



NPI Comprehensive Compliance Methodologies

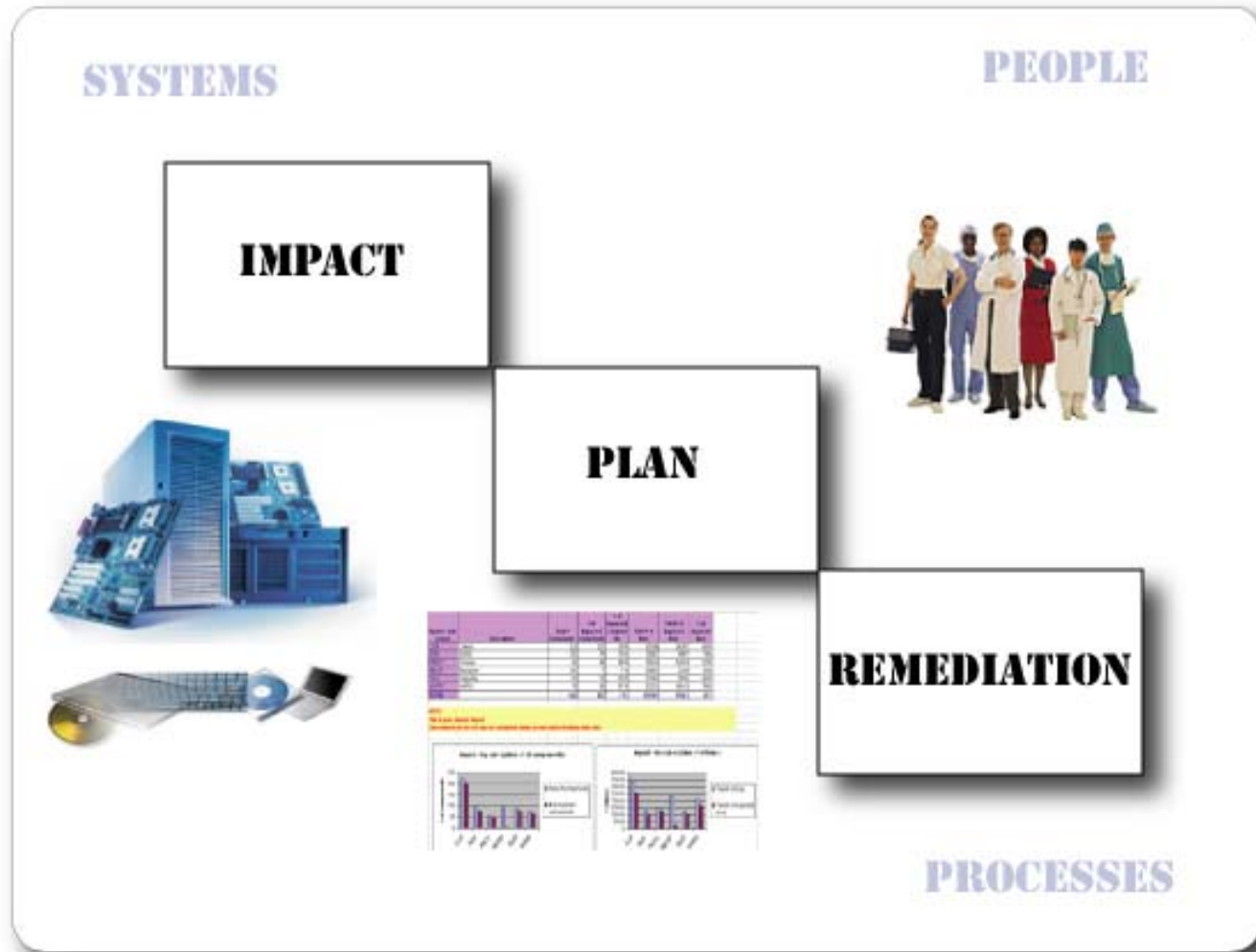
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The National Provider Identifier

- NPI Assessment Methodology
 - NPI Impact Assessment
 - Policy
 - Business Process
 - Technical
 - NPI Planning Methodology
 - Risk Management
 - WBS
 - NPI Remediation Methodology
 - 4 main remediation options

