National Committee on Vital and Health Statistics

Subcommittee on Standards

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TESTIMONY OF OPTUM 360

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Predictability Roadmap Recommendations

Optum 360 would like to thank the National Committee on Vital and Health Statistics' (NCVHS) Standards Subcommittee for the opportunity to provide our comments on the NCVHS Predictability Roadmap Recommendations. Optum360's mission is to help people live healthier lives and to help make the health system work better for everyone. We combine technology, data and expertise to improve healthcare delivery, quality and efficiency. We create Health IT solutions that streamline operations, administration and revenue cycle management for hospitals and health systems and technologies that strengthen operations and smooth core healthcare transactions by increasing automation and reducing redundancy. Today, we are serving these stakeholders, including consumers at a critical time – as they adapt and chart their future course in a dynamic, fast-changing environment. The timely release of and ability to use updated standard transactions and operating rules that provide room for innovations is crucial to our work.

<u>Grow Industry Leaders</u>

Optum 360 would like to acknowledge the herculean efforts of the volunteers who have led or currently lead the standard and operating rule development, maintenance and the publishing of standards over the past decade that promote machine to machine exchange of information on an established EDI highway. We propose the inclusion of the following two recommendations to the Roadmap recommendations to support these efforts: 1) grow industry leaders that have the ability to maintain and expand this highway into an expressway with multiple onramps; and, 2) fund and incentivize these efforts.

<u>Encourage & Preserve Innovation</u>

The traditional information exchange between healthcare stakeholders, such as payers, providers, employers, formularies and pharmacies is not enough to support the shifting healthcare models that are putting consumers first and moving care toward population health and precision medicine. We live in an exciting time, robotics, artificial intelligence, natural language processing, Blockchain, FHIR, API's and other emerging/information exchange technologies are allowing us to solve for business challenges in

ways never thought possible. The convergence of administrative and clinical information requires us to appreciate the EDI highways we have built as well as rethink information exchange needs within consolidated workflows and the required endpoints.

We would like to underscore the need for HHS, NCVHS and standard-setting bodies to continue to support, encourage and incentivize emerging innovation in the healthcare industry. Since the inception of the standard setting bodies, IT innovation has surpassed our expectations. We all want to make things better, to make a difference and pass the information needed to automate communications/workflows and deliver quality care. Innovation is occurring at an unprecedented pace and is only going to continue to accelerate. The Roadmap and the organizations that support the development of standards and operating rules must remain cognizant that innovation is hard and it requires challenging the status quo. There must be room for, incentive for and a culture to welcome innovators to attend and share proven ideas, concepts within all standard body conversations.

Today we go above and beyond the standard and operating rule machine to machine requirements and pass enhanced actionable patient-specific information that can be read and acted upon by a person, or programmed to be read and responded to within a defined workflow by a machine through the use of natural language processing or one of the many emerging flavors of artificial intelligence. This ability is moving the industry toward true efficiency, replacing the practice staff's phone call or trip to a portal with payer payment on the first claim submission or approval on the first request, cutting out unnecessary administrative expense from the healthcare system, but more importantly increasing timely pricing and care information, so the consumer can make proactive decisions regarding care. We commend the NCVHS Subcommittee on Standards for the release of the Predictability Roadmap recommendations and support enhanced stakeholder education to increase adoption and strengthening compliance while promoting and encouraging innovation of the standards and operating rules as well as other forms of information exchange. The healthcare landscape is rapidly shifting and transitioning, which requires standards and operating rules that support new and revised data exchange requirements. The lens to create, update, and evaluate standard transactions, must shift from a policy-focused to a business-focused perspective.

We would like to provide additional points of view for the Subcommittee to consider on three recommendations: establishment of a floor, creation of a new entity and certification.

Establishment of a floor

- Provide the Standard Development Organizations (SDO) with the authority to publish standards on an annual basis that would automatically be mandated within a standard implementation timeframe, if previously mandated. The standard transactions and any accompanying operating rules should be released at the same time. Those standards/operating rules that are not currently mandated would be brought before NCVHS for consideration.

- The industry currently operates with the mandated standards as a minimum floor. We define a minimum floor as the mandated version of a standard and related operating rule. Today we have the ability to go above and beyond the standard and operating rule requirements, through portals, block chain, API's, proprietary layouts, etc.

- NCVHS and the industry are encouraged to focus on clearly defining business case(s) to support implementation of new and updated standards and/or enhancements prior to mandating. The investment to just meet minimum standards is quite costly and a phenomenal proven business case is needed for entities to exceed the minimum standard / floor.

- Annual SDO & Operating Rule Releases that are able to be used by willing trading partners on a voluntary basis would extend these options, as long as the mandated floor is maintained.

- We would also encourage the standards and operating rules to continue their focus on the metadata content level versus data movement level. Metadata content is comprised of data dictionary and contextual relationship of the data. For example: "a standard is a method of coding data to facilitate Electronic Data Interchange (EDI). It provides: rules of syntax; definition of the data organization; editing rules and conventions; published public documentation (i.e., a standards manual). This provides the standards user with an open system – where trade is possible with anyone who uses the same standard; reduced implementation effort—the implementation of a standard can, itself, be standardized; third-party interfaces software and network applications can be written that address specific business needs and conform to a single standard" (ASC X12 Standards Overview Tutorial Learn About Key e-Commerce Trends and Technologies at Your Own Pace)

- Standards can recognize and leave room for, but should not stifle or constrain innovation. Regulating innovation would slow down and hinder innovation. However, allowing the use of recently released standards would provide a way for innovators to utilize and test future standards, before the remaining industry partners obtain parity when the floor is raised through a mandate.

