



The National Clearinghouse Association

**National Committee on Vital and Health
Statistics (NCVHS)
Subcommittee on Standards
Hearing on HIPAA and ACA
Administrative Simplification**

Attachment Standard

Testimony By:

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Cooperative Exchange Overview

- National Clearinghouse Association
- 25 clearinghouse member companies **representing over 90% of the industry.**
- **Process over 4 billion plus claims annually**
- **Representing \$1.1 trillion, from over 750,000 provider organizations, through more than 7,000 payer connections and 1,000 HIT vendors.**
- Cooperative Exchange Members:
American Medical Association (AMA), Apex EDI, ASC X12N, Availity, LLC, AXIOM Systems, Inc., BancTec, Change Healthcare, ClaimRemedi, eProvider Solutions, Dorado Systems , GE Healthcare, Greenway Health, Health-e-Web, Inc., HDM Corp., InstaMed, Jopari Solutions, Inc., Medical Electronic Attachments (MEA), NextGen Healthcare, OfficeAlly, OptumInsight, PassportHealth, PracticeInsight, RelayHealth, Secure EDI, Siemens HDX, The SSI Group, Trizetto Provider Solutions, Utah Health Information Exchange (UHIN), WEX, Inc., WorkCompEDI, Xerox EDI Direct, ZirMed www.cooperativeexchange.org for Cooperative Exchange industry resource information

Recommendation for Standards

Clinical Data Content

- HL7 Consolidated Clinical Documentation Architecture & Templates (C-CDA R2.1)
- HL7 Attachment Supplement Specification: Exchange Implementation Guide Release 1
- HL7 Clinical Documents for Payers Set 1 (Optional)
- LOINC (subset HIPAA Panel)

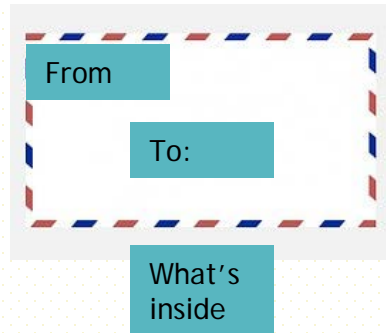
Administrative Standards

- ASC X12N 277 Health Care Claim Request for Additional Information (Required in Solicited Model)
- ASC X12N 275 Additional Information to Support a Health Care Claim or Encounter (minimal requirement)
- ASC X12N 275 Additional Information to Support a Health Care Services Review (minimal requirement)

ASCX12 Healthcare Acknowledgement Reference Model (ARM)

Cooperative Exchange Recommends:

1. Regulations must be flexible enough to accommodate existing and emerging technologies.



2. Standardization of the 'Envelope' using the ASC X12 275 allowing for consistency in the critical identifying information as a minimal requirement, however to allow for existing and emerging technology.

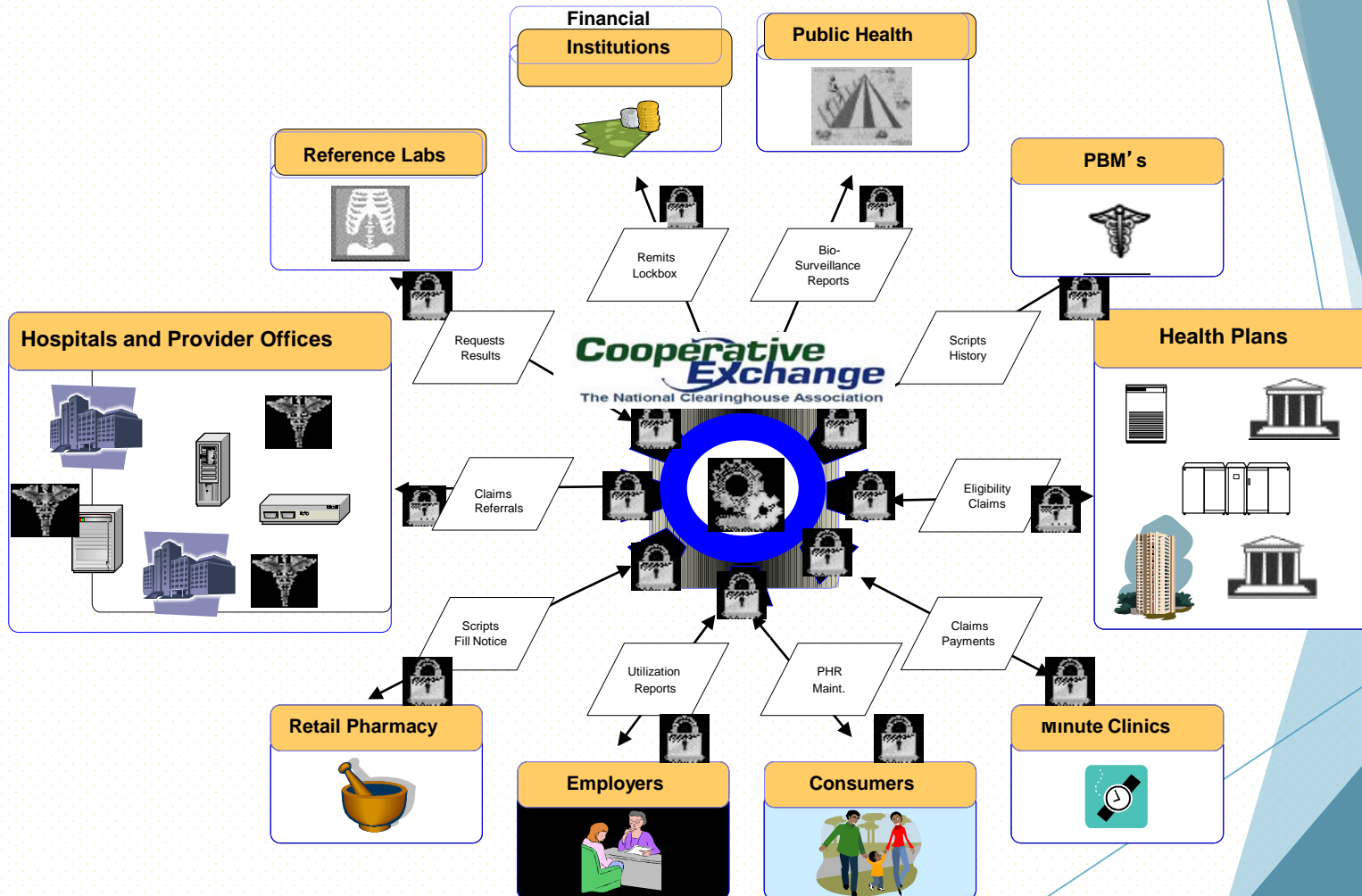
3. Regulations should be flexible on transport methodology, with a minimum requirement for EDI. Other methods should be allowed such as Web portal, Direct, Secured email, FAX based on Stakeholder EDI readiness.