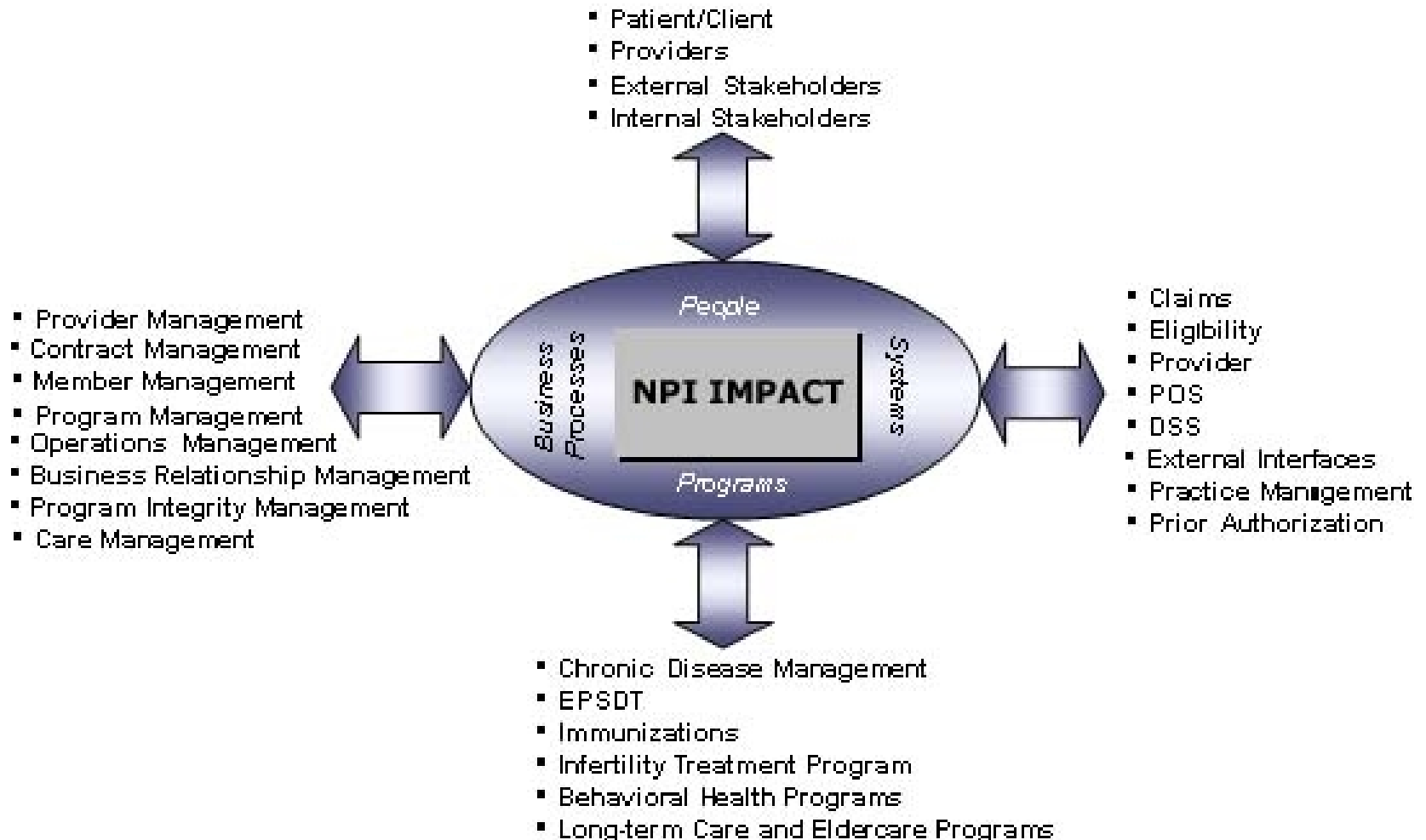
The NPI Assessment



NPI Compliance Phases

- **Impact Phase**
 - Examines policies, business processes, systems, and interfaces to determine where provider identifiers are used and how
- **Plan Phase**
 - Defines specific logical units-of-work for the application based on the output of the impact phase, which enables implementation activities to begin immediately
 - Provides high-level information concerning the costs, resources, and timeframes needed to implement the NPI solution
- **Remediation Phase**
 - The remediation phase involves managing and implementing the required changes in a structured, systematic manner
 - Includes testing between provider organizations and health plans, as well as other data trading partners.

Potential Stakeholders





The NPI Impact Phase

Assessing Business and Policy Impacts

Provider Number	Program requirements	Payment structure
12345	Fee for Service (FFS)	Pays 80% of Billed Charges up to \$5000 then 100% thereafter
23456	Primary Care Provider (PCP)	Pays \$10 per patient per month
34567	Contract Rate for Managed Care	Pays fixed rate per procedure for each of X procedures
45678	Contract Rate for Managed Care for Nowhere County	Pays fixed rate per procedure for each of X procedures in that county only
56789	FFS Underserved Area	Pays 80% of billed charges plus 10% bonus for work in underserved location only

