X12 RECOMMENDATIONS

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DISCLAIMER

- This presentation is for informational purposes only
- This presentation does not represent legal advice
- This presentation contains point-in-time content and is subject to revision

X12's HIPAA Recommendations

BACKGROUND

- In 2021 X12 conducted a survey related to the HIPAA mandates
- The survey was open to X12 members and non-members
  - *74% of responders were X12 members*
  - *25% of responders were non-members*
- Implementers, trading partners, vendors, clearinghouses, VANs, and consultants responded

BACKGROUND

- 85% reported health care claims (X12's 837 transactions) are an important component of their EDI system today
- 87% reported health care claim payments/advice (X12's 835 transactions) are an important component of their EDI system today

BACKGROUND

- 75% indicated support for moving newer versions forward for mandated adoption
  - *16% had no opinion, 9% were opposed*
- 66% indicated their organization would benefit from new or enhanced functionality available in X12's latest versions
  - *27% don't know about the enhancements*

BACKGROUND

- When asked about support for alternate syntaxes (FHIR, JSON, XML, etc.) in addition to X12's EDI Standard
  - *16% were opposed to allowing alternate syntaxes*
  - *40% were supportive of alternate syntaxes if X12 verifies the alternative syntax supports the same data content*
  - *27% were supportive of alternate syntaxes if an ANSI NSD verifies the alternative syntax supports the same data content*

BACKGROUND

→ The Federal Rulemaking Process

- *Is in the critical path of recommendation adoption*
- *Is very lengthy based on the number of steps in the process, requirements for accepting and reviewing public comments, and providing implementers with a development window before transitioning to a new version*
- *Doesn't operate at an expected cadence*

BACKGROUND

- X12 publishes enhanced standards annually including
  - *Functional enhancements*
  - *Housekeeping revisions – consistency, wording, grammatical corrections, etc.*
  - *Supplemental information that assists implementers*

BACKGROUND

- The chasm between the Federal Rulemaking timeline and X12's publication of enhancements that support the evolving business needs of health care implementers presents a significant challenge for X12 and health care industry stakeholders whose needs are not being met in a timely manner

RECOMMENDATIONS - A NEW APPROACH

- Given the timing situation, X12 proposed a new approach for these recommendations
- The new approach
  - *Allows the lengthy federal process to get started as soon as possible*
  - *Allows health care implementers and X12 time to verify functionality and include helpful supporting information*

RECOMMENDATIONS - A NEW APPROACH

- X12 proposed 008020 versions in the first set of recommendations
- If the NCVHS recommends these upgraded versions for adoption, X12 proposes Health and Human Services (HHS) base the initial steps of the Federal Rulemaking process on the 008020 versions

X12'S HIPAA RECOMMENDATIONS - A NEW APPROACH

- As the recommendations work their way through the federal processes, X12 and select licensing partners will continue executing the proof of concept (POC) pilot and review feedback from other stakeholders
- Results of the pilot and stakeholder feedback will inform improvements in X12's annual releases

X12'S HIPAA RECOMMENDATIONS - A NEW APPROACH

- When HHS is ready to issue a Notice of Proposed Rulemaking (NPRM), X12 recommends the most recently published version of the implementation guides be named in place of the 008020 versions

X12'S HIPAA RECOMMENDATIONS - A NEW APPROACH

→ This ensures the versions named in the NPRM and Final Rule reflect the most up-to-date requirements including

- *Solutions for items identified during X12's pilot and the stakeholders initial reviews*
- *Rewording to clarify instructions or correct grammatical issues*
- *Revisions to ensure consistent instructions within and between implementation guides*

X12'S HIPAA RECOMMENDATIONS - A NEW APPROACH

→ This ensures the versions named in the NPRM and Final Rule reflect the most up-to-date requirements

- *Addition of supporting information such as crosswalks linking X12 data elements to specific FHIR resources or CAQH CORE operating rules*

X12'S HIPAA RECOMMENDATIONS - A NEW APPROACH

- X12 will provide a list of the revisions applied to versions past 008020 to clarify the differences between the 008020 version and the version named in the NPRM

X12'S HIPAA RECOMMENDATION PLAN

- Phased approach to reduce the impact on covered entities
- Each phase (set) is a group of logically related transactions
- Supporting information will be provided for each set
- Timing is based on several factors
  - *Approval of necessary maintenance*
  - *The functionality enhancements*
  - *The supporting information*

X12'S HIPAA RECOMMENDATION PLAN

- X12's position is that implementers should be able to exchange consistently defined data using the syntax that best meets their needs
- In support of that position, each of X12 recommendations include the naming of both the EDI Standard representation (the implementation guide) and the associated XML representation as permitted syntaxes.

