



SUBMITTED TO
DEPARTMENT OF HEALTH AND HUMAN SERVICES
NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS
SUBCOMMITTEE ON STANDARDS

February 26, 2015

Presented By: Sherry Wilson
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President, Cooperative Exchange
The National Clearinghouse Association

Members of the Subcommittee, I am Sherry Wilson, President of the Cooperative Exchange (CE), representing the National Clearinghouse Association and Executive Vice President and Chief Compliance Officer, Jopari Solutions. I would like to thank you for the opportunity to present testimony today on behalf of the Cooperative Exchange membership concerning the NCVHS Review Committee Evaluation and Criteria Process.

Background Cooperative Exchange

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

Cooperative Exchange 25 clearinghouse member companies¹, represent over 80% of the clearinghouse industry and process annually over 4 billion plus claims representing \$1,1 trillion, from over 750,000 provider organizations, through more than 7,000 payer connections and 1,000 HIT vendors. Combined with our non-profit members (AMA, ASC X12N and UHIN) and Supporting Organizations (Axiom, BancTec and MEA) the Cooperative Exchange ***truly represent the healthcare industry EDI highway infrastructure*** and maintains hundreds of thousands of highways and the majority of the on and off ramp connections across all lines of healthcare business in this country.

The Cooperative Exchange member clearinghouses support both administrative and clinical industry interoperability by:

- Managing tens of thousands of connection points
- Securely manage and move complex data content including administrative and clinical information
- Receive and submit both real time and batch transactions
- Provide interoperability by normalizing disparate data to industry standards

¹ American Medical Association (AMA), Apex EDI, ASC X12N, Availity, LLC, AXIOM Systems, Inc., BancTec, ClaimRemedi, Emdeon, eProvider Solutions, Dorado Systems, GE Healthcare, Greenway Health, Health-e-Web, Inc., HDM Corp., InstaMed, Jopari Solutions, Inc., Medical Electronic Attachments (MEA), NextGen Healthcare, OfficeAlly, OptumInsight, PassportHealth, PracticeInsight, RelayHealth, Secure EDI, Siemens HDX, The SSI Group, Trizetto Provider Solutions, Utah Health Information Exchange (UHIN), WEX, Inc., WorkCompEDI, Xerox EDI Direct, ZirMed ([CLICK HERE](#) for Cooperative Exchange industry resource information.)

- Provide flexible solutions to accommodate the different levels of stakeholder EDI readiness (low tech to high tech)
- Actively participates and provides strong representations across all the national standard organization with many of our members holding leadership positions.

Therefore, we strongly advocate for EDI standardization and compliance within the healthcare industry. We are committed to promote and advance electronic data exchange for the healthcare industry by improving efficiency, advocacy, and education to industry stakeholders and government entities.

The following are the Cooperative Exchange responses to the Review Committee questions regarding recommendations for evaluation criteria for existing and proposed standards and operating rules:

1. What suggestions are there for evaluation criteria?

The Cooperative Exchange finds the existing and potential conflicts between numerous emerging mandates are a major concern, as the industry is challenged with implementation, adoption and value realization of these converging mandates. We applaud the Review Committee’s efforts to reach out to the industry to get input on evaluation criteria to mitigate unnecessary administrative burden due to proposed and or existing mandates that today may not meet industry business needs and or need to be reassessed to ensure industry adoption and proven return on investment.

The Cooperative Exchange recommends the following evaluation criteria for consideration:

- a) Review and prioritize: Existing, competing and emerging priorities
- b) Examine opportunities based on the impact on the converged end to end administrative and clinical workflows.
- c) Provide ROI impact analysis, based on:
 - Is there a business need and if so,
 - Business Impact
 - Technical impact
 - Specific stakeholder impact
 - Testing & implementation requirements
 - Testing and implementation cost
 - Time to ROI
 - Stakeholder and Vendor EDI Readiness
 - Pilot Testing Standards and Operating Rules as applicable
- d) Perform post implementation evaluation as applicable Review current process to be able to make changes and/or corrections in a timely matter to mitigate potential negative industry impact.
- e) Create standard benchmarking metrics to measure outcomes, improve business processes and identify ROI results.