NPI Issues: Business Processes and Policy Impacts

- Business areas and processes need to be reviewed, such as:
 - Provider Management
 - Provider network/enrollment
 - Contracting
 - Operations Management
 - Claims processing and COB/TPL
 - Authorizations/referrals
 - Program Integrity Management
 - Utilization review/fraud and abuse detection
 - Compliance

Program Questionnaire

- Assesses uses of provider identifiers within various systems and business processes
 - Focus group interviews
 - Manager
 - System representative
 - Business process
- Goal is to define the logic surrounding how legacy provider identifiers are assigned and how they work their way through the system
- Recreate this logic with additional data elements or access to internal files
- Information helps construct the map to retain the original logic so that business processes dependent upon that logic will continue as before

Program Questionnaire

Do you use any part of the provider number to identify any of the following:	Program Areas
Provider type (i.e., MD, DO, Psychologist, etc.)	
Provider specialty (i.e., pediatrician, neurologist, etc.)	
Type of service	
Location of the provider's service (rural or underserved area)	
Specific contract terms	
Specific benefit plans for a specific recipient	
Reporting requirements	

Program Questionnaire

Purpose:	Found in what system?	Type, Specialty, or Both?
Forecasting		
Accounting		
Proper payment		
Fraud and abuse		
Decision support		
Reporting requirements		
Contract provisions		
Other		

Program Questionnaire cont.

Transaction:	Program
837 P – Professional Claim	
837 I – Institutional Claim	
837 D – Dental Claim	
CMS 1500 Professional Claim	
UB 92/04 Institutional Claim	
835 – Remittance Advice	
270/271 – Eligibility Inquiry and Response	
276/277 – Claim Status Inquiry and Response	
278 – Referral and Authorization Request and Response	
834 – Enrollment in a Health Plan	
820 – Payment for Premiums and other Insurance Products	
NCPDP – Prescription Drug Transactions	
HL7 – Communications between Hospitals, Laboratories, etc.	
Public Health Reporting	
Registry Reporting (i.e., birth, death, cancer, etc.)	
Electronic Health Records	12
Others, please specify	

Program Questionnaire cont.

Please respond to the following questions	Yes	No
Does payment change based on the logic determined by the provider number?		
Does reporting change based upon the logic determined by the provider number?		
Do you have a different processing for paper transactions?		
Do you bundle or package services for pricing?		
<ul style="list-style-type: none"> <li data-bbox="243 796 973 825">• If so, is that bundling related to specific identified providers? 		
Do you routinely purge your system of out-of-date or deceased providers?		
Do you have providers that would be considered atypical (i.e., non healthcare providers such as taxi cab drivers, respite care providers, home modification carpenters, etc.)?		
<ul style="list-style-type: none"> <li data-bbox="243 1122 857 1150">• If so, do you conduct EDI transactions with them? 		
<ul style="list-style-type: none"> <li data-bbox="243 1226 1394 1255">• If so, will you continue to use your existing provider numbers to recognize these atypical providers? 		

NPI Issues: Systems

- Identify all legacy identifier logic
 - Applications
 - Hard coded
 - Database attributes
- Modify to accommodate NPI field size and format
- Create cross-references between legacy provider numbers and NPI's, using available data
- Conversion of internal systems
 - Translator/Mapping logic
 - Administrative transaction receipt/creation
 - Claims history for reporting, budgeting
 - Clearinghouse interface(s) changes

System Issues related to Business Processes

- Determine the following with regard to systems:
 - Embedded provider number intelligence used for:
 - Contracting
 - Network Development
 - Payment by location, provider type or specialty
 - Category of Service
 - Type of Service
 - Provider Type
 - Reporting
 - Fraud and abuse detection
 - Certification requirements (JCAHO)
 - Providers may have multiple numbers for reimbursement at the same and/or different locations
 - Some legacy systems may still need to contain hard-coded provider numbers

Inventory Systems and Interfaces

- Determines all of the systems in use affected by legacy identifiers and NPI compliance efforts
- Similar assessment may have been completed to comply with Security provisions of HIPAA
- Determine which of the identified systems are necessary to search for potential remediation needs
- Examine the interfaces of impacted systems

Inventory Systems

System	Sub-system	Title	Responsible person	Type	Language	Count of programs
MMIS	SURS	Surveillance and Utilization Review	SURS SME	PROG	COBOL	125
				COPY	COBOL	34
				JCL		54
				EZT		67
				SYSIN		76
MMIS	MARS	MARS – Reporting subsystem	MARS SME	PROG	JAVA	22
				PROG	COBOL	76
				COPY	COBOL	12
				JCL		18
				SYSIN		10
				PROG	JAVA	09