X12’S HIPAA RECOMMENDATIONS

- X12 submitted the first set of recommendations in June 2022
- These recommendations cover updates to current mandates
- Claim Submission/Remittance Advice
  - *008020X323 Health Care Claim: Professional*
  - *008020X324 Health Care Claim: Institutional*
  - *008020X325 Health Care Claim: Dental*
  - *008020X322 Health Care Claim Payment/Advice*

X12'S HIPAA RECOMMENDATIONS

- Each of the X12 implementation guides has a corresponding XML schema definition (XSD) that supports the direct representation of the transaction using XML syntax
- X12 mechanically produces these representations from the same metadata used to produce the implementation guide, ensuring there are no discrepancies between the syntaxes

SOLICITING FEEDBACK FROM MATERIALLY INTERESTED GROUPS

- Per the HIPAA regulations, X12 informed the other organizations named as DSMOs of its recommendations in June 2022
- The DSMOs were asked to
  - *Review the recommended implementation guides*
  - *Consult with X12 if necessary*
  - *Provide feedback on the enhancements*

SOLICITING FEEDBACK FROM MATERIALLY INTERESTED GROUPS

→ X12 did not receive any questions, suggestions, or feedback from the DSMOs in advance of this hearing

Functional Enhancements

FUNCTIONAL ENHANCEMENTS – HIGH LEVEL

→ The recommended implementation guides include enhancements that improve claims and remittance processing in a number of ways:

- *Supports Device Identifier (DI of the UDI) information which improves the industry's ability to identify risks, reach patients affected by device failures, improves patient outcomes, reduces patient health risks, enhances tracking and reporting, and saves taxpayer funds*

FUNCTIONAL ENHANCEMENTS – HIGH LEVEL

- *Supports factoring agent information that improves a provider's access to short-term capital which is a critical tool in today's healthcare environment*
- *Supports longer claim identifiers which improves tracking, auditing, and matching functionality throughout the claim's life cycle*
- *Reduces manual processing related to recoupment, improving efficiency and providing cost savings for both providers and payers*

FUNCTIONAL ENHANCEMENTS – HIGH LEVEL

- *Supports more detailed source of payment codes in remittances improving provider understanding of how claims are adjudicated by payers, reducing the number of phone calls and other individual inquiries which reduces processing costs for all parties*
- *Clarifies ambiguities with additional instructions and clearer wording reducing inconsistencies, friction, and misunderstandings between trading partners*

FUNCTIONAL ENHANCEMENTS – DETAILS

- There is not time today to review each of the detailed enhancement lists provided in the recommendation
- The detailed information is available for review at x12.org/news-and-events/x12-recommendations-to-ncvhs

FUNCTIONAL ENHANCEMENT LIST – CORRECTION

- However, there are two items that need to be clarified today
- There is an error on the "Enhancements to 008020X324 Health Care Claim: Institutional (837)" list
  - *Item 14 – Increased the number of prior authorizations and referrals that can be reported at the line level*
  - *This enhancement was not implemented in the 0008020 version but is expected to be included in the next version*

FUNCTIONAL ENHANCEMENT LIST – CLARIFICATION

→ Item 3 on the "Enhancements to 008020X322 Health Care Claim Payment/Advice (835)" list

- *Item 3 – Added the ability to report remittance information related to card payments (p-card, debit card, and credit card) to facilitate auto-posting*
- *There is some concern about the addition of this functionality and its impact on providers, as such, X12 wants to clarify certain facts*

FUNCTIONAL ENHANCEMENT LIST – CLARIFICATION

→ Item 3 Background

- *X12 adds or revises functionality based on the business needs of various stakeholders*
- *When data is exchanged in certain cases but not universally, X12 defines a situational rule that defines the circumstances for which the information is appropriate*
- *Support for card payments was added based on industry requests that reflect business practices already in use in the healthcare industry*

FUNCTIONAL ENHANCEMENT LIST – CLARIFICATION

→ Item 3 Background

- *X12 conducted many open discussions to debate the merits of the requests and potential technical solutions*
- *Inclusion of the card payment option is based on approval via X12's ANSI-accredited, consensus-based process*
- *X332 does not mandate the exchange of virtual credit card payments*

FUNCTIONAL ENHANCEMENT LIST – CLARIFICATION

→ Item 3 Background

- *The inclusion of virtual credit card payments ensures consistency for organizations currently using work-arounds and other inconsistent solutions to transmit information payers and providers need to exchange*
- *Discussions related to fees and other impacts are important but outside the scope of X12's responsibility, X12's "job" is to provide consistent instructions related to exchanging information between industry stakeholders*

Estimated Costs

ESTIMATED IMPLEMENTATION COSTS – HIGH LEVEL

- Although cost estimates in an NPRM are the responsibility of HHS' National Standards Group (NSG), X12 provided high-level cost estimates in its recommendations as a starting point for the NSG
- X12's licensing partners are also tracking costs as part of the pilot, that information will be available to the NSG at the appropriate time

Wrap up

MORE INFORMATION

- An informational web page containing difference summaries and other details is available at x12.org/news-and-events/x12-recommendations-to-ncvhs
- X12 updates this information as the various processes play out

WHAT INDUSTRY STAKEHOLDERS CAN DO NOW

- Submit questions and suggestions related to the recommendations directly to X12 using the online feedback form
- Submit questions about the implementation guide instructions directly to X12 using the online Request for Information (RFI) form

WHAT INDUSTRY STAKEHOLDERS CAN DO NOW

- Encourage others to get their information “direct from the source” and submit their questions and suggestions directly to X12 using the online feedback form or the RFI form as appropriate

FEEDBACK. IDEAS. QUESTIONS?

WE WANT TO HEAR IT,

TELL US AT

X12.ORG/FEEDBACK

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