2. Should the Review Committee evaluation criteria be used to evaluate new/proposed standards and operating rules?

Yes, the evaluation criteria should be used to evaluate both existing and new/proposed standards and operating rules. There should be consideration as to what the changes encompass and adjustments to the criteria as applicable (i.e. criteria for implementing for ICD-10 has been different than implementing the standards).

3. Do you have evaluation criteria that can be used to evaluate standards and operating rules?

The Cooperative Exchange itself does not have a formal evaluation process related to standards and operating rules. Our individual members do have their own internal evaluation criteria processes. While the organization may not have formal evaluation criteria to analyze the impact of standards and operation rules, we are able to provide NCVHS with extremely valuable feedback from the clearinghouse industry based on the following:

- a) The Cooperative Exchange membership has strong representation² across all the national standard and professional organizations; we hold leadership roles that enable the organization to have a **diverse view** of industry perspectives and potential impact of standards and or operating rules.
- b) The strength of the Cooperative Exchange stakeholder relationships serves as an effective vehicle to gain industry insight at the **granular level** regarding the potential impact of proposed standards and operating rules on end-to-end automated workflow processes.

4. What process(s) should be used to evaluate standards and operating rules?

The Cooperative Exchange recommends the following processes for consideration:

- a) Upon review of the Cooperative Exchange's and the other testimonies provided today, the Review Committee should host a follow up forum to collaborate with the industry experts to help identify the framework for "Best Practices" evaluation criteria as applicable.
- b) Examine actual utilization of the transactions, code sets and operating rules.
- c) If they are not being used, why and what do we as an industry need to do to change.
- d) Increase the frequency of industry collaboration and communication outreach to broaden stakeholder engagement (educational Webinars, Townhall meetings, LinkedIn type of communication tools to facilitate discussions of specific agenda items, etc.)
- e) Recommend educational forums include broader discussions to focus on end to end workflow automation and discussions that includes the convergence of administrative and clinical/attachment processing.
- f) Pilot testing prior to adopting the Rules with clear criteria for evaluation and ROI.
- g) Need to overcome barrier to pilot testing- who funds it- where does this fit into the scope of the Review Committee and the implementation timeline?
- h) Publish standard industry benchmarks to measure outcomes, improve processes and determine ROI.
- i) Publish clear ROI at the granular level facilitates EDI adoption because it makes good business sense not because it is mandated. To date we are seeing low adoption for the HIPAA transactions outside of claims.

An industry example of benchmarking effectiveness to facilitate EDI adoption has been demonstrated in the property and casualty industry where 10 states have EDI mandates; however the same providers that are engaged in government and commercial claim processing are voluntarily engaged today in EDI across all 50 states due to clear ROI and not due to mandates³.

² The Cooperative Exchange members represent over 80% plus of the clearinghouse industry and processes over 4 Billion plus transactions annually. The Cooperative Exchange membership stakeholders represent providers, payers and the vendor community. The organization has representation across all the Standard Setting Organizations as well as the industry professional associations.

³ Jopari Solutions 5 Year Electronic Medical Billing Case Study White Paper: August 6, 2013
<http://www.jopari.com/category/whitepapers/>

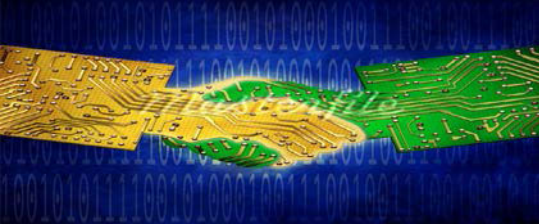
Conclusion:

The Review Committee evaluation criteria and process should be the same criteria used to evaluate both existing and new/proposed standards and operating rules to ensure consistency and alignment across industry stakeholder's business needs as well as regulatory mandates.

Thank you for the opportunity to testify of behalf of the Clearinghouse industry. We look forward to continuing to work collaboratively with NCHVS and respective stakeholders to bring about administrative simplification in the industry.