Application Survey

- Completed by the individual responsible for the named system or application, or during interviews
- Determines the platform for the system, the uses of the system, the use of historical data, and the existence of interfaces or COTS products involved with the system/application
- Prompts the individual responsible regarding potential issues
 - New versions of standard transactions
 - ICD10
 - EHR
 - Attachments

Application Survey

- General Information:
- Please provide a brief description of the application:
- If this application is a COTS product, is the source code available for all programs in the application?
- Does the application execute a SORT on the Provider ID field(s)?
- Data questions, processing logic questions, Application testing questions, and 'other issues'

NPI Impact Report

- Compiled from the results of the Inventory Systems, Application Survey, Policy Reviews, Program Questionnaires
- Lists the systems, subsystems and interfaces that are impacted
- Lists impacted policies and business processes
- Depicts the impending new requirements and the preparedness to address those issues
- Provides recommendations for remediation dependent upon infrastructure, complexity of NPI impact, budget, and available resources



The NPI Plan Phase

Planning Elements

- **Business Priorities**
 - Policy decisions
 - Business process changes
 - System changes
- **Risk Management**
 - Risk Analysis
 - Risk Monitoring and Control
 - Contingency Plan
- **Planning for Remediation**
 - Implementation Plan

Health Plan Business Priorities

- Maintaining patient services
- Equitable payment to providers
- Prompt provider payments
- Maintaining good provider relationships
- Accurate data collection
- Fraud and abuse detection
- Data comparability over time (current vs. historical)
- Secure integrity of data exchange
- Minimizing project costs
- Minimizing business project disruptions

Provider Business Priorities

- Providing good patient services
- Maintaining cash flow for services provided
- Correct payment
- Accurate posting of payments received
- Accurate and comparable data
- Maintaining health plan/payer relationships
- Minimizing system changes
- Minimizing system costs
- Minimizing system disruptions to business processes

Other Planning Issues

- Internal and External Data Exchange
 - How is data exchanged internally and externally
- Scheduled Maintenance and Upgrade Projects
 - What systems are planned to upgrade or be discontinued
- Timelines
- Application Involvement
 - Number of applications using NPI

Risk Analysis Process

- The document review, program questionnaire and initial interviews reveal those programs or units that are impacted the most. For example:
 - Financial Services
 - Provider Services
- Key staff should be involved in detailing the risk for those programs
- The following methodology is used to determine the level of risk so that appropriate remediation strategies will be developed

Risk Identification

- Risks related to non-compliance with NPI
- Risks related to the compliance process
- Other business related risks

- Contingency Plan

Non-Compliance Risks

- Providers may not be paid adequately for the services they render
- Providers may become disgruntled and leave the provider group, leaving gaps in service delivery
- Forecasting of budget, provider networks, and participant benefit plans may be unmanageable
- Legal requirements for reporting may not be met
- Duplicate checking may be interrupted
- Loss of competitive advantage in the provider market
- It may be impossible to conduct coordination of benefits due to disparate requirements for subparts
- Billing operations may become more manual because of payer requirements
- Providers may not supply sufficient information to conduct an appropriate billing transaction

Compliance Process Risks

- System changes may make the system dysfunctional for a period of time
 - System changes may not produce the result intended
 - The system may not work at all
 - System configurations of provider identifiers may fail to produce consistent results
 - The system may not be able to manage a period of dual identifiers and may have to go live abruptly
 - Conversion of historical data may be compromised or too expensive
- Providers may not get NPIs in a timely manner or EFI may be delayed long enough to interrupt your compliance plans
- Atypical providers will not get NPIs at all, requiring continued configuration of old legacy numbers along with the new NPI numbers
- Subparts of organizational providers may not match business needs of payer

Risk Probability

Risk Probability	Rating	Impact
<i>Low</i>	<i>1</i>	<i>The risk is not likely to occur within the next three years</i>
<i>Medium</i>	<i>2</i>	<i>The risk is likely to occur at least once in the next two to three years</i>
<i>High</i>	<i>3</i>	<i>The risk is likely to occur at least once in the next year</i>

Risk Value

- Value of a risk can be
 - Monetary
 - Related to interruption of business processes
 - Loss of market share or reputation
- Risk with low probability and low value will generally receive a low priority
- Risk of high probability and high value will receive the most immediate attention and resources
- Values are represented on the following scale

Risk Value

Impact Severity Level	Exposure Rating	Monetary or Market Share Loss	Interruption of Business or Loss of Reputation
Critical	5	Severe or complete loss to asset, e.g. externally visible and affects business profitability or success	Work stoppage - Substantial support costs or damage to reputation.
Serious	4	Serious but not complete damage to asset, e.g. affects business profitability or success, may be externally visible	Work interruption -- Quantifiable increase in support costs or business commitments delayed.
Damaging	3	Moderate damage or loss, e.g. affects internal business practices, causes increase in operational costs or reduction of revenue	Work delays -- Noticeable impact to support costs and productivity. No measurable business impact.
Significant	2	Low damage or loss, e.g. affects internal business practices, cannot measure increase in costs	Work distraction -- No measurable impact, minor increases in support or infrastructure costs
Minor	1	Minor or no change in asset	Absorbed by normal business operations -- No measurable impact to support costs, productivity, or business commitments.

