

ADMINISTRATIVE SIMPLIFICATION ADVANCING HEALTHCARE

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Administrative Simplification BACKGROUND



WHERE DID IT COME FROM?

The Administrative Simplification mandates originated with the Health Insurance Portability and Accountability Act of 1996 (**HIPAA**) and were amended with the Health Information Technology for Economic and Clinical Health Act of 2009 (**HITECH**) and the Patient Protection and Affordable Care Act of 2010 (**PPACA**).



WHAT IS THE PURPOSE?

“It is the purpose of this subtitle to **improve** the Medicare program under title XVIII of the Social Security Act, the Medicaid program under title XIX of such Act, and the **efficiency** and **effectiveness** of the health care system, by encouraging the development of a health information system through the establishment of standards and requirements for the electronic transmission of certain health information.”


Source: HIPAA Act, Subtitle F--Administrative Simplification, Section 261, Purpose



WHAT IS THE VALUE?

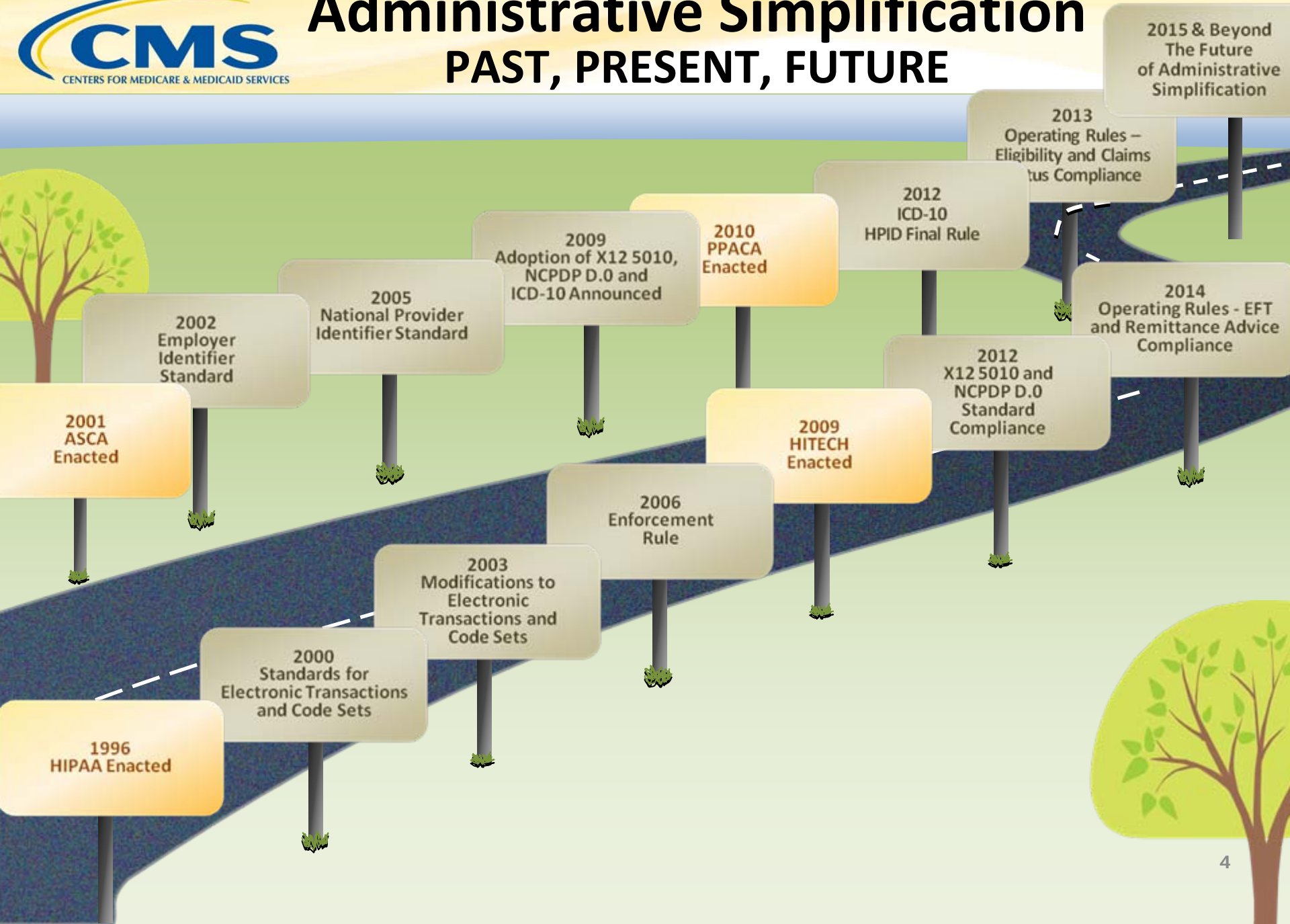
Administrative Simplification fosters an eHealth environment that is a seamless, standardized, and automated continuum of electronically enabled administrative standards that **create efficiencies** across our nation’s health care system.

