



The National Clearinghouse Association

National Committee on Vital and Health Statistics (NCVHS) Subcommittee on Standards Hearing on HIPAA and ACA Administrative Simplification Phase IV Operating Rules

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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, ClaimsRemedi, 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 Phase IV Operating Rules

- Adopt the Companion Guide Rules
- Adopt the Infrastructure Rules (Processing Mode, System Availability, Response Times, Transaction Logging and Auditing, and Reporting Requirements)
- Not adopt the Connectivity Rules
- Adopt the Acknowledgment Rules
- Review the applicability of defining another set of industry privacy, security and confidentiality specifications
- Consider sanctioning other industry entities that have established guidelines for certification that meet the HIPAA/NIST requirements

Connectivity Rule

Phase IV is a different communication standard than defined within Phase I, II, and III.

- Phase IV requires Safe Harbor version 4 for claims only
- Previous phases referenced is Safe Harbor version 2.2
- Having different communication standards defined for specific transactions/phases will be confusing
- Operating rules should allow communication standards that allow for a flexible framework

Privacy ,Security and Confidentiality

The healthcare industry at large should not have to support multiple sets of Connectivity Rules

- Need for one industry security governance source such as NIST to work with the industry to identify “Best Practice” security guidelines as industry compliance benchmarks.
- Supporting multiple certifications (often redundant) required by health plans increases administrative costs to the industry.

Recent legislation (Cyber Information Security Act) requires the development of a voluntary industry HIT Security Framework.

- We believe that the security requirements should not be adopted now but that we wait until the Framework is completed.

Lessons Learned

The clearinghouse experiences have shown:

- **Standardization of Companion Guides has been well received by the industry.**
- **Use of acknowledgments has demonstrated improved processes and ROI for the industry**
- **There has been limited adoption of the prior operating rules. Payers and clearinghouses have implemented the requirements but many providers have not.**
- **Adoption of previous connectivity rules were ‘built’ by payers and clearinghouses at great cost.**
 - Few of our trading partners have used these methods.
- **Prior to adopting new operating rules ,we need to have a better picture of the cost, benefits and actual ROI of the existing operating rules.**

Conclusion

- **Prior to the adoption of these and or future operating rules, we strongly recommend that an evaluation criteria be established to determine if there is a business need. The evaluation should include demonstrated ROI across all stakeholders.**
- **The infrastructure for the claims has been in production for over 20 years and should not be interrupted**
 - Proven success with over 4 plus BILLION transactions a year
 - Few isolated connectivity issues that are quickly resolved
- **Recommendations address the need for administrative consistency; mitigation of regulatory redundancy; and the resource burden to comply with regulations.**
- **Stress the importance of continued stakeholder inclusion in the development of additional standards and rules.**

Thank You!

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