Risk Monitoring and Control

- Continually Tracking Risks for Action
- Identify Triggers to Know if Risks have Occurred or Will Occur
- Contingency Plan:
 - Workaround plans
 - Corrective action – performing the workaround or risk response strategy
 - Project change requests – to change the project to respond to risks
 - Updating the risk response plan

Risk Monitoring and Control Table

Risk	Risk Priority	Risk Triggers	Risk Response Strategy	Actions	Costs	Time to Complete	Responsible Person
Time overruns resulting in liabilities for HIPAA sanctions	6	<ul style="list-style-type: none"> *Deadlines not met *Staff diverted to other projects 	Mitigation	<ul style="list-style-type: none"> *Contract for additional resources *Develop workplan to demonstrate compliance progress 	\$100,000	<ul style="list-style-type: none"> *Contract process – 2 months *Project completion – 4 months *Workplan – 3 days 	John Doe
Subparts of organizational providers may not match business needs of payer	6	<ul style="list-style-type: none"> *Health Plans requesting various subpart configurations *Medicare denying claims 	Avoidance	<ul style="list-style-type: none"> *Increase communication *Apply for additional subparts 	\$5000 increased labor costs	<ul style="list-style-type: none"> *Communication increased over 2 months *Determine subparts 2 weeks 	Mary Smith



The NPI Remediation Phase

NPI Remediation

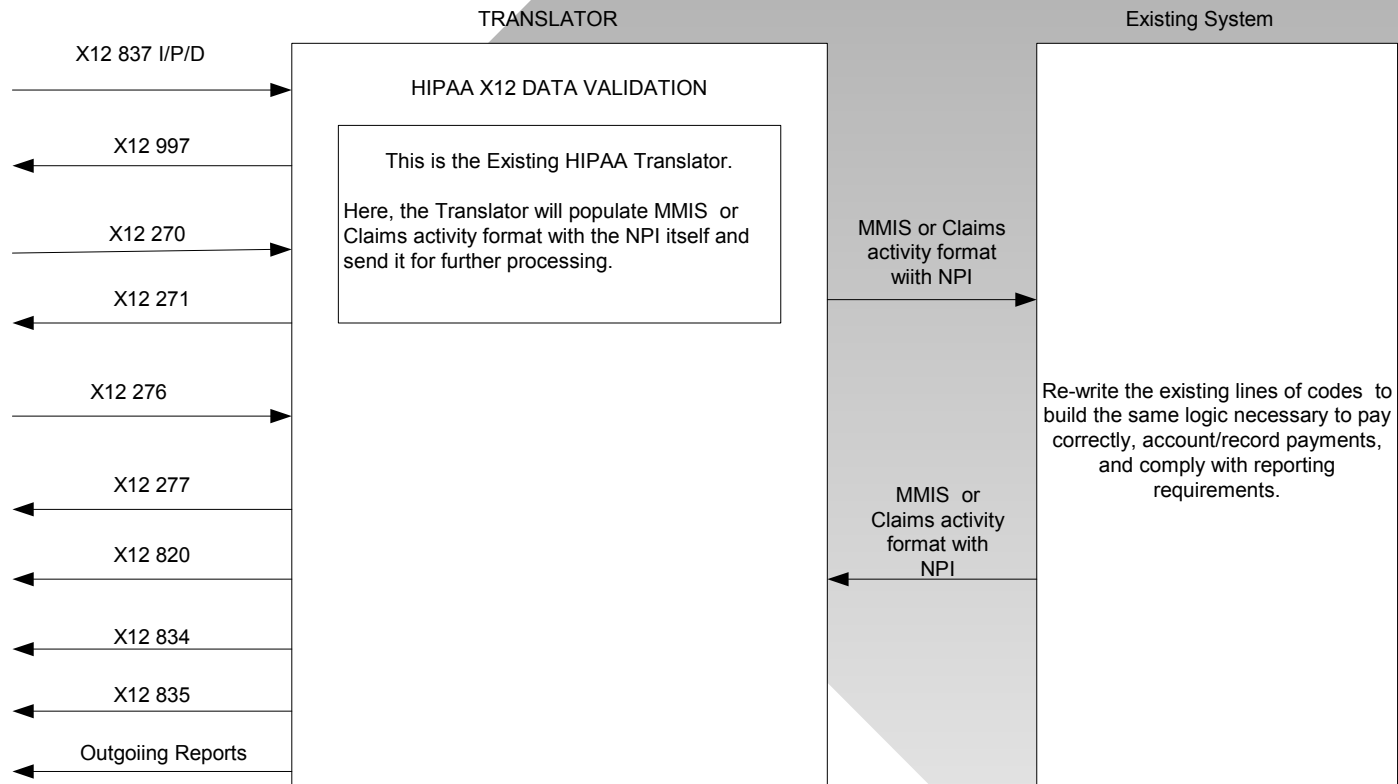
- Determine Remediation Choice Based on Impact Assessment and Planning Phase
- 4 Main Remediation Options
- Develop Project Work Plan
 - Develop Work Breakdown Structure of High Level Processes
 - Plan for Timeframes to Completion
 - Develop Detailed WBS for Option Chosen

