5010/D.0 and 3.0 – Issues, Approaches to Solutions and Lessons Learned

Testimony to National Committee on Vital and Health Statistics Subcommittee on Standards

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Introduction

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Emdeon is a leading provider of revenue and payment cycle management and clinical information exchange solutions. Building on more than 25 years of government and commercial service, Emdeon provides powerful financial, administrative and clinical communication solutions that connect payers, providers and patients to improve healthcare efficiency. Emdeon processes over 5 billion healthcare transactions each year, and our industry-leading network connects 500,000 providers, 81,000 dentists, 60,000 pharmacies, 5,000 hospitals and 1,200 government and commercial payers.

Introduction

Tim McMullen, JD, CAE, Executive Director of the Cooperative Exchange

The Cooperative Exchange is the recognized resource and representative of the clearinghouse industry for the media, governmental bodies and other outside interested parties.

Clearinghouse members include: ACS EDI Gateway; Availity; Capario; ClaimLogic; Claimsnet; eProvider Solutions; Gateway EDI; GE Healthcare; GHN-Online; Health-e-Web; HDM Corp.; Jopari Solutions; RealMed; Office Ally; OptumInsight; SecureEDI; Siemens HDX; The SSI Group.

In 2010, Cooperative Exchange members submitted 1,219,971,981 unique claims, from over 686,200 provider organizations, representing $1,049,343,368,882.

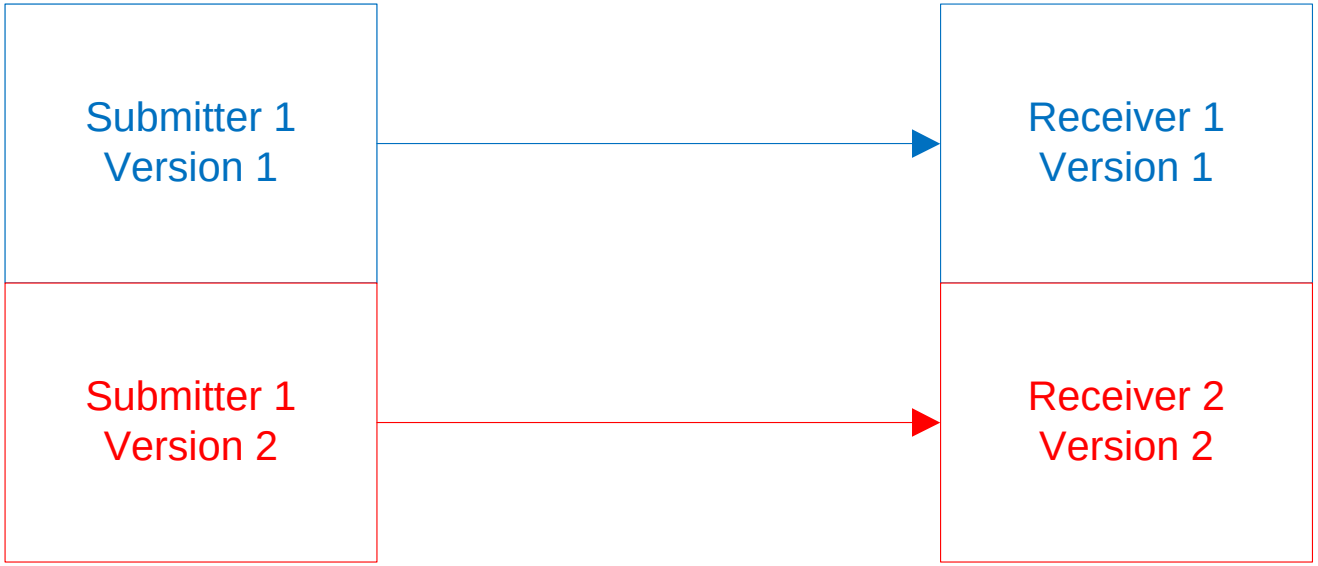
Agenda

- Need for Transition Period
- One Thing at a time
- Policy Changes
- Acknowledgments
- Issues with MACs
- Industry Calls

