



**NCVHS Standards Subcommittee
Hearing:
X12 Proposal
Jan. 18, 2023**

**Presented by:
Robert Tennant, VP Federal Affairs**

ABOUT WEDI

- Formed in 1991 by then-Secretary of the U.S. Department of Health and Human Service (HHS) Dr. Louis Sullivan
- Named in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) legislation as an advisor to the Secretary of HHS
- Multi stakeholder membership: plans, providers, vendors, SDOs, state/federal govt
- We have productive working relationships with the Centers for Medicare & Medicaid Services (CMS) and Office of the National Coordinator for Health Information Technology (ONC)
- 18 workgroups/taskgroups-including Claims and Remittance Advice/Payment
- Our roles: convene, collaborate, educate, influence



Advisor

Secretary of
HHS

WEDI Member Position Advisory Process

- Member Position Advisory (MPA) process designed to solicit WEDI member input on topical issues, public and private sector proposals, or government regulations
- MPA process designed to advise the WEDI Board of Directors as it develops the official WEDI response
- In response to the NCVHS RFC, WEDI collected member perspectives through workgroup discussions, surveys, and virtual events

MPA Data Collection Process



WG Discussion: RFC Discussion in our Claims and Remittance and Payments SWGs

MPA Event: WEDI hosted a 4-hour virtual event on Nov. 9, 2022. 75 participants shared their perspectives on the RFC questions and how best to implement new standards and operating rules. WEDI conducted polls during the event to capture additional viewpoints.

Survey: Another component of our MPA process was the collection of industry perspectives on the X12 proposals through a survey conducted September 28 through October 27, 2022. We received 77 responses to X12 proposals.

CAQH CORE Survey Participants

Answer Choices	Responses (%)	Responses (Number)
Provider	15.6%	12
Payer	46.6%	36
Clearinghouse	14.3%	11
Vendor	23.4%	18
Total		77

Survey Respondents



WEDI asked respondents “Identify your level of familiarity with the X12 initiative to create updated and new operating rules in support of electronic transactions.”

Answer Choices	Responses (%)	Responses (Number)
We are X12 members and participated in the development of the updated standards.	45.6%	31
We are X12 members but did not participate in the development of the updated standards.	8.8%	6
We have reviewed these X12 proposals.	19.1%	13
We are aware that X12 has developed updated transaction versions but do not know the details.	22.1%	15
We have no familiarity with these proposals.	4.4%	3
TOTAL		68

❖ 837 Institutional:

- **51%** responded that “Adding the ability to transmit the Device Identifier (DI) of the Unique Device Identifier (UDI) for supplies, implants, and explants” would have Positive/Strong Positive Impact;
- **59%** responded that “Increasing the number of prior authorizations and referrals that can be reported at the line level.” would have Positive/Strong Positive Impact;
- **71%** responded that “Replacing the CAS segment with the RAS segment to support the association of Adjustment Reason Codes and Remark Codes and better synchronization with the 835” would have Positive/Strong Positive Impact; and
- **72%** responded that “Added support for transmitting COB allowed amounts.” would have Positive/Strong Positive Impact.

X12 (837P) Survey Responses

❖ 837 Professional:

- **63%** responded that “Increasing the maximum number of diagnosis codes from 12 to 24 to provide a more complete picture of the patient's condition” would have Positive or Strong Positive Impact;
- **65%** responded that “Increased the number of diagnosis code pointers from 8 to 12 per service line for Professional Claims” would have Positive or Strong Positive Impact;
- **72%** responded that “Adding support for transmitting COB allowed amounts.” would have Positive or Strong Positive Impact; and
- **74%** responded that “Greater focus on reducing ambiguity throughout the implementation guide” would have Positive or Strong Positive Impact.

X12 (837D) Survey Responses

❖ 837 Dental:

- **66%** responded that “Adding a data element used for Coordination of Benefits when a claim is adjusted.” would have Positive or Strong Positive Impact;
- **69%** stated that “Revised to support reporting of claim level Remark Codes not associated with an Adjustment Reason Code” would have Positive or Strong Positive Impact;
- **72%** responded that “Revising to support line-level prior authorizations when no authorization is sent at the claim level reducing the need to split claims” would have Positive or Strong Positive Impact; and
- **72%** stated that “Revising to support the transmission of allowed amount received on the primary claim.” would have Positive or Strong Positive Impact.

X12 (835) Survey Responses

❖ 835:

- 71% responded that “Adding information that will aid in automating the posting of remittance advice information” would have Positive or Strong Positive Impact;
- 72% responded that “Standardizing and adding clarity for reporting COB adjudication information” would have Positive or Strong Positive Impact;
- 73% responded that “Standardizing the forward balance and overpayment recovery processes” would have Positive or Strong Positive Impact; and
- 73% responded that “Adding the ability to re-associate a recovery amount to a specific claim to reduce manual processes to track when the funds have been recouped” would have Positive or Strong Positive Impact.