Respectfully Submitted,

Sherry Wilson, President
Cooperative Exchange,
The National Clearinghouse Association



NCVHS REVIEW COMMITTEE EVALUATION AND CRITERIA PROCESS

Cooperative Exchange Testimony

Department of Health and Human Services

National Committee on Vital and Health Statistics

Subcommittee on Standards

February 26, 2015

Introduction to the Cooperative Exchange

- The Cooperative Exchange Represents
 - 25 Member Companies
 - Over 80% of the clearinghouse industry
 - Over 750,000 Submitting provider organizations
 - Over 4 plus billion annual Claims transactions
 - Over \$1.1 Trillion worth of transactions
 - Over 7,000 Payer connections

BOTH Administrative and Clinical

- The Cooperative Exchange member clearinghouses support both Administrative and Clinical industry interoperability
 - Manages tens of thousands of connection points
 - Securely manages and move complex data content including Administrative and Clinical information
 - Receives and submits both real time and batch transactions
 - Provides interoperability by normalizing disparate data to industry standards
 - Provides flexible solutions to accommodate the different levels of stakeholder EDI readiness (low tech to high tech)
 - Actively participates and provides strong representations across all the national standard organization with many of our members holding leadership positions.

CE Suggestions for Evaluation Criteria

The Cooperative Exchange finds the existing and potential conflicts between numerous emerging mandates a major concern and recommends

1. Review and prioritize: Existing, competing and emerging priorities.
2. Examine opportunities based on the impact on the converged end to end administrative and clinical workflows.
3. Provide ROI impact analysis.
4. Perform post implementation evaluation as applicable Review current process to be able to make changes and/or corrections in a timely matter to mitigate potential negative industry impact.
5. Create standard benchmarking metrics to measure outcomes, improve business processes and identify ROI results.

Should the Review Committee evaluation criteria
be used to evaluate new/proposed standards
and operating rules?

YES!

- Evaluate *both* existing and new/proposed standards and operating rules.
- Consideration as to what the changes encompass and adjustments to the criteria as applicable.

CE Evaluation Criteria

CE evaluation criteria that can be used to evaluate standards and operating rules

- The Cooperative Exchange has no formal evaluation process.
- Individual members have their own internal evaluation criteria processes.
- Members already have strong representation across all national standard and professional organizations.
- Enables **diverse views** of industry perspectives and potential impact of standards and or operating rules.
- Our stakeholder relationships serves as an effective vehicle to gain industry insight at the **granular level** regarding the potential impact of proposed standards and operating rules on end-to-end automated workflow processes.

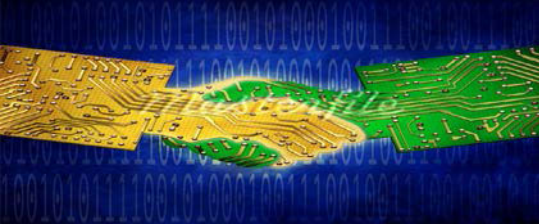
Processes that should be used to evaluate Standards and Operating Rules

The Cooperative Exchange recommends:

1. Review Committee host a follow up forum to collaborate with the industry experts to identify “Best Practices” evaluation criteria as applicable.
2. Examine actual utilization of the transactions, code sets and operating rules.
3. If they are not being used, ask why and what do we as an industry need to do to change.
4. Increase the frequency of industry collaboration and communication outreach to broaden stakeholder engagement
5. Educational forums include broader discussions to focus on end to end workflow automation and discussions that includes the convergence of administrative and clinical/attachment processing.
6. Pilot testing prior to adopting the Rules with clear criteria for evaluation and ROI.
7. Overcome barrier to pilot testing- **WHO FUNDS IT**- where does this fit into the scope of the Review Committee and the implementation timeline?
8. Publish standard industry benchmarks to measure outcomes, improve processes and determine ROI.
9. Publish clear ROI at the granular level facilitates EDI adoption because it makes good business sense not because it is mandated.

CONCLUSION

The Review Committee evaluation criteria and process should be the same criteria used to evaluate both existing and new/proposed standards and operating rules to ensure consistency and alignment across industry stakeholder's business needs as well as regulatory mandates.



Thank You!

Cooperative Exchange

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