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HIPAA Certification:
HIPAA X12 transaction testing and certification

Third National HIPAA Summit

Washington, D.C., October 25, 2001

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Topics

- HIPAA compliance testing
- Transaction testing
  - Incoming
  - Outgoing
- Certification, what is it?
- Challenges

Compliance Testing in HIPAA

- Level 1 – Developmental testing
  - Done by the SDOs while developing transactions
- Level 2 – Validation testing
  - Testing of sample transactions to see whether they are written correctly
- Level 3 – Production testing
  - Testing of a transaction from the sender through the receiver's system
- "Pilot Production" Projects recommended. Level 2½ ?
  - Not mandatory, only voluntary
- Who certifies the "compliance tester" ?
  - HHS declined to certify the certifier.

Other testing considerations

- Privacy issues
  - Testing with synthetic transactions
  - Using "live" data or de-identified transactions
- Quality of test data
  - Synthetic well defined tests
  - "Live" data must be representative of provider's business.
- Multiple simultaneous versions of HIPAA guides
- Reporting of test results
  - Transaction: 997, 277, 824, other?
  - Readable result
    - Paper or electronic?
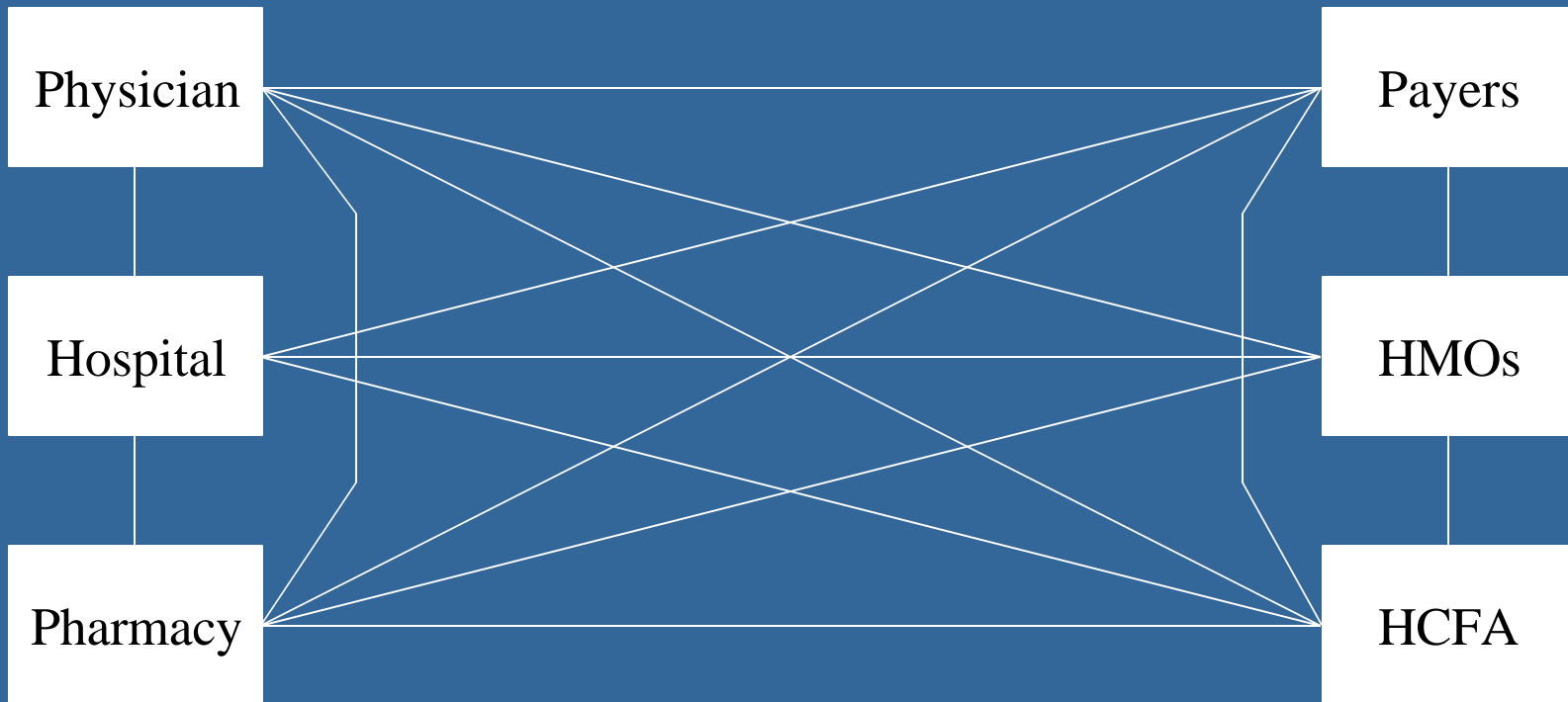   - X12, NSF, or UB92 "reference" error messages?

