

# NCVHS SUBCOMMITTEE ON STANDARDS HEARING ON PROPOSED UPDATES TO X12 TRANSACTION STANDARDS

PROPERTY AND CASUALTY PERSPECTIVE



Testimony By: Sherry Wilson, EVP and Chief Compliance Officer Jopari Solutions January 18, 2023



#### JOPARI SOLUTIONS INDUSTRY BACKGROUND

- > Jopari is a national corporation that provides technology solutions and clearinghouse services to medical providers and their software solution vendors and payers in the Property and Casualty (P&C), commercial and government lines of business.
- Jopari is actively engaged in the following Standard Setting and Industry Organizations, which includes but not limited to:
  - Cooperative Exchange
  - Accredited Standards Committee (ASCX12N)
  - Work Group for Electronic Data Interchange (WEDI)
  - Healthcare Information and Management Systems Society (HIMSS)
  - International Association of Industrial Accidents Boards and Commissions (IAIABC) the international workers' compensation standards organization
  - Appointed X12N liaison to the IAIABC and Co-Chair of the WEDI Property and Casualty Workgroup
- Jopari is recognized within the P&C industry as a leader and processes over 60% of the claims, attachments and remittance advices through direct payer connectivity and channel partners.



# BACKGROUND - PROPERTY AND CASUALTY (P&C)

- > P&C Lines of Business include Workers' Compensation and Auto Insurance
- > P&C industry presents numerous challenges:
  - ➤ Legal vs Healthcare System
  - > State Regulated not included under HIPAA
- Many of the stakeholders are the **same entities** that process X12 5010 transaction sets under HIPAA
- ➤ Numerous States\* have adopted electronic claims, attachments and payment standards and have done so by:
  - > Statute and or administrative rule
  - Using the X12 5010 transaction sets, as applicable.
  - Developing companion guides to address state specific business use cases and data content requirements not supported in the X12 5010

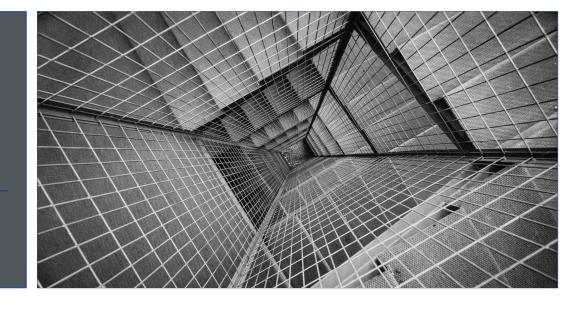
<sup>\*</sup>States: TX, CA, MN, NC, TN, OR, VA, GA, LA, NJ, IL, ND and expect additional states in the coming year.



## X12 8020 OPPORTUNITIES

15 Plus Years Industry Effort

Property and Casualty Perspective



The X12 8020 versions represents **over 15 years** of stakeholder efforts to address new business use cases, workflow automation gaps, and administrative/financial efficiencies across all lines of business.



## X12 8020 OPPORTUNITIES

The X12 8020 versions address the P&C state data content requirements and business uses cases that are not supported in the X12 5010 versions as they:

- Eliminate the need for individual state companion guides
- Reduce administrative burden to comply with multiple state electronic billing mandates
- Automate regulatory data content requirements, such as:
  - Remittance Advice: State Jurisdiction
  - Remittance Advice: Explanation of Benefit (EOB) Statement ID
  - Remittance Advice: State Labor Code Statue Reference
  - Remittance Advice: Claims Administrator Contact
  - Remittance Advice: Alternative Payment Methods
- Standardize implementations across all stakeholders
- Increase workflow automation and administrative efficiencies

## JOPARI ADDITIONAL CONSIDERATIONS: XML SCHEMA

- We support the X12 recommendation that HHS permits both the X12 8020 EDI Standard and XML representation, and that both be named in regulations as permissible syntaxes.
- Recommend to allow other industry applications such as JSON, based on industry business needs.
- The use of the XML Schema allows stakeholders to manipulate data with APIs and other tools that accommodates different business use cases and facilitates workflow automation and interoperability, thus modernizing the processes.

- ➤ We also support the X12 recommendation to implement FHIR Crosswalks for the proposed X12 8020 versions.
- There will be business use cases in which stakeholders may choose to use FHIR for clinical data applications and X12 8020 for administrative/financial applications.
- The FHIR Crosswalks to X12 8020 transactions would accommodate different stakeholder business needs, workflows, and allow for interoperability between the two standards.



#### IMPLEMENTATION TIME FRAMES

- ➤ Based on experience, industry feedback, and to allow for stakeholder EDI readiness (low to high) tech, we recommend a 3-year implementation timeframe.
- Recommend a June or July implementation timeline to accommodate other regulatory and or business priorities that usually occur at the start of a new year.



#### **SUMMARY COMMENTS AND RECOMMENDATIONS**

- 1. Recommend adoption of the X12 8020 versions, XML schema, and FHIR crosswalks to address industry and P&C business needs, ensuring standardized implementation across **all** stakeholders to effectively removing unnecessary administrative costs and facilitate interoperability.
- 2. Recommend a gap analysis be conducted to identify data content and other industry business use cases that could be impacted in using other X12 5010 transaction versions simultaneously with X12 8020 versions.
- 3. States may choose to remain on X12 5010 and or adopt X12 8020 versions; however, a change to X12 8020 would require regulatory changes
- 4. Support the recommendation to streamline the industry regulatory process to accommodate new and or updated HIPAA transactions as referenced in the NCVHS March 30, 2022, Letter to HHS, Modernize Aspects of HIPAA and Other HIT Standards to Improve Patient Care and Achieve Burden Reduction.



### THANK YOU

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