Administrative Simplification VALUE

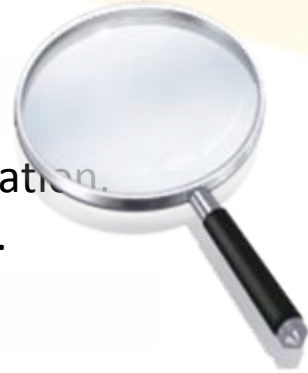
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- Make Health Care Affordable
 - Reduce Cost for the Business of Health Care
 - Establish Standards and Uniformity to Increase Interoperability
 - Streamline Health Care Transactions (Faster, Electronic, Efficient)
 - Enhance Patient and Provider Experience (More Time with Patients)
 - Reduce Administrative Waste and Burden

Administrative Simplification

PAST, PRESENT, FUTURE



Administrative Simplification ON THE HORIZON



ICD-10 IMPLEMENTATION

- Continuing to work closely with all stakeholders via outreach, training, education, monitoring, and testing activities to ensure a successful transition to ICD-10.

HEALTH PLAN IDENTIFIER (HPID)

- Issued Enforcement Discretion allowing government and industry the opportunity to work together on the best path forward.

CERTIFICATION OF COMPLIANCE

- Evaluating public comments received from the proposed rule, which will allow health plans to demonstrate compliance with HIPAA standards and operating rules.

NCVHS REVIEW COMMITTEE

- Engaging in 2015 NCVHS Review Committee hearings. Mandated by PPACA, Section 1104, these hearings allow opportunity to provide recommendations for improvement of existing standards, code sets, identifiers, and operating rules.

OPERATING RULES, PHASE 4

- Monitoring industry and NCVHS testimony for the draft phase 4 operating rules: health claims, plan enrollment/disenrollment, premium payments, and referral certification and authorization.

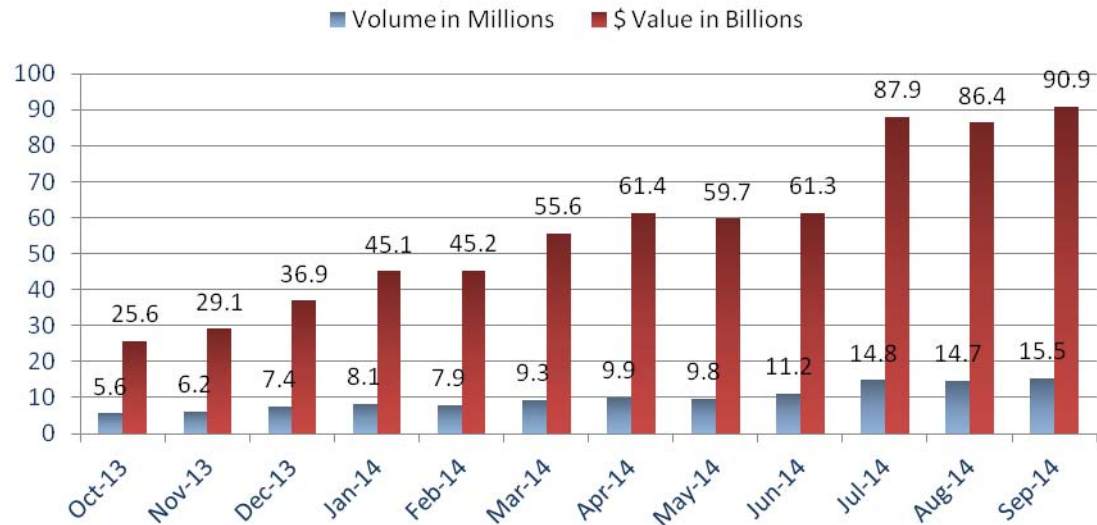


Administrative Simplification REAL WORLD BENEFITS

The implementation of Administrative Simplification standards for electronic transactions and code sets, standard identifiers, and operating rules over the last 19 years have had a positive impact on healthcare industry stakeholders, including patients, providers, payers, clearinghouses, and financial institutions.

Key Fact: Most recently, the implementation of the Electronic Funds Transfer (EFT) Operating Rule in January 2014, has led to an increase of healthcare EFT transactions processed within the first year, leading to more accurate and faster payment cycles.

Healthcare EFT Volumes & Value Oct 2013 – Sept 2014



Source: National Automated Clearing House Association (NACHA)

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REAL WORLD BENEFITS

Electronic Funds Transfer (EFT)

 **Progress to date ...**



In January 2014, more than
8 million
health care payments were made
using EFT through the Automated
Clearing House Network.