HIPAA code sets

- Standards for code sets
  - Developed by private and public entities
    - CPT4 (changes yearly)
    - HCPCS Level II (many new national codes expected)
    - ICD-9-CM (small changes yearly, then ICD-10 hits the fan)
    - CDT3 (recently implemented in 2000)
    - NDC (not quite going away…)
    - X12 (new code sets for most users)
    - NCPDP (new codes for version 5.1)
  - Created codes sets where none were available
    - Adjustment reason codes, Payment remarks, etc.
- How are we going to test for code sets?

Telecommunications

- No HIPAA standards
- Hodgepodge of bulletin board systems today
- Things to look for:
  - Dial-up with Kermit, X/Y/Zmodem
  - TCP/IP with FTP for direct submitters
  - SSL connectivity over Internet for real time or fast batch transactions
 - Other Internet (EDIINT, PGP+FTP ?) with encryption

Business Relationships

- Example
  - 6 Players
  - 15 Connections

- Participants
  - 100,000 Medical Sites
  - 55,000 Pharmacies
  - 5,000 Hospitals
  - 1,700 Payers
  - 400 HMOs
  - 150 Medicaid, Carriers, Intermediaries

- Total Connections
  - 100,000 x 20 Physicians
  - 100,000 x 15 Pharmacies
  - 100,000 x 5 Hospitals
  - 100,000 x 400 Payers
  - 100,000 x 5 HMOs
  - 100,000 x 2 HCFA
  - 55,000 x 15 Pharmacies
  - 55,000 x 15 Hospitals
  - 55,000 x 100 Payers
  - 55,000 x 5 HMOs
  - ETC.

- Over 57 Million connections

Real world
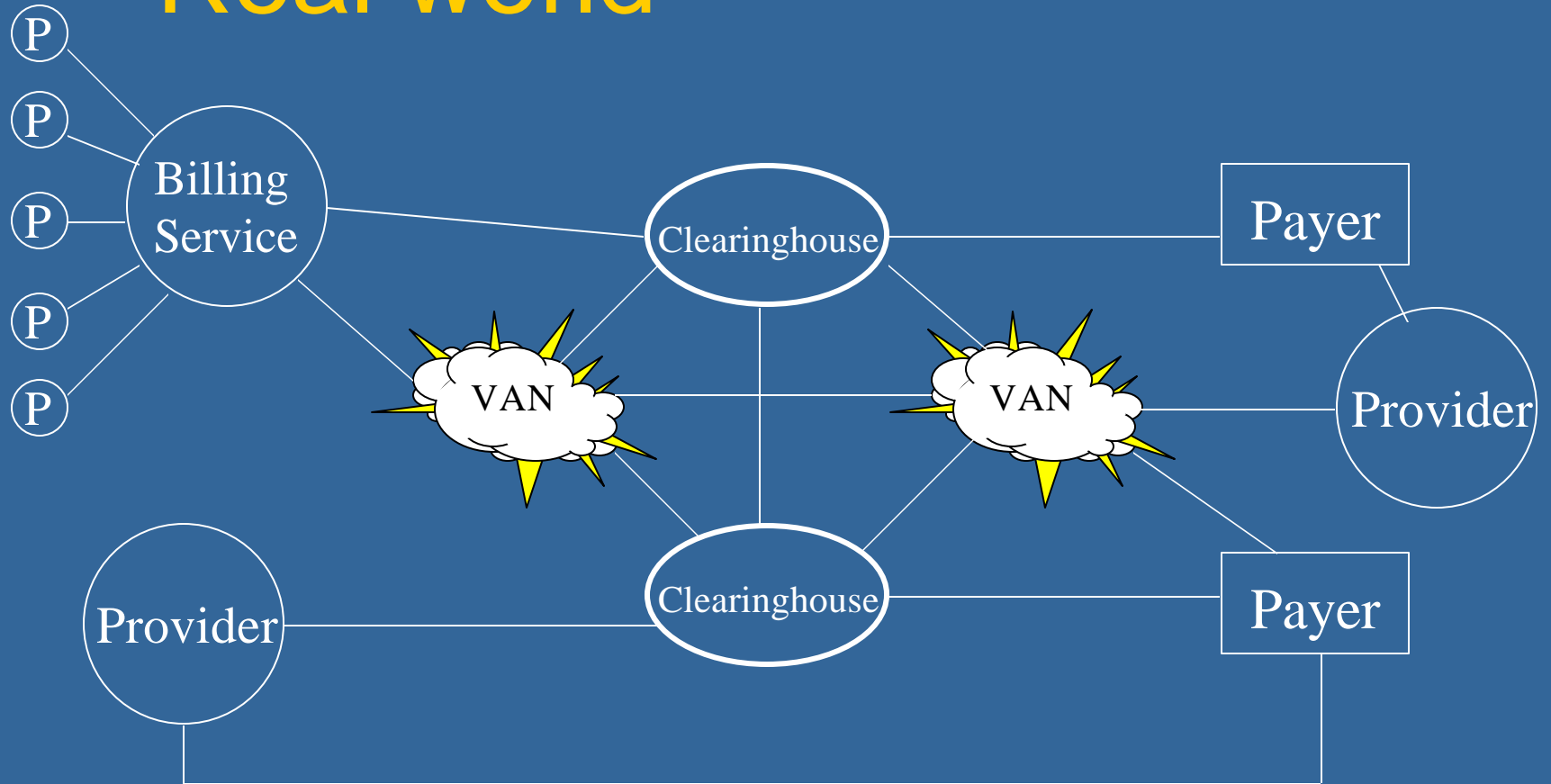
Simplified Connectivity Model

