



Testimony of

The Healthcare Billing and Management Association

“The State of Development and Implementation of Operating Rules”

Before

The National Committee on Vital and Health Statistics (NCVHS)

Subcommittee on Standards

June 18, 2013

Presented By

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On behalf of

HBMA



Members of the National Committee on Vital and Health Statistics (NCVHS) Subcommittee on Standards, I want to thank you for the opportunity to present testimony today on behalf of The Healthcare Billing and Management Association (HBMA). I am Mary Rita Hyland, Vice President of Regulatory Affairs and Chief Privacy Officer for The SSI Group, Inc. (SSI), the second largest institutional healthcare claims clearinghouse in the country and a Revenue Cycle Software and Data Analytics vendor.

SSI worked with the Council for Affordable Quality Healthcare (CAQH) Committee on Operating Rules (CORE) to develop and refine certification processes for Phase 1 and 2. SSI is an authorized testing vendor for Eligibility and Claim Status and we are now engaged with CORE in Phase 3 EFT and ERA Operating Rules.

Based on SSI's clearinghouse connections with over 2400 payers, Eligibility is the most widely implemented transaction associated with CORE Operating Rules. Where we see deficiencies is in the lack of compliance with adding co-pays and deductibles. Medicare and Medicaid plans are struggling to meet CORE compliance. We've identified Medicare Contractors (MACs) and Commercial payers who have implemented Eligibility may not consistently provide detailed information on deductibles that are necessary for providers. A good example of missing information is for psychiatric coverage days and deductibles. Some payers provide more information via their websites vs. the transaction. While this may be seen as a violation of the regulatory rules, Providers see it as a necessity to obtain crucial information on deductibles and payments. We have no clear reason why the payers cannot provide the information. This definitely needs further research.

Development of new operating rules to accommodate Health Information Exchanges (HIEs) should be considered to provide guidance, as HIEs did not exist when the eligibility guides were created.

Claim Status operating rules are only now being implemented by MACs and the estimated time of completion of implementation, provided by MACs, is October 2013. Commercial payers are also inconsistent in their progress to implement Claims Status transactions. Of note, some MACs currently provide batch transactions but not real time. The most important element that the MACs must put in place is the https secure connection for real time 276 transactions. We also note that Commercial payers are inconsistent with their development and use of the claim status transactions and real time connectivity.

Planning and preparation for implementation of CORE operating rules for EFT and ERAs is ongoing. Testing is going well. EFT transactions may present challenges if paper is utilized for credit card payment vs. electronic notification of payment. Also there have been questions raised regarding the requirement of use of EFTs by payers but not by providers.



ERA's - 835 transactions are and have been utilized by payers. Over 90% of payers we contract with are utilizing 835's.

Electronic Claims Attachments have been utilized by many payers in the industry for a number of years. There are many variations of the types of attachments utilized, but this presents no real issues for the clearinghouse and the process has worked well to date. What we do not want is for CORE operating rules to limit the use of attachments by establishing requirements that industry partners may not be able to develop or implement.

We would like to emphasize compliance and accountability cannot continue to be ignored in the industry and the realization that the MACs and Medicaid's are the most challenged in their development, implementation, and compliance with the operating rules as well as other regulatory requirements.

HBMA offers our support to NCVHS and HHS in assisting the achievement of these goals and stands ready to assist as needed.

Members of the Subcommittee, thank you for the opportunity to testify today.