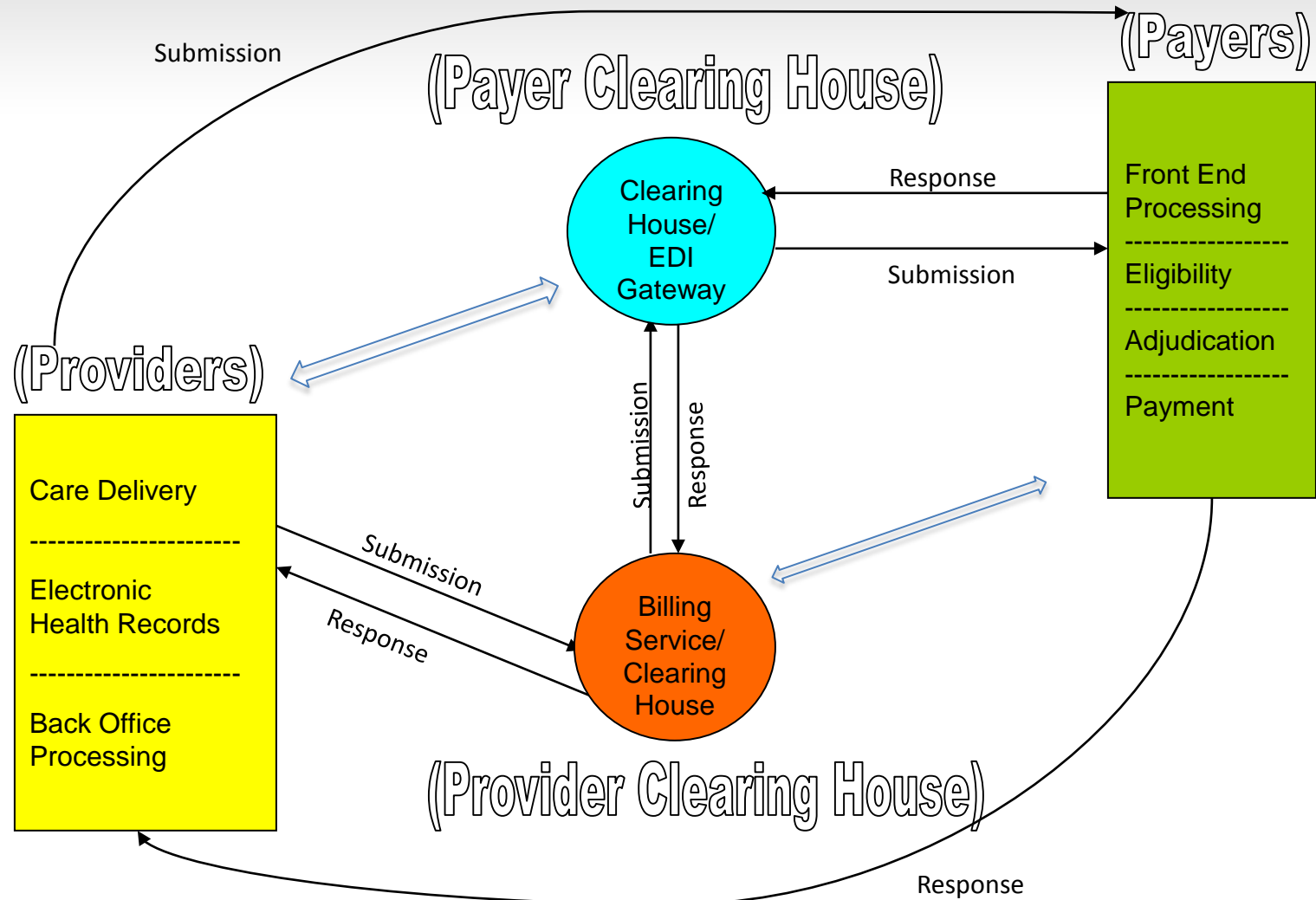
# Clarifying End to End

**What does end to end testing with trading partners imply?**

- **Testing from provider source to health plan?**
- **Testing of internal usage of data?**
- **Testing of 'round trip'?**

**Data synchronization and trading partner coordination requires significant effort**

# Typical Transaction Flows



# Challenges

**The following must be considered:**

- **Federal health plans**
- **Third party administrators**
- **Resources / dollars including trading partner / provider impacts**
- **Control over who agrees to test**
- **Multiple lines of business**
- **Testing isn't production**
- **Point in time only**



# Health Plan Only Certification

## Applying this requirement only to health plans has limitations and issues

- **Doesn't assure transaction flow**
- **May exclude critical parties**
- **Might complicate attestation**
- **Could cause transaction rejections due to strict interpretation**
- **May be dependent on entities outside the health plan**

# Return On Investment

## Certification adds administrative cost

- **Cost must be offset by benefit**
  - Health plans
  - Trading partners
  - Providers
  - HHS
- **Documentation must be minimal volume and maximum readability**
- **Must avoid replication**
- **Must focus on most critical issues**

# Other Considerations

## **Certification is just one tool**

- **Pilot testing would help**
- **Acknowledgements will help**
- **Market pressures force compliance**

**Web should be excluded**

# Audits

## Audits add to administrative expense

- **Consider the overhead**
- **On site versus third party evidence**
- **No new requirements**
- **Focus on remediation**

# Conclusion

**WEDI supports the need to assure timely and effective implementation of standards and operating rules**

- **Must clarify objective**
- **Must consider cost versus benefit**
- **Must add value, be easy to understand and to follow**
- **Must consider impact to others**
- **Must consider future**

**THANK YOU**