- We understand annual update of the minimum floor is improbable. Through HHS rulemaking a minimum floor could be raised every 4-5 years, without hindering innovation and working within the HHS rulemaking process

- This process would allow updates that provide a lead significantly in advance of mandated implementation, basically resolve business needs in 2 year for those who find business value on a volunteer basis – test the standards and potential enhancements. We need to remain realistic that healthcare has become a mandate driven industry, even with a 2-3 year volunteer implementation window, most stakeholders will wait till a mandate is put in place to move to the established mandated floor.

Promoting Certification

- In response to the Predictability Roadmap's recommendation to create or build a best-in-class HIPAA compliance tool, there are a number of third party compliance certification/validation testing tools in the market today. Optum would maintain that this effort would be duplicative, time-consuming, and wasteful. Optum, along with a number of other vendors, have spent considerable time, money, and effort to build HIPAA compliant validation tools and capabilities that are already widely used throughout the industry to promote interoperability and compliance among all healthcare trading partners. While these capabilities are built on the core of HIPAA validation (WEDI SNIP Types 1-7) for all mandated ASC X12 transaction sets, the solutions also encompass ICD-10 compliance and 70+ other industry code sets as well as custom

payer-defined rules and edits to increase first pass claim payment rates and ensure the quality of information traded. Many of these industry tools, including the Optum validation products, also have the ability to "certify" transactions for HIPAA compliance, making them invaluable in times of large disruptive regulatory change such as from 4010 to 5010 and in the upcoming 7030 shift.

- Optum360 would recommend that HHS work towards providing an "approved vendor" list for these capabilities as well as increased education, access, and outreach regarding the need for a compliance certification/validation tool, rather than building an internal tool. These tools can also be used to help stakeholders proactively test and prepare for the impact of future changes in standard transactions.

- Word of caution, today many health plans and other payers relax HIPAA transaction and code sets requirements to increase the number of claims received into their systems on the first pass to remove the cost of denials whenever possible. An industry trend is for health plans to provide an advanced notice of reporting change or implementation of a HIPAA front end edit to providers using a 277 suite of standard transactions which will allow providers time to assess business impact (workflow, system changes, financial

- impact, or other impact). Increased education about the need for partner vendor compliance certification/validation tools use and for providers to incorporate these front end edits to increase clean claim submissions is a great step toward industry compliance driving the intended return on investment and efficiencies from the use of standard transactions.

Creation of a New Entity

- We oppose creating a new entity that mirrors existing organizational processes and does not provide a proven value to the industry. In that light, SDO's and operating rule bodies have their own approval process so there is no need for another stamp of approval.

- NCVHS needs to determine if there is an ability to have a third party organization focused on innovation that would not get caught up in politics, but remain focused on: 1) objective decision-making; 2) coordination of the activities of its member organizations; 3) protection of the member organizations shared interests; , 4) provision of resources and identity to the smaller organizations; and, 5) provision of a sense of community and support.

- Before consideration of a new entity, we recommend NCVHS identify the current gaps, redundancies and barriers in the standard and operating approval processes, and examine if existing entities can fill those gaps. Regardless, if a third party independent committee is created, it must maintain a business focus and make sound decisions based on objective analysis.

- Some gaps we identified for consideration include:

  - Prioritization across stakeholders, SDOs and Operating Rule bodies industry business needs.

  - Widely promote harmonization of business use cases across standard transactions/operating rules. Administrative and clinical data are used to solve both administrative and clinical use cases within US, as well as across the globe. Mandating only one way to access this data for a purpose outside of the scope of a standard or operating rule workflow stifles innovation. There is a shift in the conversation between payers and providers to a broader conversation between payers, providers, consumers and their care givers. Consumers must have easy access to up front financial and clinical information that allows them to have a meaningful conversation and make good decisions about their care with their preferred healthcare team.

  - Direct the ongoing gathering of industry intelligence, including identifying future information exchange trends, industry adoption of/readiness for mandated and non-mandated standards/operating rules and solicitation of industry feedback of what works and what doesn't by communicating directly with ALL stakeholder's and their respective associations. There are numerous associations/entities who feel they do not have a voice in the process and require strategic reach out and understandable communications in order to provide feedback and new perspectives.

  - Comprised of independent SME's who are well versed in all types of information exchange from a business and technical perspective.

  - Perform environmental scans, identify low hanging business opportunities to reduce administrative cost/burdens, perform cost analysis, and ensure coordinated efforts.

  - Multi-stakeholder roll out toolkit for a new/revised standard and/or operating rule in addition to the implementation guide to promote stakeholder adoption, ensure consistent implementations and track implementation ROI or efficiency measurement include:

    - Map of the metadata from the old version to new version.

    - Educational meeting of the validation vendors to ensure consistent mapping.

    - Clear business use cases resolved and business value to end user.

    - Stakeholder training around the transaction intent of usage to promote consistency with corresponding transaction.

    - Guidelines and timelines released for trading partner testing.

    - Common agreement across stakeholders– providers go to common ground.

- List of standards are mandated, what standards are not, for example 277CA, 277P, 277RFI. Even if not mandated, standards being used by CMS or other stakeholders with a national footprint within the ONC Interoperability Standard Advisory (ISA).

- Videos/fliers and other stakeholder education to ensure buy in and adoption of used standard transaction by all stakeholders, regardless if mandated.

Working together we can utilize the existing EDI highway built through the use of standards and operating rules and continue to encourage industry innovation in concert with ONC P2P Taskforce, Da Vinci and other innovative industry efforts to ensure providers receive the right data at the right time for the betterment of patient care and/or streamline billing requirements.