Latest HIPAA estimates
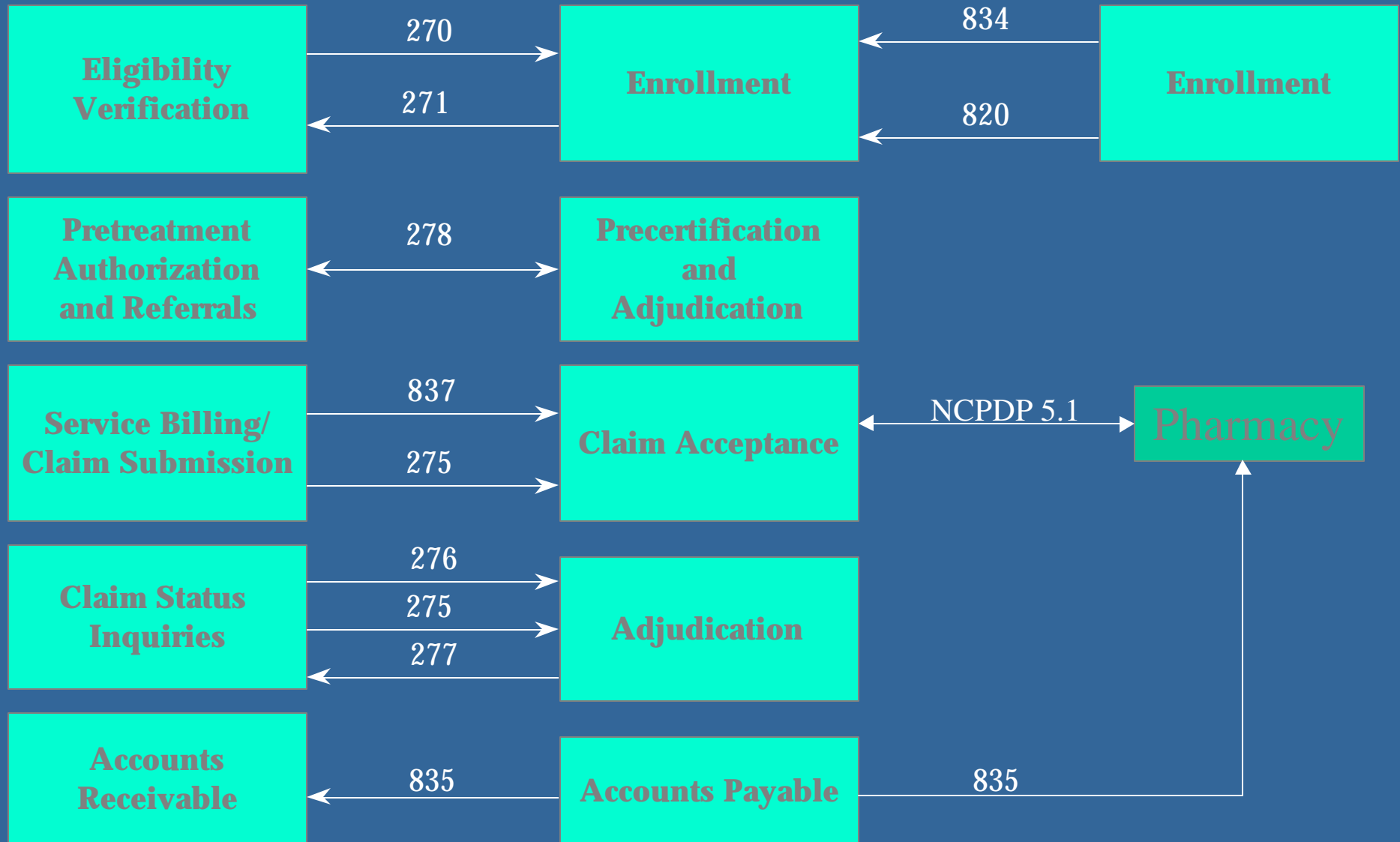
- Providers: 695,824
    - Previous table showed 160,000
- Payers: 3,078
    - Previous table showed 2,250
- Self Administered Payers: 50,000
    - Previous table did not consider
- Other employer Health Plans   2,550,000
    - Previous table did not consider

