

December 14, 2018

National Committee on Vital and Health Statistics
Subcommittee on Standards
3311 Toledo Road
Hyattsville, MD 20782–2002

Dear Ms. Goss and Mr. Coussoule,

My name is Christopher Gracon (Christopher.Gracon@independenthealth.com) and I work for Independent Health.

1. Would these recommendations as a whole improve the predictability of the adoption of administrative standards and operating rules?
 - * Even if every 2 years, with a 2 year implementation window, it would be about 4 years between requested change to be made and fully implemented, if the standard was named immediately after being published.
2. What additional recommendations are critical to achieve predictability?
 - * That the process between SDO advancing a standard through to HHS Rule Making was predictable and on a regular cycle
3. What is the value proposition of each recommendation and what improvements to the current state do you believe will arise from each recommendation/group of similar recommendations?
 - * (Recommendation C) When looking at validation efforts, in the case of X12, the levels of validation would be very important. For example, many of our trading partners only validate to WEDI levels 1-2, while we validate to levels 1-7. This has led some of our partners to say a transaction is valid according to what level they validate to but it fails our validation. What is selected as the validation tool should maximize the WEDI level for X12 testing.
4. Are there potential unintended consequences? What are those and how can they be mitigated with modifications to the recommendations?
 - * Unintended – (Recommendation 12) For All Payer Claim Database/Medicaid/Medicare claim submissions, if there are new or expanded fields/qualifiers in the newer standards, but are not accommodated in the version of the submission formats (837, PACDR 837, flat file) then data will be missing or need to be mapped to the submission version. While this is not entirely different from when a new named standard is announced, at the time of a new named standard the receiver of the claims will map out a path forward as all submitters will have to be accommodated. In the case of voluntary use, the receiver might not be set up to have to do the analysis on the changes between the versions.
 - * Unintended – (Recommendation 12) Moving to a newer standard would require the sender and receiver's software vendors to accommodate the changes. The delay in the software vendors might prevent willing trading partners from being able to participate. For those who use a clearinghouse, the clearinghouse would need to be ready to process every version after the most recently named standard. A work around would be direct connection between the willing trading partners. This would also seem to favor larger entities who would have their own IT shop and/or processing software where they could make changes to accommodate the newer standard. There is also the question of whether the parties

are entirely willing or if there is coercion from one party to 'encourage' the other party to move to a newer standard.

*Unintended – (Recommendation 10) Depending upon how long it takes to implement, there could be a permanent team in payers, clearinghouses, software vendors and larger providers whose focus is getting ready for the next version, implementing the next version, and dealing with issues with the next version immediately after implementation. This would be instead of the current process where a team is put together for an implementation project and then disbanded. This could help those organizations who do this by having people who are very familiar with and focused on the update process.

*Unintended – (Recommendation 10/11/12) With the newer license model for X12 which requires annual payments for each version being used, there would be increased costs for each organization, either directly for those who have to buy the guides, or via their clearinghouse/software vendor who passes along their costs. There is no mitigation for this other than sunseting older versions which would then cause the organization to no longer have to use, or possibly use, that version.

Sincerely,

Christopher Gracon