Option One WBS: Recode Provider ID

- Identify uses of provider ID
- Write logic maps
- Recode NPI with maps
 - Depends greatly on number of systems recoded
 - Depends on availability of coding personnel
- Recode interfaces
- Rewrite processes
- Develop testing platform
- Test internally
- Test with providers
- Test COB with other plans
- Convert DDE systems (if required)
- Convert keying processes (screens)
- Dual strategy with providers
- Go live – May 23 - 2007

Re-Code the System

Remediation Strategy Number One

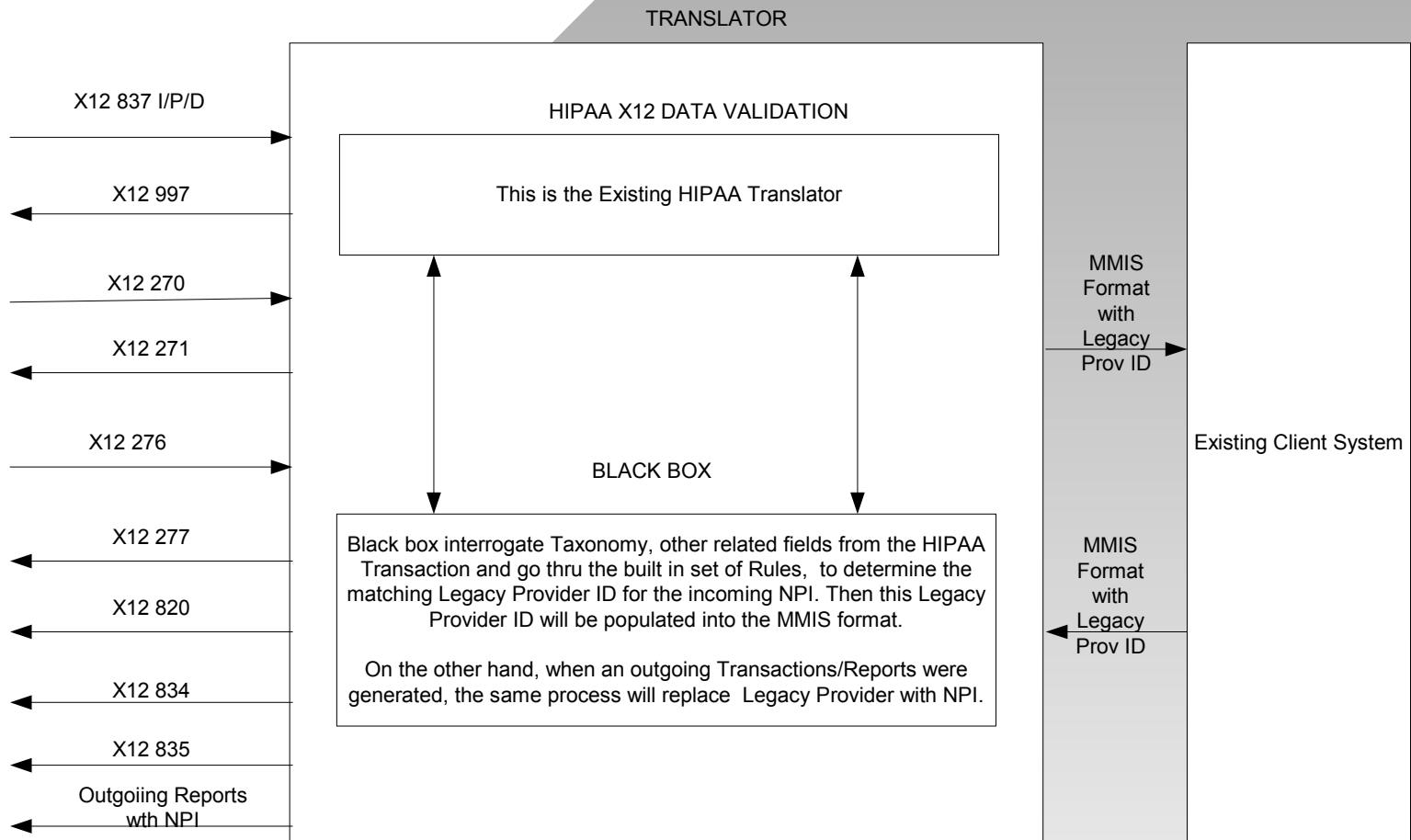


Option Two WBS: Use of Wrapper/Translator

- Assess and define transition issues
- Create crosswalk
- Code crosswalk
- Develop testing platform
- Test internally
- Test with providers
- Test COB with other plans
- Convert DDE systems
- Convert keying processes (screens)
