HIPAA Implementation Strategies & Testing

Washington, DC October 16, 2000

Gary Beatty
President
Washington Publishing Company
Chair X12 Insurance Subcommittee
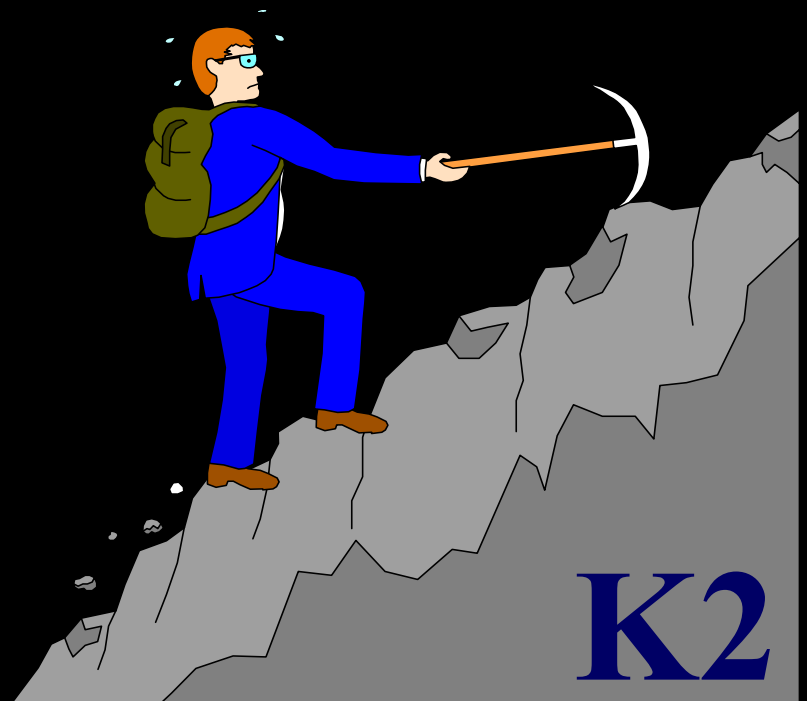gary@wpc-edi.com

WPC

Health Insurance Portability and Accountability Act of 1996

Public Law 104-191
TITLE II, SUBTITLE F
Administrative Simplification

- **9 EDI Transactions**

- **Code Sets**

- **Identifiers**

- **Security / Privacy**

K2

PENALTY FOR NON-COMPLIANCE

- $100.00 For each violation

- Maximum of $25,000.00 penalty per year
  - Identical requirement
  - Prohibition

Litigation
Bad Press & PR !!!

Wrongful Disclosure

- Each offense
  - Fined not more than $50,000
  - Imprisoned not more than 1 yr.
- False pretenses
  - Fined not more than $100,000
  - Imprisoned not more than 5 yr.
- Intent to sell, transfer, or use
  - Fined not more than $250,000
  - Imprisoned not more than 10 yr.

STANDARDS VERSUS IMPLEMENTATION GUIDES

STANDARDS

- **Cross industry standards**
  - **Generic & Unabridged**
  - **No Technical Answers**
  - **Series of Business Questions**

- **Mandatory & Optional Usage**

HIPAA IMPLEMENTATION GUIDES

- **Authors: X12N Insurance Subcommittee**

- **Publisher: Washington Publishing Company**

- **Subsets define segments, loops, codes and sizes.**

- **Required & Situational Usage**

Changes & Future Requirements ?

- Changes to existing Transactions and Code Sets
- New X12 Transactions / Implementations
  - 277 - Healthcare Claim Front End Acknowledgement Reports
  - 811 - Healthcare Premium Billing
  - 269 - Healthcare Benefit Coordination Verification
  - 271 - Healthcare Eligibility/Benefit Roster
  - 278 - Healthcare Services Review –Inquiry/Response
  - 278 - Healthcare Services Review –Notification
  - IHCEBI/IHCEBR - Interactive Transactions
  - Extensible Markup Language (XML) ?
- **New Code Sets**
  - CPT5
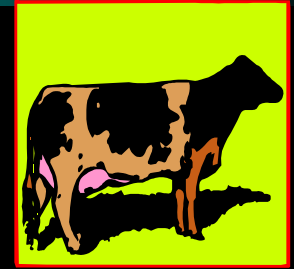 - ICD-10-CM

Where to Request Changes ?