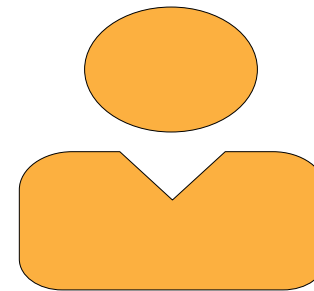
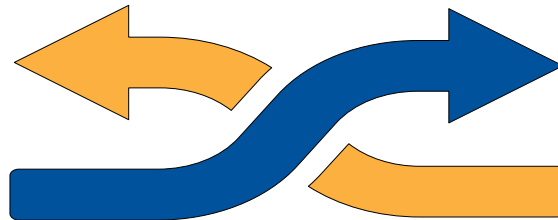
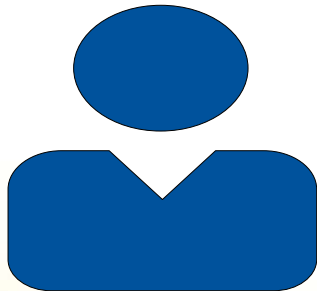
32%
increase in EFT transactions in
the first quarter of 2014 from
the fourth quarter of 2013.



claim submission
transactions were
conducted electronically
in 2012.

How EFT advances health care:

EFT creates efficiencies in payment processing, including paper reduction, decreased risk of lost or stolen paper checks, quicker access to funds, and easier payment reconciliation.

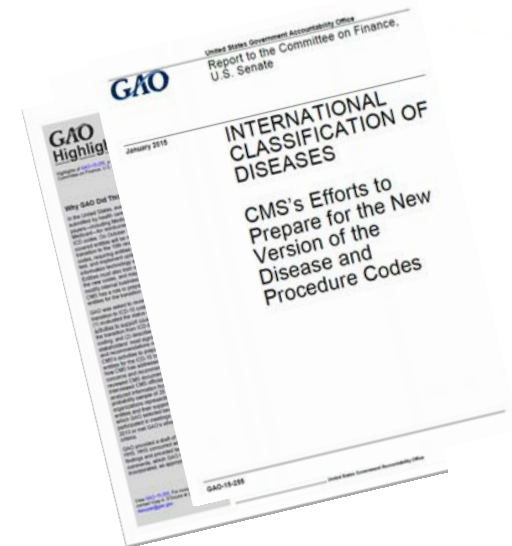


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ICD-10 READY

CMS is Supporting Industry ICD-10 Readiness by:

- Collaborating with Federal and State Agencies and industry to monitor readiness and achieve industry adoption;
- Providing guidance to 56 State Medicaid Agencies and development of a State Medicaid Testing Tool;
- Providing free physician practice training, including 21 small practice webinars and over 92 Small Physician Practice (SPP) training sessions, spanning 32 States; and
- Expanding 'Road to 10', an online resource built with input from providers in small practices, which includes specialty references and helps providers build ICD-10 action plans tailored for their practice needs.



Government Accountability Office (GAO) Report

- Report was released February 6, 2015.
- The findings were overall very positive.

For a copy of the GAO report, visit www.gao.gov/products/GAO-15-255

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ICD-10 READY

- CMS has built an **integrated enterprise-wide program** and system management solution to actively monitor pre- and post-implementation.



- **CMS systems are ready** to accept and process ICD-10 claims.
- **Robust testing continues** with providers and stakeholders.



Share Your Story

Want to share your success story or lessons learned?

[Send it to us](#) and it may be included on this site to help guide other physicians on the Road to ICD-10.

[\(Read Disclaimer\)](#)

Specialty References

Select a profile below to explore the common codes, primers for clinical documentation, clinical scenarios, and additional resources associated with each specialty. You can also get started on your own plan now by choosing **BUILD YOUR ACTION PLAN** below.



Family Practice



Pediatrics



OB/GYN



Cardiology



Orthopedics



Internal Medicine



Other Specialty



**BUILD YOUR
ACTION PLAN**

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ICD-10 – REAL WORLD BENEFITS



“Healthcare is moving towards a value-based system overall. We need to be able to demonstrate value and there are real limitations with the ICD-9 nomenclature we currently have.”

Dr. Joseph Stubbs, Internal Medicine



“Population health data becomes much easier with ICD-10. The new system will help to predict which patients will have an issue and which can be managed preventatively. The detail afforded by ICD-10 will be much greater than the detail we currently have with ICD-9.”

Dr. Mahesh Amin, Cardiology



“In every single patient encounter, I have the opportunity to show patients their trends and their progress towards fulfilling their goals...not only does this help me on a day-to-day and one-to-one patient basis, but it also helps me manage my entire patient population as a whole.”

Dr. Abraham Lichtmacher, Board Certified Obstetrician/Gynecologist



Administrative Simplification RESOURCES

CMS Contacts

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HPID Questions

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ICD-10 Questions

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Resources

ICD-10

www.cms.gov/ICD10

Road to 10

www.roadto10.org

Administrative Simplification

<http://www.cms.gov/Regulations-and-Guidance/Regulations-and-Guidance.html>