- Dual strategy with providers
- Go live – May 23 – 2007

"The Wrapper"

Remediation Strategy Number Two

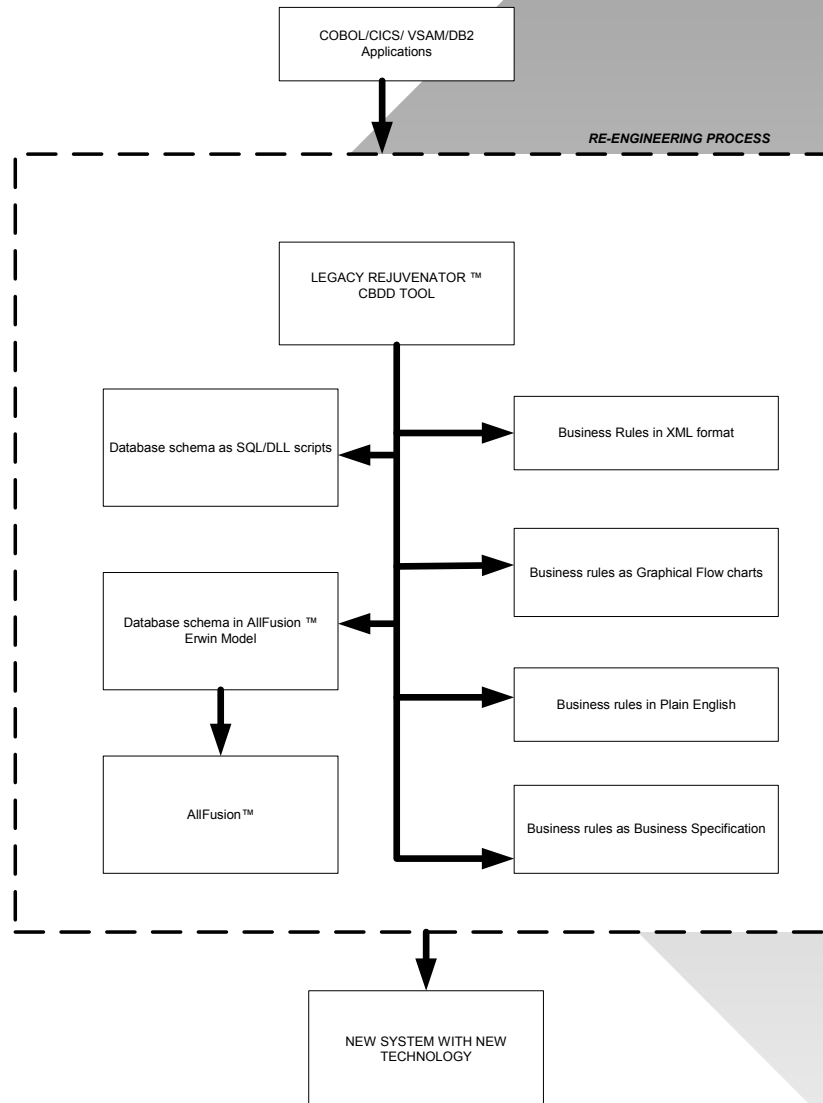


Option Three WBS: Re-engineering the System

- Use XXXX or some such program to rewrite the business rules and coding structure for adjudication and other selected systems
- Test system and system components through a full cycle of testing
- Identify uses of provider ID
- Write logic maps
- Recode NPI with maps
 - Depends greatly on number of systems recoded
 - Depends on availability of coding personnel
- Recode interfaces
- Rewrite processes
- Develop testing platform
- Test internally
- Test with providers
- Test COB with other plans
- Convert DDE systems (if required)
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- Dual strategy with providers
- Go live – May 23 - 2007