- 3 Standards ANSI Standards Organizations
- 3 Data Content Committees
- Code Set Owners / Maintainers
- DHHS

External Code Sets

Memorandum of Understanding
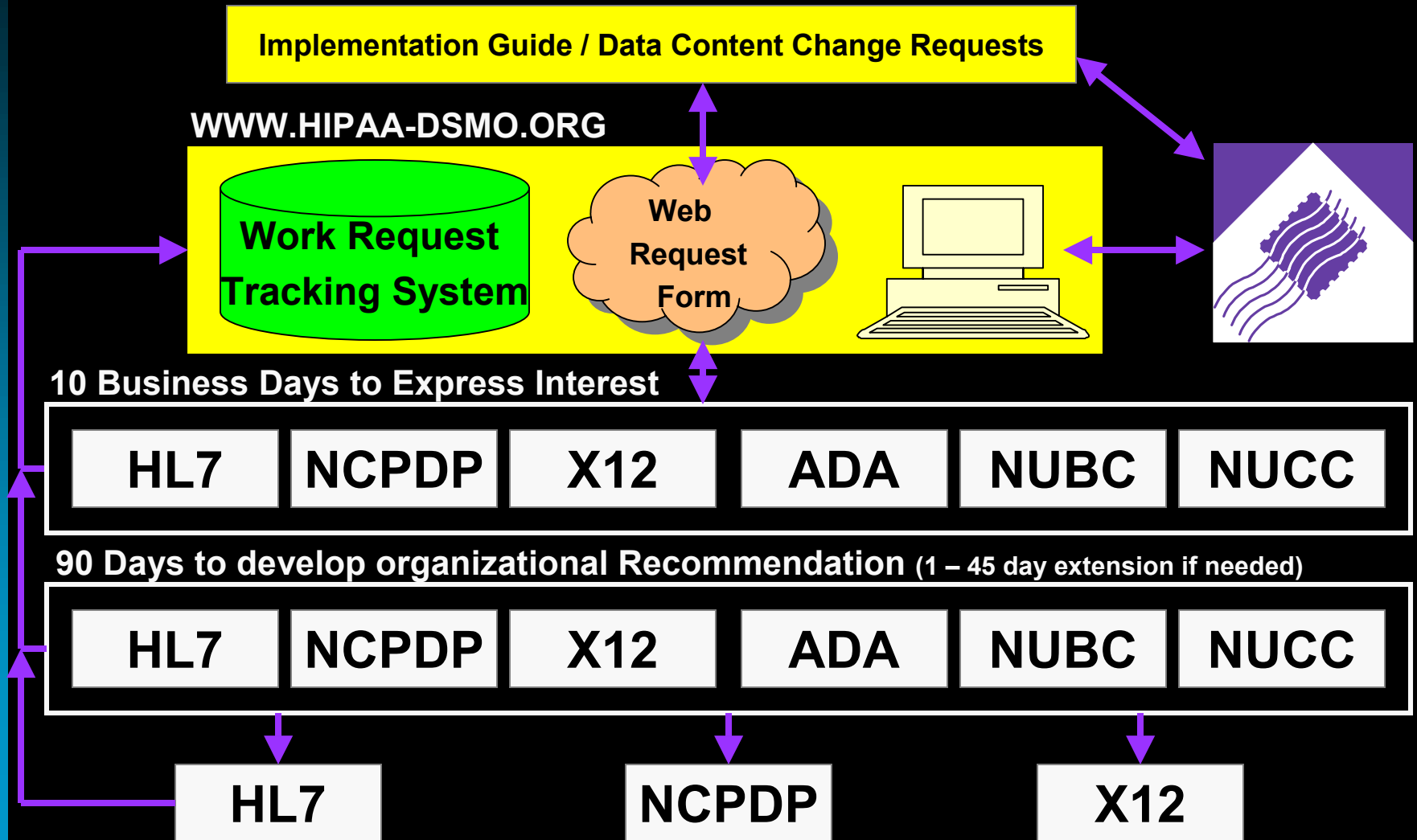
HL7

X12

NCPDP

DHHS

NUCC

NUBC

ADA
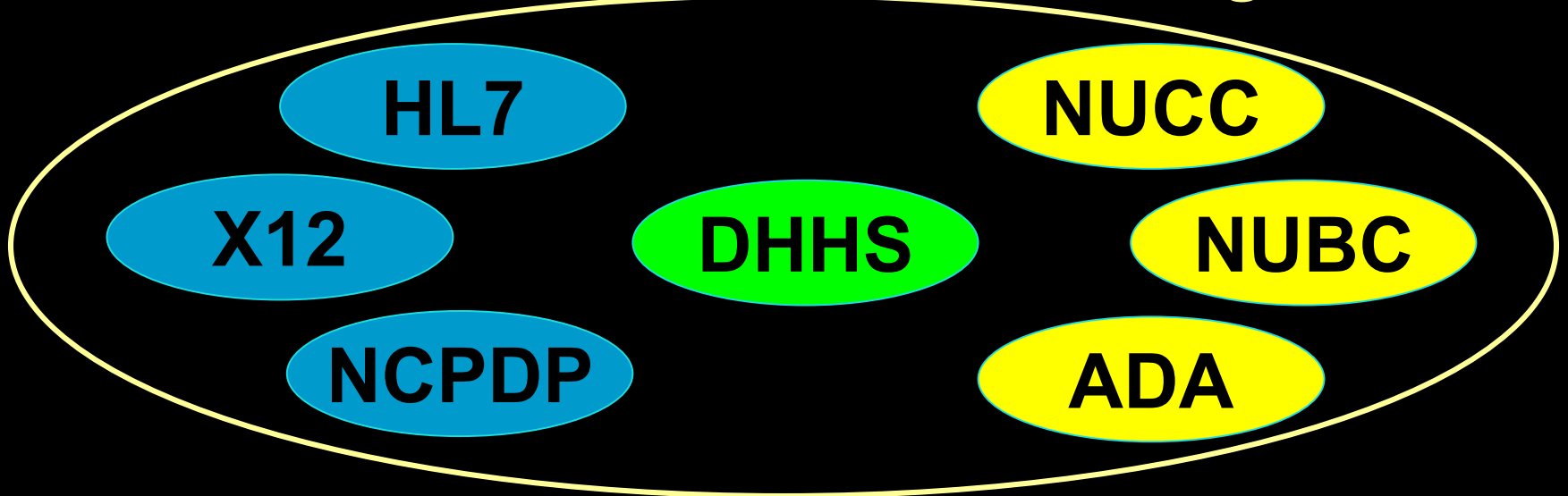
MOU Guiding Principals

- Public Access – Single Point of Entry
- Timely Review of Change Requests
- Cooperation and Communications
- Consider All Viewpoints
- Evaluate Impact of Change Requests
- Maintain a National Perspective
- Conform to Legislation

Change Request System (CRS)

Implementation Guide / Data Content Change Requests

WWW.HIPAA-DSMO.ORG

Work Request Tracking System

Web Request Form

10 Business Days to Express Interest

HL7	NCPDP	X12	ADA	NUBC	NUCC

90 Days to develop organizational Recommendation (1 – 45 day extension if needed)

HL7	NCPDP	X12	ADA	NUBC	NUCC

HL7	NCPDP	X12

X12N Implementation Guides Changes
Three types of changes

- Editorial & Clarification
  - 4 months minimum
  - Does not change implementation
- Changes to IG but not the X12 Standards
  - 4 months minimum
  - Changes implementation
- Changes to both X12 Standards and IG
  - 1 year minimum (or more depending upon complexity)

Next Steps…

- Annually, MOU Steering Committee will provide NCVHS with a change summary & Recommendations.
- NCVHS Reviews & Provides Recommendations to HHS
- HHS
  - **Initiate the HIPAA rule modifications accordingly**
  - **Federal Rulemaking process if required**
    - NPRM
    - 60 Day Public Comment Period
    - Response to Comments
    - Publish Final Rule
      - **Include a compliance date for changes to standards**
      - **Cannot be less than 180 days**