- What does this mean for me?

Certification under HIPAA

- Voluntary "Compliance Testing"
- Self Certification
  - What is the value?
- Third party certification
  - Not required by HIPAA
  - Independent Verification and Validation mechanism for all trading partners
  - May be required by trading partner as part of the Trading Partner Agreement
- Who certifies the certifier?
  - Issues with quality and depth of testing

The chicken or the egg

- How do I test my transaction ?
  - I am almost ready to start testing.
  - My trading partners are NOT ready yet.
    - Payers say this.
    - Vendors say it.
    - Clearinghouses say it.
    - Providers say it too.

![claredi logo]

"Almost ready" syndrome

- I am not "done" yet…
  Almost ready…
  - At least I think so… What if I go to test with my trading partners and it turns out that I still have a lot of work to do?
  - Save face: I am going to work in isolation a little more, until I am ready.

Breaking the cycle

- Early phase testing system.
  - Start testing as early as possible.
  - Confidential Testing against a neutral third party, not my trading partner.
  - Know where you are.
- Late phase certification system.
  - Now I am really ready.
 - I want the world to know.

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Testing Outgoing transactions

- Six levels of testing recommended by SNIP:
  - X12 syntax integrity
  - Implementation Guide requirements
    - Loops, valid segments, elements, codes
  - Balancing of amounts
    - Claim, remittance, COB, etc.
  - Code sets
    - X12, ICD-9, CPT4, HCPCS, Reason Codes, others
  - Situational requirements
    - Inter-segment dependencies
  - Specialty or Line of Business
    - Oxygen, spinal manipulation, ambulance, anesthesia, DME, etc.
- Level 7, 1-on-1, trading partner specific
    - Telecom, special contract requirements, etc.

Outgoing Testing

- Complete testing at all SNIP levels.
- Immediate response, in seconds.
- Multiple "interchanges," "functional groups," or "transactions" per file.
- Multiple versions of HIPAA guides.
- Errors highlighted and shown with data that caused error.
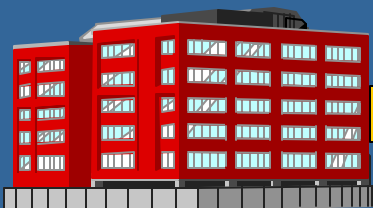
Claredi - Report - Microsoft Internet Explorer

