

HIPAA Compliance Strategies For Physicians, IPAs, and Medical Groups

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Why are Medical Groups Fighting for This Regulations?

- Estimated 400 claim formats
- More efficient office administration
 - *Current estimate -- 10 pages per encounter*
- Cost Reduction
- Consistent reporting
- E-health translates to improved patient safety
- Concern over Security/Privacy

Why Comply with HIPAA?

- Reduce staff in business office
- Reduce IT support
- Collect most accounts at time of service / health plan and payments within ten days / reduction in bad debt (AR)
- Better coordination of benefits
- Standard set security/privacy policies and procedures
- Potential for reduced clearinghouse fees
- Practices should save many thousands per FTE physician

The Compliance Strategy for Physician Practices is Simple:

- *Move forward with the Transactions and Code Set Standards as quickly as possible!!*

Eligibility Request / Response: 270 / 271

- ◆ **Providers and Health Plans**
- ◆ **Certainty of plan benefits and co-pay amounts**
 - According to one study, 30-40% of all claims rejected due to incorrect or missing member id's-- and half of these are never resubmitted
 - CMA estimates 30 minute average call time for eligibility information
 - Real-time, online inquiries will save time and money

Referral and Authorization Request: 278

- ◆ **Providers and Health Plans**
- ◆ **Reduction of processing time**
- ◆ **Timely knowledge of coverage of care**
 - CMA estimates manual referrals cost \$20 (specialists) \$40 (primary care)
 - New standard will automate most of the referral transactions and referring provider information exchange
 - Reduced referral errors and payer rejects

Claim Status Inquiry / Response: 276 / 277

- ◆ **Providers and Health Plans**
- ◆ **Significant time savings anticipated**
- ◆ **Reduction in duplicate claim filing**
 - Automate claims posting and reconciliation functions
 - Claim now transparent

Other Key Provisions to Implement:

- National Provider Identifier
- Electronic Claim Attachments
- Medical Records Standards



Medical Group Management Association

Moving Your Organization Toward HIPAA Compliance

What Should Medical Groups do to Implement HIPAA?

- Intensify personal understanding of HIPAA
- Cooperate with other physician practices in developing standard of care and best practices that are “reasonable”
- Adopt consensus best practices to avoid being outside the norm

Easy First Steps

- Assign one responsible individual to lead compliance efforts
- Create a steering committee
- Establish a process for assessing the ability of your current systems to meet the new requirements

Easy First Steps (con't)?

- Establish a plan for training all personnel on transaction standards/security/privacy
- Communicate with your vendors and health plans
- “HIPAAatize” your entire staff
 - compile results
 - address gaps

Educating Physicians

- Physician “buy in” critical to success of HIPAA--make them aware of the potential for streamlining their practice
- Transition period most difficult
- Changing the “mindset”
 - Getting providers to expect electronic data interchange
 - New identification systems
 - Protecting the data
 - Merging “science” with the “art” of medicine

Educating Physicians con't

- Obtain executive (physician) commitment
 - Review future budgets (include start-up money)
 - Review the strategic organizational plan
- Physicians must understand that HIPAA is not optional

Transactions & Code Set Implementation--Key Steps

- Identify transactions that must or could be migrated
- Evaluate use of Health Care Clearinghouses
- Inventory all systems that send or receive transactions
- Develop a systematic and practical approach to EDI compliance for your organization

Questions to Ask Your Practice -- EDI

- Do we have the right code sets & Id's?
- Do we have adequate hardware and EDI Infrastructure?
- Do we have translation capabilities?
 - If no, what are our sourcing options?
 - If yes, levels of efficiency / redundancy?
- Are we properly administered?
 - Monitoring, reporting, & auditing
- How do we exchange information with trading partners and what do our contracts say?

Questions to Ask Your EDI Vendors

- When will you be ready to upgrade my system?
- Will I require any new hardware?
- Will you send me a schedule of upgrades and testing?
- Can I upgrade incrementally?
- What are the expected costs?
- Get **EVERYTHING** in writing

Questions to Ask Your Health Plans

- When will you be ready to accept a HIPAA compliant claim?
- Will you send me your schedule of upgrades and testing?
- When will you be able to handle the additional transactions?
- Do you have a contingency plan in the event that you cannot process electronic claims?
- Get EVERYTHING in writing

Create a HIPAA “Vision”

- Business Office efficiencies and reduced debt
- Improved Patient relations
 - registration / eligibility / referrals
 - security / privacy
- Collaborative relationship with key trading partners
- Reasonable compliance with regulations
- Look toward the future (e-health)

WEDI SNIP

<http://snip.wedi.org>

- Cross industry group
- Focused on critical implementation issues and solutions
- 25+ workgroups looking at:
 - transactions
 - security
 - privacy
 - provider issues
- 3,000+ on listserv
- Conferences/Webcasts/SNIP Synopsis

Web Resources

- **<http://aspe.os.dhhs.gov/admnsimp/>**
 - The administrative simplification law, process, regulation, and comments
- **<http://www.wedi.org>**
 - Workgroup for Electronic Data Interchange
- **<http://www.nucc.org>**
 - National Uniform Claim Committee
- **<http://www.mgma.com>**
 - HIPAA Resource Center (information, products, and services for medical group practices)