- Version Control

EDI Resources / Education

- **Skill set requirements**
  - Health care knowledge
  - EDI knowledge
- **Resources with both skills are very scarce**
  - Recommendation
    1) Find people with healthcare knowledge first
    2) Training requirements
       - EDI Basic
       - EDI Tools
- **WPC – EDI Partners**
  "Introduction to Healthcare EDI"
- **WEDI / DISA / AFEHCT and others**

Testing vs. Compliance Verification

- Testing (Internal & between trading partners)
  - Quality
  - Quantity
  - Business (Industry)

- Compliance Verification
  - Process to ensure that the standards are implemented in a uniform manner according to the HIPAA ANSI X12 Implementation Guidelines.

Testing - Quality

- Confirm EDI mapping
  - Application to ANSI ASC X12 transaction
  - ANSI ASC X12 transaction to application
- Assure cost effective & efficient transmission.
- Provide information for decision making.
- Validate data dictionary, utilization of code sets, and assure unambiguous data content.
- Identify change impact on prior versions/ releases/sub releases.

Testing - Quantity

- Assure translation performance.
- Provide a "proof of concept" mechanism prior to deployment.
- Provide information to determine the most feasible tactical implementation plan in deployment.
- Highlight issues prior to mass deployment. Provides the capability to address these issues prior to implementation.

Testing – Business (Industry)

- Assure industry business needs are met.
- Provides an opportunity to work in concert with the various entities involved in the implementation.
- End to End or Loop testing
- Parallel processing
- Go Live!