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Address | =on&w3=on&h4=on&b4=on&w4=on&h5=on&b5=on&w5=on&h6=on&b6=on&w6=on&h7=on&b7=on&w7=on&TestSubmissionID=1078&what=both&report=Click+here+for+the+analysis+report | Go
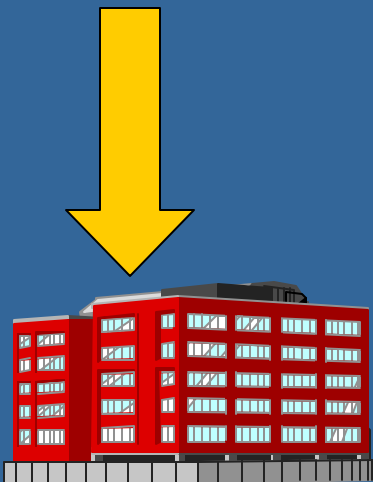
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22			DTP*938*D8*20010306~
23			DTP*431*D8*19971010~
24			HI*BK:V420*BF:V426~
24	H20657	2300	Loop NM1 (2310B) (Rendering Provider Name) at 3-250 not found, but was expected because the Billing/Pay-To Provider (PRV) is not present
25			LX*1~
26			SV1*HC:J7510*1236.75*UN*100***1**N~
27			PWK*CT*AB~
28			DTP*472*RD8*20010310-20010410~
28	B31002	2400/DTP-03	The 'Service Date' cannot be after the 'Transaction Set Creation Date' (BHT-04)
29			DTP*011*D8*20010305~
30			REF*6R*AB456~
30	H40139	2420	Missing Segment DTP for 'Order Date' (DTP-01=938) in Loop 2400. Required when Ordering Provider (Loop 2420E) is present.
31			NM1*DK*1*Soothum*Sarah****34*986721245~
31	H20628	2420E/NM1-09	The value "986721245" found in NM109 (D.E. 67) at col. 30 does not look like a valid SSN.
32			N3*HEALING CLINIC*1 CLINIC ROW~
33			N4*ANYTOWN*MD*21299~
34			REF*1G*A54322~
35			PER*IC*Sarah Soothum MD*TE*4441234567~
35	H20656	2420E	Segment PER (Ordering Provider Contact...) at 3-530 wasn't expected because the Arterial Blood Gas Quanity (CR5-10) is not present&240000BeCR511'NEXIST'
36			LQ*UT*0802~
36	H20656	2440	Loop LQ (2440) (Form Identification Code) at 3-551 wasn't expected because the Attachment Transmission Code (PWK-02) is 'AB-Previously Submitted to Payer'
36	H20160	2440/LQ-01	The 'Form Identification Code' indicates a DMERC CME form but none was found in 2400/PWK-02
37			FRM*1A**J7510~
38			FRM*1B**500~
39			FRM*1C**4~
40			FRM*4*Y~
41			FRM*5A**5~

Testing Incoming Transactions

- Download test data from Claredi to test your own translator functionality.
- Three types of tests:
  - Documented library of Static Tests.
    - Both Compliant and "typical errors."
  - Dynamic user generated test cases.
    - Test boundary conditions, loop limits, etc.
    - Customize at high or low level of detail.
  - Response transactions.
    - User provided data in dynamic response.

		provider number with a specialty of 59 (taxonomy code?). Related supplies may or may not be paid based on the method type. This information is normally determined by state/region. All combinations of these items should be tested.
WB_MBANES	Anesthesia	Regular anesthesia claims must contain an anesthesia procedure code with an AA modifier. Also, the number of services billed on the detail line must indicate minutes of anesthesia. The billing provider should have a specialty of 05 (taxonomy code?)
WB_MBCRNA	Certified Registered Nurse Anesthetist	CRNA claims must have a billing provider with a specialty of 43. The number of services billed on the detail line must also indicate the minutes of anesthesia.
WB_MBPDT	Purchased Diagnostic Testing	PDT claims must contain a WU modifier and also indicate from whom the test was purchased (provider number) and include the acquisition cost of the test.
WB_MBCHIR	Chiropractor	Chiropractic claims must have a billing provider number with a specialty of 35, include the initial treatment date, condition indicator (acute, chronic, etc.) and date of last xray.
WB_MBMSPAA	Medicare Secondary Payer, Automobile Accident	MSP claims should contain indicators for each type of primary coverage (auto accident, working elderly, black lung, ESRD, workman's compensation, federal employees, disability, Veteran's, etc.) The claims must also contain the amount allowed and paid by all primary payers.
WB_MBMSPBL	Medicare Secondary Payer, Black Lung	MSP claims should contain indicators for each type of primary coverage (auto accident, working elderly, black lung, ESRD, workman's compensation, federal employees, disability, Veteran's, etc.) The claims must also contain the amount allowed and paid by all primary payers.
WB_MBMSPDI	Medicare Secondary Payer, Disability	MSP claims should contain indicators for each type of primary coverage (auto accident, working elderly, black lung, ESRD, workman's compensation, federal employees, disability,