4. Acknowledgement provide a point to point tracking much like FedEx and UPS.



Infrastructure EDI Highway is Built

Cooperative Exchange members are processing 49 million electronic attachments annually



Clearinghouse Electronic Attachment Survey Results

1. Over 49 Million Electronic Attachments Processed Annually

2. Electronic Attachments by Healthcare Lines of Business

- 55% Property and Casualty
- 15% Dental
- 15% Commercial
- 15% Government

3. Electronic Attachment Utilization – Business Process

- 83% Claims Adjudication (high% unsolicited)
- 11% Post Adjudication (e.g. appeal/ audit)
- 3% Referral/Notification
- 3% Prior Authorization

4. Electronic Attachment Format Type

- 95% Unstructured (e.g., TIF, PDF)
- 5% Structured (C-CDA)

Clearinghouses Attachment Survey Results

6. Attachment Transport Methodology Variation

- 53% Web Portal Upload (Single or Batch)
- 27% EDI using ASCX12 275
- 14% EDI (e.g., SFTP with PGP Encrypted)
- 3% Secure Fax
- 1% Secure Email
- 1% IHE Profile (XDS,XDR)

7. Utilization of Report Type Identification Codes (LOINC - X12 Report Type Codes)

- LOINC codes are not widely used at this time
- X12 Report Type codes most common way to identify an Attachment Type

Lessons Learned

1. Electronic Solicited Attachments

- Electronic solicited attachment capability is critical to widespread adoption by payers and providers
- Reduce manual processing, such as mail and fax
- Facilitates an automated workflow and drives increased efficiencies

2. Electronic Unsolicited Attachment Front End Edits and Payer Attachment Rules

- Upfront payer/ state attachment rules increase provider's first time claims pass rate of 75% for those claims requiring attachments (80/20 rule).
- Claim submission with attachments, reduce providers burdensome rework.
- First time claim submission for providers results in faster payment,

3. Unstructured Documents

- Most common exchange of additional information allowing for different levels of stakeholder EDI Readiness.

4. Identification of Documentation Type

- Internal routing expedited by the health plan to the right entity applicable for clinical and administrative processing.
- Prevents manual intervention in many cases by using::
 - ▶ LOINC Codes
 - ▶ Report Type Codes (PWK)

5. Electronic Acknowledgments

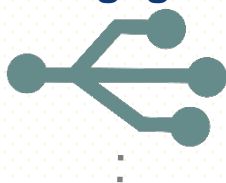
- ROI Impacts overall administrative costs and time (50% reduction)
- Transparency - provider knows immediate status of the claim
- Eliminates phone calls and 'black hole' (duplicate submissions)

Conclusions

- Ongoing industry education is needed to improve workflow automation processes that will enhance clinical and administrative outcomes across all stakeholders.
- There has been a demonstrated business need to automate attachment processing proven through voluntary implementation and adoption.
- Attachment standards are a critical component to bring administrative simplification.
- Attachments represents the primary intersection point where the administrative and clinical data streams converge. This intersection point is where payers and providers are most challenged.
- **Adoption of attachment standards is the single shortest path to seeing hard ROI on tens of billions of dollars across all stakeholders engaged in HIT.**



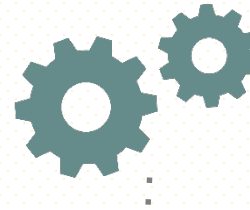
The right environment for each user



Optimized business processes



Leverage combined data for alerts and exception handling



Increased automation of tasks



Improved use of best in class vendors

Thank You!

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