Compliance Testing

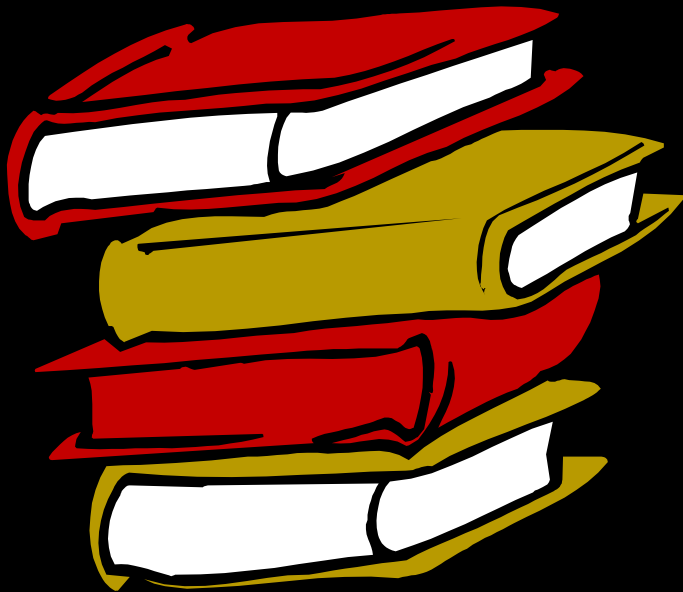Electronic Healthcare Network Accreditation Commission (EHNAC)
Standards Transaction Format Compliance System

EHNAC
Standard Transaction Format
Compliance System Subscriber

STFCS

Compliance Testing - STFCS
What is it?

Compliance verification and testing for electronic transactions based upon HIPAA Implementation Guides.

STFCS

Compliance Testing - STFCS
How does it work?

– Subscribers send a transaction to the secure web site for verification.

– Upon review, a digitally signed web page identifying discrepancies with the HIPAA Implementation Guide is returned.

– A log of subscribers and the transactions for which they are compliant is on the EHNAC web site.

STFCS

Compliance Testing - STFCS
How does it work? (continued)

- A successful transaction is syntactically correct and can be accepted by any trading partner.

- An EHNAC Certification Image and digital signature is issued for use with all certified transactions.

  - Certification is based on the given transaction submitted and approved at a particular date and time.

- Library of Compliant Transactions

STFCS

What STFCS Checks

STFCS checks transactions on three levels.

1. Envelope

   Segments Checked:

   ISA
   GS
   ST
   SE
   GE
   IEA

2. Structural

   - Transaction set is checked – ST to SE

3. Data Element

   - Each data element is checked.

STFCS

STFCS – What Not Checked

- Implementation information contained in free-form notes

    - Data elements that contain specific formatting
    - X12 semantic notes

    E.G. Premium Payment Guide (004010X061)

    TRN03 must contain the Federal Tax ID Number proceeded by a 1.

    TRN03 is a situational, alphanumeric string with a fixed length of 10 characters.

    STFCS will not check if the first character was a "1" but will check that there are up to 10 valid characters.

Compliance Testing - STFCS

Demonstration

STFCS

EHNAC™

About EHNAC

Healthcare Network Accreditation

HIPAA Security Accreditation

Standard Transaction Format Compliance System

Related Information Resources

© 1997-2000 Electronic Healthcare Network Accreditation Commission (EHNAC). All rights reserved.

Legal Notice

For more information:

Electronic Healthcare Network Accreditation Commission

An independent, not-for-profit, accrediting body

EHNAC establishes clear criteria against which clearinghouse and value-added network performance is measured. EHNAC defines its evaluation and accreditation procedures, including different accreditation levels, methods for granting and revoking accreditation, probationary periods and provisional accreditation. Through a written self-assessment and a

Compliance Testing - STFCS

- **What are the benefits?**

  – Verifies that a company can actually send or receive HIPAA compliant transactions.

  – Establishes a single objective site to provide feedback on transaction compliance

  – Increases the efficiency of implementation due to reduce testing time required.

  – Provides a reference library of compliant transaction for testing.

STFCS

Compliance Testing - STFCS

- What is the costs?
  - $595/year, which includes the registration fee and 250 tests
  - An additional 100 tests can be purchased for $100
  - Annual renewal is $395, includes 250 tests + carryover from previous year
  - All EHNAC Accredited companies receive the service free of charge

STFCS

Other Testing & Compliance Verification Tools

- Foresight Corporation
  - Provisto – Free web base testing tool
  - EDISIM
- EDIFECS
- EDI Translators
  - HIPAA Tool Kits

Thank You !

X12N Implementation Guides
www.wpc-edi.com

DHHS Administrative Simplification
www.aspe.hhs.gov/admnsimp

EHNAC
www.ehnac.org

HIPAA Transaction Change Request System
WWW.HIPAA-DSMO.ORG