HIPAA Testing

- Incoming transactions
  - Payer: 820, 834, 837s, 270, 276, 278, 275 (+HL7)
  - Provider: 835, 271, 277, 278
- Outgoing transactions
  - Payer: 835, 837cob, 271, 277, 278
  - Provider: 837s, 270, 276, 278, 275 (+HL7)
- Self testing, unlimited testing.
- Incoming static test files defined by SNIP available for free to the general public.

Testing Challenges

- How to test my trading partners within the compliance dates?
  - Without becoming their "EDI trainer"
  - Without constant disputes and finger pointing
  - Without disrupting my production
  - Without losing my shirt

- How are you going to test all the low volume connections?
  - How much will "free" testing really cost?

- Is "certification" the solution?

HIPAA compliant non-sense

- Non-sense data certifiable as in compliance with IGs.
- Multiple levels of testing:
  - IG spells out requirements for HIPAA compliance.
    - Minimum requirement.
    - Tested as per WEDI SNIP levels 1-6
  - Additional "Business" requirements
    - Filter out non-sense
    - Needed for interoperability

Examples of "Business" requirements

- "Balancing of dates"
  - Transaction, service, admission, etc.
- Transaction specific issues
  - Initial In-patient claim without room and board revenue codes
- Clean transactions
  - Do not mix ambulance and podiatry services in the same claim

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CLEAR DATA INTERCHANGE

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Receive Test Files

Build a Test File

My Capabilities

My Requirements ◀

My Group

My Contract

My Invoice/Receipt

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Edit 'ACME Insurance non-emergency transport (cab)' Requirement

Require	Allowed	Name
●	○	AmbulanceCertificationConditionCode1
○	●	AmbulanceCertificationConditionCode2
○	●	AmbulanceCertificationConditionCode3
○	●	AmbulanceCertificationConditionCode4
○	●	AmbulanceCertificationConditionCode5
●	○	AmbulanceCertificationConditionIndicator
○	●	AmbulancePatientWeight
●	○	AmbulanceRoundTripPurposeDescription
○	●	AmbulanceStretcherPurposeDescription
●	○	AmbulanceTransportCode
●	○	AmbulanceTransportDistance
●	○	AmbulanceTransportReasonCode
○	●	AttachmentFormIdentifier
○	●	AttachmentFormIdentifier-AS
○	●	AttachmentFormIdentifier-UT
○	●	AttachmentQuestionNumber HCFA DMERC CMN Forms
○	●	AttachmentQuestionResponse1
○	●	AttachmentQuestionResponse2
○	●	AttachmentQuestionResponse3

🔲 https://www.claredi.com/myaccount/requirements.php#   🔒 🌐 Internet

Certification vs. Testing

- Testing is for yourself, or between yourself and your trading partners
- Certification is by third parties
- Certify once, use certification in many trading partner relationships
  - Simplify testing
  - Reduce cost of testing phase
- Certification should be recognized by all trading partners
- Certification must be done by a neutral third party
- Certification process must be disclosed, verifiable, and accepted by industry

Food for thought

- If you have a ruptured appendix, would you let a doctor operate on you?
  - Painful, life threatening condition
  - What if the doctor only has a doctorate in Music, or Philosophy, or …?
- Qualifications matter.
  - The "HIPAA Certification" needs to be qualified.

The "certification" myth

- My vendor / clearinghouse is HIPAA compliant. Why should I have to worry about it? They are going to take care of my HIPAA EDI compliance for me.