Need for Transition Period

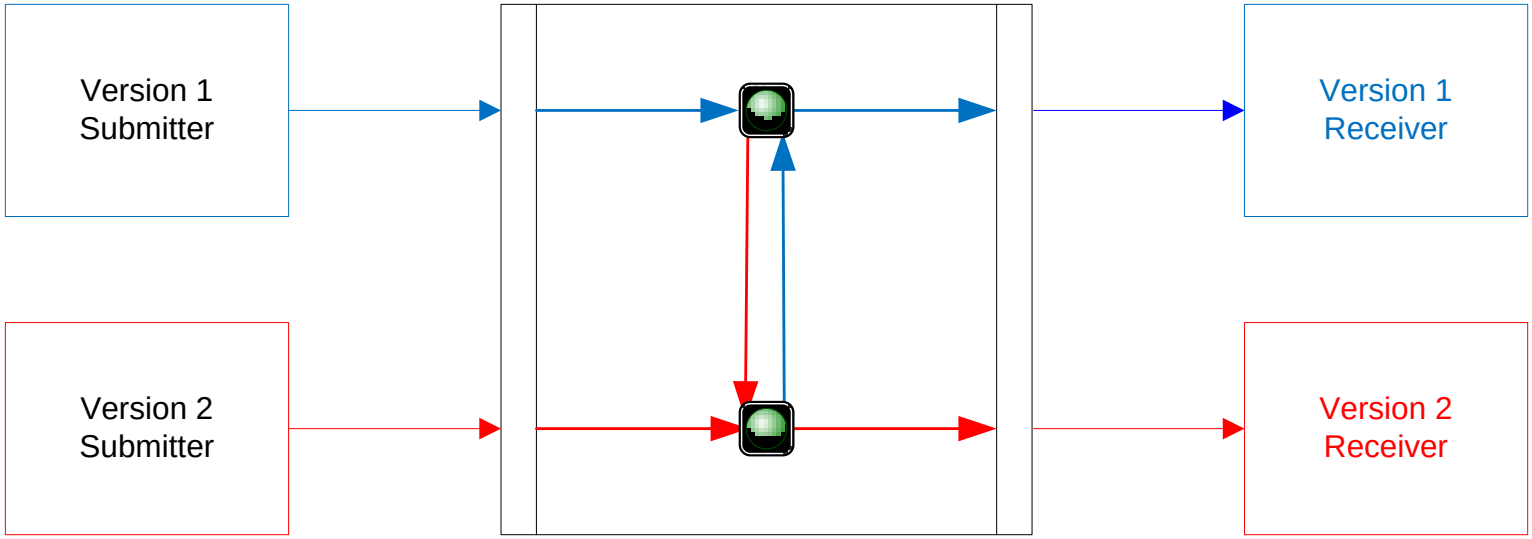
- Asynchronous implementation
  - Large providers and health plans ready early
  - Smaller providers rely on vendors and are often late in the game
- Difficulties
  - New, modified or deleted elements/codes
- Clearinghouses account for ~50% of the healthcare transactions
  - Challenges with upward/downward compatibility

Direct Submission/Dual Path



- Both submitter and receiver keep both versions running
- Submitter must know which version the receiver is on

Intermediary Submission



- Submitter sends only one version – old or new
- Clearinghouse up/down converts based on health plan
- Health Plan receives only one version – old or new
- Allows for asynchronous implementation

Recommendation

- Allow for a staggered approach
- SDO's consider date driven changes to help with the transition
  - New content/codes would state "required on or after the compliance date of this TR3 when…"
  - Deleted content/codes "required prior to the compliance date of this TR3, if not required do not send"
- Translator products should build the edits using the dates to avoid early rejections
- This concept is under consideration with ASC X12N Management

One thing at a time

- Formatting – ensure that the files are syntactically correct and that content is placed in the transaction according to the implementation guidelines.
- Content – based on business needs, ensure that new content and codes are supported in the application systems and placed according to the implementation guidelines.
- Edits/Logic - as the industry moved closer to the compliance date, trading partners began to enforce rules to align with the requirements outlined in the implementation guidelines. In many cases, edits were based on business needs rather than strict enforcement.

Recommendation

- Establish milestones for new initiatives that allow the industry to stagger the implementation over a transition period focusing on one piece of the project at time.
  - Focus first on syntax – did you get it right
  - Next focus on rules for existing content – experience shows not all products are equal
  - Finally focus on the new content when business use is applicable – not all content is needed by all users

Policy Changes

- Policy Changes happen between versions
- NPI and Privacy regulations came out between 4010 and 5010 but TR3's were not modified to support the regulations
- State regulations occur on a different schedule requiring work-arounds in some cases
- Health Plan policies change over time to support their customer needs

Recommendation

- Update implementation guides at the same time as the policy changes whenever possible
- Avoid confusion on whether to follow policy change or the implementation guide
- About to see this again with HPID

Acknowledgments

- 999 and 277CA Acknowledgments were new with 5010
- Need to become part of the testing cycle for change
- Vendors were not consistent in the way the implemented
- Inconsistent use of 999 vs. 277CA

Recommendation

- Adopt a standard approach to acknowledgments
- Consider translator products in the certification rule
- Provide guidance on the need for including testing of the acknowledgements as part of any transactions implementation

Testing Day/Week

- Provided important feedback.
- Required tremendous amount of prep time to get ready:
  - Provider approval (two weeks)
  - Added to staff duties
  - On top of current testing schedule
- No true end-to-end Testing with payers.
- Recommendation:
  - Longer testing window needed

Issues with MACs

- There were inconsistencies with MAC's:
  - Some accepting dual versions of 4010/5010, some not;
  - Some accepting only 4010 or 5010;
  - Different acceptance date;
- Inconsistent enrollment requirements:
  - PTAN number.

Recommendation

- Medicare Fee-for-Service should do more to manage the MACs.
- CMS/OESS and the Central Medicaid Office should do more to manage the state Medicaid agencies and more quickly address issues that were identified with the states and hold them accountable for non-compliance.
- Establishing better communications with trading partners in providing their acknowledgement of the issue, timeline for resolution as well as any interim work-arounds if available until the issue is resolved.
- Clearinghouses are willing to work on a manageable escalation process.

Medicare Fee-for-Service Industry Calls

- Q&A not transcribed
- Q&A not made available

Thank you