NCVHS Subcommittee on Standards
Hearing on Proposed CAQH CORE Operating Rules

AUGUST 25, 2020

ARTHUR ROOSA, CHBME, ON BEHALF OF HBMA,
THE HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION

HBMA
HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION

HBMA

HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION

The Healthcare Business Management Association (HBMA), is a non-profit professional trade association, and a major voice in the revenue cycle management industry in the United States. HBMA members collectively submit a significant percentage of all initial medical claims to the country's government and commercial payers. Those claims not submitted by HBMA member companies are usually submitted directly by the provider.

Although HBMA membership includes some of the nation's largest billing companies (1,000+ employees submitting millions of claims), the typical HBMA member is a small to medium sized business employing, on average 40 - 50 individuals.

My company, SyMed Corporation would be an example of one of those “mid-sized” businesses. It is important to know that the typical HBMA member submits claims for providers in more than one state. This is also important because as you know many of the rules and regulations governing not only healthcare delivery but also the business of healthcare are promulgated on a state level.

HBMA values the highest level of professionalism, integrity and compliant business practices in every aspect of our industry.

Our Goal is to be an invaluable and influential resource for healthcare revenue cycle and business management services.

As part of our efforts, HBMA provides education, advocacy, collaboration and certification for healthcare billing professionals and providers engaged in the business and technology of healthcare revenue cycle management.

Anticipated Value of Proposed Operating Rule(s)

The proposed infrastructure rule is seen as an important first step in providing a reliable conduit for data transfer between provider and payer. The ability to submit a prior authorization request electronically, and receive a timely response – positive or negative – to that submission, would significantly reduce the staff time spent and, hence, the cost to the provider. The data operating rules provide an important advancement towards the ability to have authorizations both submitted and approved electronically.

Whether this goal of reduced burden is realized, however, depends on how hundreds of small insurance companies or self-insured health plans embrace not only the requirements of these proposed rules but also the spirit behind them as well.

It has been our experience that on many of the HIPAA related administrative simplification (AS) requirements it is not the large, national health plans that create administrative headaches and added costs but rather it is often the smaller regional health plans or employer sponsored health plans who either do not understand their HIPAA AS obligations or simply refuse to comply.

HBMA
HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION

Anticipated Concerns about Proposed Operating Rule(s)

One of our principal concerns with regard to these rules is not so much with the rules themselves (although much of what companion guides are allowed to be is troublesome) but with anticipated adherence and by extension, enforcement.

A key question for the HBMA membership is: Will Health Plans adhere to the new Operating Rules and if they do not, will the National Standards Group seek to impose penalties for a Health Plan's failure to adhere to these rules?

If past is prologue, we expect that Medicare, large national Commercial Insurers and Large employer sponsored Health Plans will make every effort to comply with the new operating rules.

I have no similar confidence when it comes to state Medicaid programs or smaller health plans complying with these new Operating Rules and, based upon years of experience, even less confidence that the National Standards Group at CMS will take any action to penalize those Health Plans that fail to comply.

HBMA
HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION

Key points for NCVHS to consider in its recommendations to HHS for adoption of proposed operating rule(s)

1. Strongly recommend that HHS ensures the oversight and enforcement of these Operating rules by the National Standards Group.

2. Reject the proposed “companion guide” standardization recommendation and instead, recommend that HHS prohibit the use of companion guides within the next 3 years. Failure to discontinue use of companion guides would be viewed as prima facie evidence of failure to comply with HIPAA and subject the plan to immediate penalties as authorized by the Affordable Care Act.

3. Establish a safe harbor floor where trading partners may expect that their transaction can be read and processed through to response. That is not guaranteed in the authorization operating rules, although it is guaranteed in the connectivity rule.

HBMA
HEALTHCARE BUSINESS MANAGEMENT ASSOCIATION