Transaction Identifier	837

Result Summary

Identifier	HIPAA Errors 1 2 3 4 5 6 7	Business Errors 1 2 3 4 5 6 7	Warnings 1 2 3 4 5 6 7
PCLAM0001	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔	✔ ✘ ✔ ✘ ✔ ✔ ✔
PCLAM0002	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔	✔ ✘ ✔ ✘ ✔ ✔ ✔
154789686	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔	✔ ✘ ✔ ✘ ✔ ✔ ✔
294953698	✔ ✔ ✔ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✔ ✔ ✔ ✔
478159686	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔	✔ ✘ ✔ ✘ ✔ ✔ ✔
492953986	✔ ✔ ✔ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✔ ✔ ✔ ✔
495329986	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✘ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔
534929986	✔ ✘ ✔ ✘ ✔ ✔ ✔	✔ ✔ ✘ ✔ ✔ ✔ ✔	✔ ✔ ✔ ✘ ✔ ✔ ✔

Analysis Results to display

WEDI/SNIP Levels	HIPAA Errors	Business Errors	Business Warnings
1 - X12 Integrity	☑	☑	☑
2 - Requirement	☑	☑	☑
3 - Balancing	☑	☑	☑
4 - Situational	☑	☑	☑
5 - Code Sets	☑	☑	☑
6 - Product / Type	☑	☑	☑
Trading Partner	☑	☑	☑

Action

Display report:

○ Errors and data
○ Errors only
○ Data only

[Click here for the analysis report]

Certification

Please Review the Claredi Certification Policy

Status: Certification complete

Support

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The "Blanket Approval" myth
(Is testing of the vendor/clearinghouse enough?)

- The issue is Provider Compliance
  - Provider's responsibility to be HIPAA compliant
- Each Provider is different
  - Different provider specialty $\Rightarrow$ different requirements
  - Different software version $\Rightarrow$ different data stream and contents
  - Different EDI format to clearinghouse $\Rightarrow$ different content capabilities
  - Different provider site install $\Rightarrow$ different customization
  - Different users $\Rightarrow$ different use of code sets, different data captured, different practices, etc.
- Vendor's capabilities not the same as provider's
  - Vendor or clearinghouse has the aggregate capabilities of all its customers
  - The Provider does not have all of the clearinghouse or vendor capabilities

Certification Challenge #1

- Each entity has unique requirements
  - Commercial business, HMO, Medicare
  - Generalist, specialist, ambulance, anesthesiologist, chiropractor, DME, etc.
- A "generic" certification is meaningless
- What does it mean to be "certified"?
- Must consider submitter capabilities and receiver requirements

BillingProviderLastOrOrganizationalName-1	Allowed	✔
BillingProviderLastOrOrganizationalName-2	Allowed	
BillingProviderFirstName	Allowed	✔
BillingProviderMiddleName	Allowed	✔
BillingProviderNameSuffix	Allowed	
BillingProviderPrimaryIdentificationNumber-24	Allowed	
BillingProviderPrimaryIdentificationNumber-34	Allowed	✔
BillingProviderPrimaryIdentificationNumber-XX	Allowed	
BillingProviderAdditionalName	Allowed	
BillingProviderAddress1	Required	✔
BillingProviderAddress2	Allowed	
BillingProviderCityName	Required	✔
BillingProviderStateOrProvinceCode	Required	✔
BillingProviderPostalZoneOrZIPCode	Required	✔
BillingProviderCountryCode	Allowed	
BillingProviderAdditionalIdentifier-0B	Allowed	
BillingProviderAdditionalIdentifier-1A	Allowed	
BillingProviderAdditionalIdentifier-1B	Allowed	
BillingProviderAdditionalIdentifier-1C	Required	✘
BillingProviderAdditionalIdentifier-1D	Allowed	
BillingProviderAdditionalIdentifier-1G	Allowed	
BillingProviderAdditionalIdentifier-1H	Allowed	
BillingProviderAdditionalIdentifier-1J	Allowed	
BillingProviderAdditionalIdentifier-B3	Allowed	
BillingProviderAdditionalIdentifier-BQ	Allowed	
BillingProviderAdditionalIdentifier-EI	Allowed	
BillingProviderAdditionalIdentifier-FH	Allowed	
BillingProviderAdditionalIdentifier-G2	Allowed	✔
BillingProviderAdditionalIdentifier-G5	Allowed	
BillingProviderAdditionalIdentifier-LU	Allowed	
BillingProviderAdditionalIdentifier-SY	Allowed	
BillingProviderAdditionalIdentifier-U3	Allowed	
BillingProviderAdditionalIdentifier-X5	Allowed	

Certification Challenge #2

- Certification of the capability to receive incoming transactions
  - Self reporting not enough
  - Same specialty or line of business issues as in Challenge #1
  - Must "demonstrate" the capability

Contact

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