- ❖ WEDI MPA poll: “When will you conduct an analysis of the impact on your organization of the new X12 transactions?” 4% answered “We have already conducted an analysis,” 29% stated “We will conduct an analysis within the next year,” **38% “We will conduct an analysis only when CMS issues a Proposed Rule,”** 8% stated “We will conduct an analysis only when CMS issues a Final Rule,” and 21% said they had “No plans to conduct an analysis.”
- ❖ We note that without a proposed rule many entities will not conduct an ROI analysis in part because it is difficult to allocate resources when a target implementation date has not yet been identified. MPA participants could not identify any cost impact analyses completed by providers.

- ❖ WEDI asked MPA participants the following question: “Do you support the proposal to adopt the 008020 EDI standard and the XML representation as permitted syntaxes? **58% of respondents replied Yes**, 8% answered No, and 33% replied Don’t Know.
- ❖ WEDI asked MPA participants the following question: “Rate the level of potential additional value that the DI and UDI provide as data elements in the updated version of the X12 claim transaction.” 36% responded that there was Significantly or Somewhat Improved Value, 12% replied No Change in Value, 0% stated Somewhat Decreased Value 0%, 8% replied Significant Decrease in Value, with **44% stating Don’t Know.**

NCVHS Question-Overall Adoption Support

Does your organization support HHS adoption of the updated version of the X12 transactions for claims and remittance advice as HIPAA administrative simplification standards?

- ❖ WEDI asked MPA participants the following question: “Overall, should WEDI recommend adoption of the proposed 008020 837 (Dental, Institutional, Professional)?” **62% answered Yes**, 17% replied No, with 21% stated Don’t Know.
- ❖ WEDI also asked MPA participants the following question: “Overall, should WEDI recommend adoption of the proposed 008020 835?” **46% answered Yes**, 21% replied No, and 33% stated Don’t Know.

Implementation Issues



- ❖ We asked participants at our MPA event the following question: “Should the implementation window for standards be longer than two years from the publication date of a final rule?” 6% indicated Yes, 44% stated No, and **50% responding Don’t Know.**
- ❖ As NCVHS notes, past government practice has generally stipulated a January 1 implementation date for new standards. WEDI members noted that the January 1 date overlaps with many compliance and contractual obligations and we recommend exploring an alternative date for implementation of new standards.
- ❖ WEDI conducted a poll during the MPA event, asking the question: “How important is it that new/updated administrative transactions be implemented on a regular schedule (i.e., every two years)?” **42% answered Very Important or Important**, 21% stated Somewhat Important, 11% replied Somewhat Unimportant, 16% answered Very unimportant, and 11% said Don't Know.

NCVHS Question-Simultaneity

- ❖ We note that if standards are adopted as bundles and not as a full suite of transactions, effective dates most likely will be different. WEDI members are concerned these out of sync compliance states could be confusing to the industry. We note that there are interactions between the various transactions and operating rules and there may be unknown and unanticipated impacts based on these interactions.
- ❖ At the same time, WEDI members also suggest that each standard be evaluated on its own merits. They note that some transactions go naturally together like the claim and the claim payment.
- ❖ WEDI asked the MPA participants “Would industry benefit from being able to use either the version 8020 or version 5010 for some extended period of time vs. having a definitive cutover date?” 25% answered Yes, **54% replied No**, 17% stated Unsure, and 4% said Don't Know.

NCVHS Question-Multiple Standards

NCVHS Question

Would industry benefit from being able to use either the version 8020 or version 5010 for some extended period of time vs. having a definitive cutover date?

WEDI Response

WEDI asked the survey question: “Should the government permit industry use of multiple versions of one standard (i.e., both the 005010 and 008020 versions of the electronic claim)?” 20% said Yes, **70% responded No**, and 10% stated Unsure.

- ❖ WEDI MPA participants also noted that if multiple standards for the same business/use case are allowed, we recommend that they should be semantically equivalent and interoperable.
- ❖ Overall, WEDI members tend to support moving forward with the full suite of transaction standards, but at a minimum, transactions that interact with each other should move forward as a bundle. WEDI does not support moving forward transaction by transaction.

Additional Recommendations

- ❖ Pilot testing and establishing ROI. WEDI asked the following question in our survey: “Rate your level of support for the following statement: No administrative transaction standard should be nationally mandated until a pilot test is conducted and the results indicate a clear return on investment for the industry.” **59.2% supporting or strongly supporting** the statement. 20.4% neither supported nor opposed the statement and 20.4% opposed the statement. No respondents strongly opposed the statement.
- ❖ Establish a known and predictable standards schedule. We note that it is taken 15 years to move from 5010 to the latest version of the HIPAA administrative transactions. After the transition to a new baseline set of standards has taken place, we urge the development of a known and predictable standards upgrade cycle. When the industry has moved to an incremental yearly or bi-yearly upgrade schedule, changes to transactions should be based on their value to the industry.

Additional Recommendations

- ❖ Develop a Comprehensive Health IT Roadmap. The current health IT landscape is complex, challenging, and rapidly changing. Requirements for new and updated HIPAA administrative standards and operating rules must compete with 21st Century Cures Act interoperability requirements, No Surprises Act data exchange provisions, and other federal mandates for scarce human and financial resources.

We urge the development of a comprehensive and achievable roadmap that prioritizes these health IT requirements and recognizes the many implementation challenges faced by the industry.



Thank You

Our full response to the NCVHS RFC can be accessed at www.wedi.org