Re-engineer System

Remediation Strategy Number Three

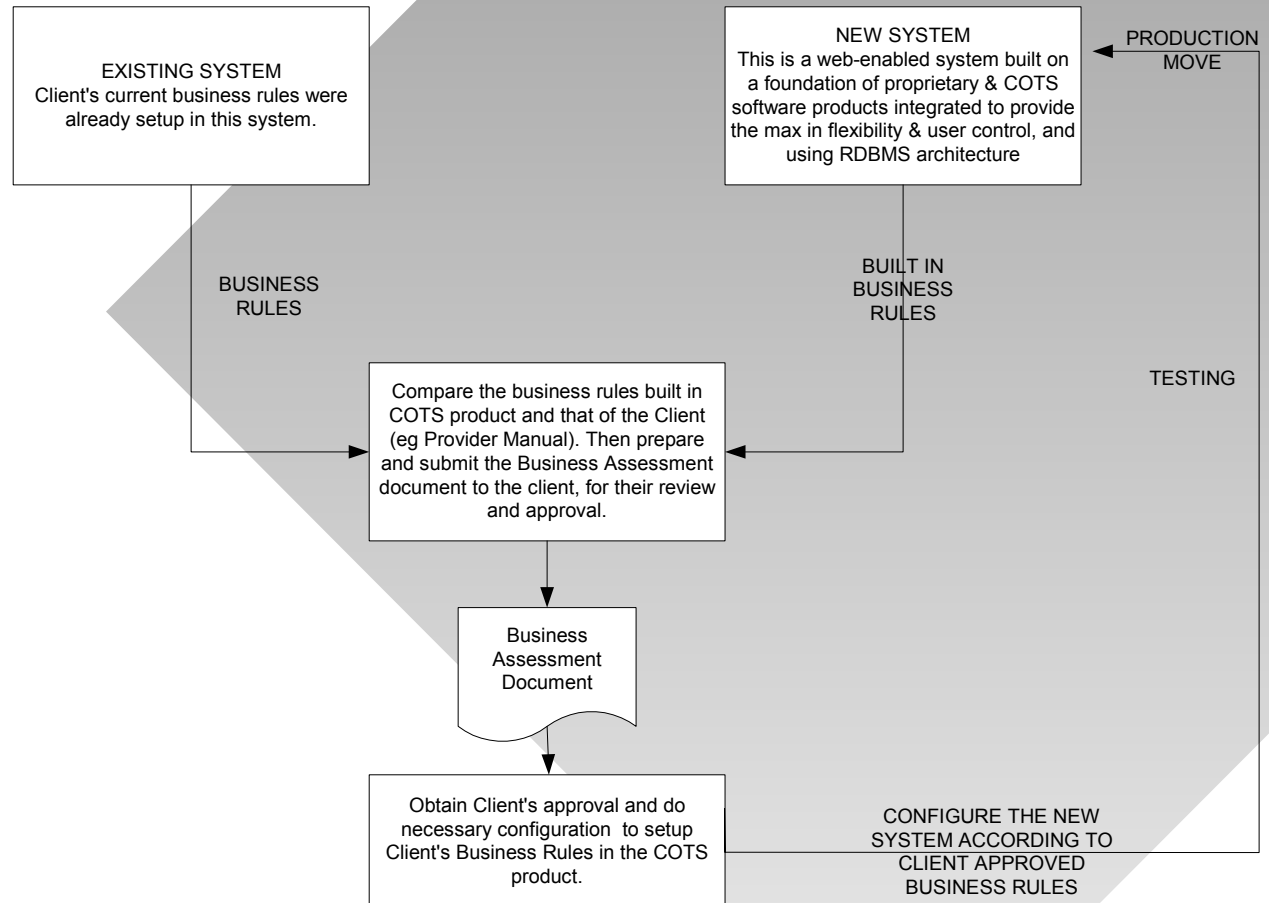


Option Four WBS: Purchase a COTS System

- Assess and define transition issues
- Write requirements
- Issue RFP
- Review responses
- Contract with vendor
- Install and test COTS
- Create crosswalk
- Code crosswalk into COTS
- Develop testing platform
- Test internally
- Test with providers
- Test COB with other plans
- Convert DDE systems
- Convert keying processes (screens)
- Dual strategy with providers
- Go live – May 23 - 2007

COTS

Remediation Strategy Number Four



Timeframes and Other Issues

- Timeframes vary – some processes can be done concurrently
- Additional Issues:
 - Contracting
 - Communication
- Transitional Planning
 - Writing Contracts/Companion Guides/TPAs
 - Dual strategy



Thank you!
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