HIPAA Summit
Practical Approaches to Sticky Payer Issues

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Introduction:
The Gap Analysis

To begin addressing HIPAA, Empire:

- Conducted an assessment of the current state within Empire
- Compared current state against the requirements as outlined in the Final HIPAA Rules
- Performed an extensive Gap Analysis
- Identified 9 work teams, totaling 58 members

The goal was to provide a full assessment of Empire's local business systems, while minimizing impact on the core systems.

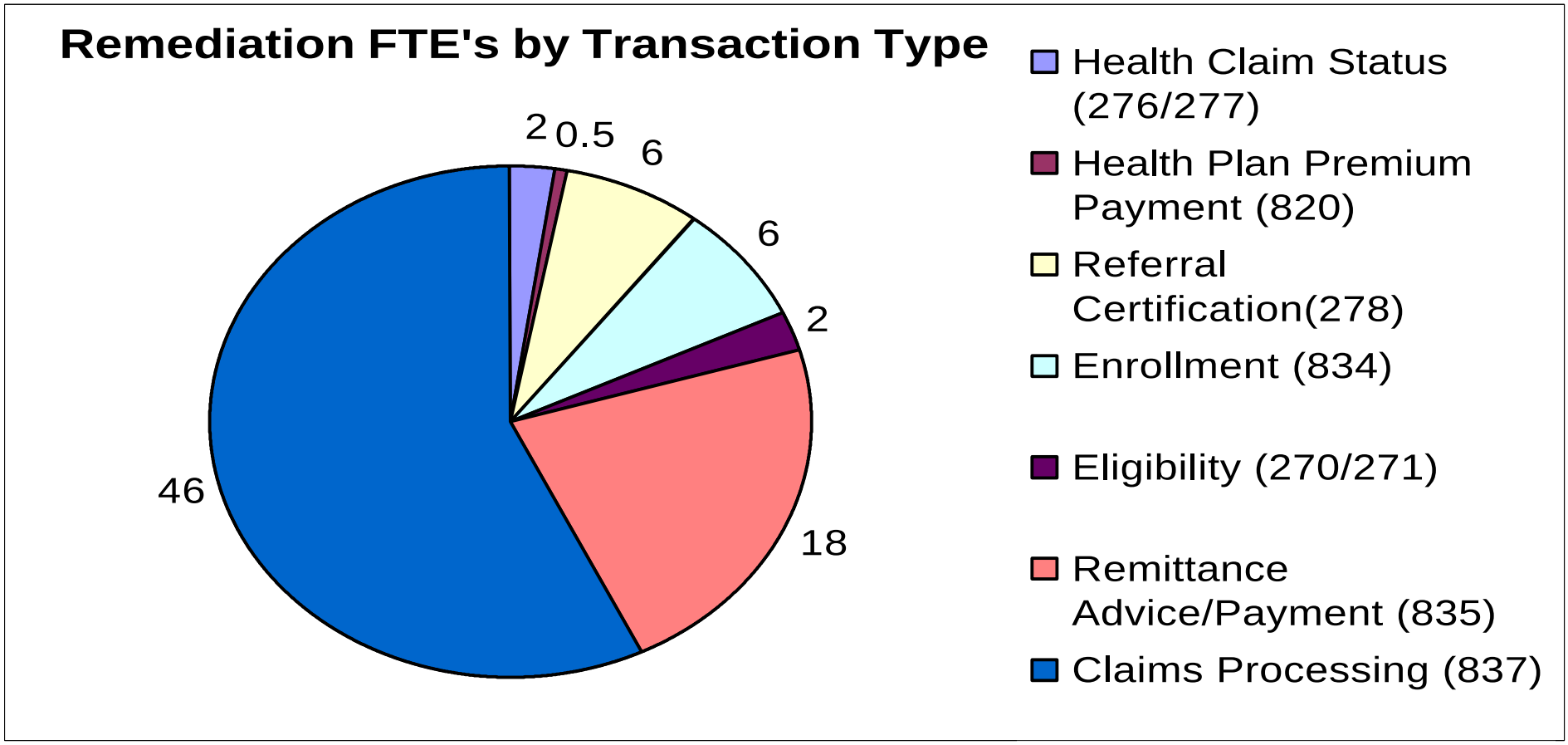
Introduction:
The Gap Analysis

The Gap Analysis Tasks Included:

- Reading of Final Rule (Federal Registry) and the applicable implementation guide.
- Mapping of the HIPAA standard transactions to the in-house transactions.
- Identification of the impact of new HIPAA compliant code sets and regulations.
- Identification and sizing of required application modifications.
- Identification and sizing of procedural modifications within the operating areas.
- Identification, tracking, and resolution of issues.
- Identification and validation of project assumptions.

Empire BLUECROSS BLUESHIELD

Work Efforts Required
(Percent By Transaction)



Challenges Uncovered

From our Gap Analysis and Design Phase, we uncovered many “sticky issues”. The four that will be discussed today will be:

- Handling claims up to 999 lines
- Repository vs. As-Submitted
- Maintaining Detail Line Sequencing
- Handling of Fields not Stored in the Core System

Handling Claims
Up to 999 lines

Challenge

A significant amount of effort would be required to allow 999 claim lines into our current system.

Currently, our system is structured to accept a fixed number of claim lines. Since providers were aware of this limitation, they submitted claims accordingly.

Handling Claims
Up to 999 lines

Issue

In the current environment, if we received a claim with a larger amount of lines, we would suspend and split the claim. Since HIPAA legislation allows providers to submit claims up to 999 lines, it is anticipated that the number of claim lines submitted will increase. A manual workflow is not an option for a large claim volume.

Handling Claims
Up to 999 lines

Solution

Detailed analysis determined that virtually 100% of claims have far less than 99 lines. We created a solution to accommodate an increase in claim lines, without the need to modify our system to accept the full 999 lines. In order to implement this solution, we:

- Developed a plan to expand subsystems to accommodate 99 lines
- Created procedures to suspend and manually split claims greater than 99 lines. Since we had procedures in place in our current environment, relatively little additional effort was required.

Repository vs. As Submitted

Challenge

We need the ability to maintain original data as submitted. However, we also must ensure that users have convenient access to the data, in a format that is easy to access.

Repository vs. As Submitted

Solution

- A complete snapshot of the x12 original data as submitted is created on one data base.
- On a separate database, a format was developed for any users, including Customer Service Representatives, to be able to extract all pertinent data needed for participant inquiries.

Maintaining Detail Line Sequencing (837/835)

Challenge

Our main concern was transmission of an 835 which properly reflected the original sequence of 837 data, even if we processed and reported the data out of sequence.

Maintaining Detail Line Sequencing (837/835)

Issues

Early during our Gap Analysis process, it was clear that the original sequence of 837 lines could be affected by current corporate practices that we follow. These practices include:

- Re-sequence of lines based on benefits hierarchy such as accommodations should precede ancillaries
- Bundling/Re-bundling of Lines based on nationally accepted medical policies
- Splitting a single claim into multiple claims
- Splitting a single line into multiple lines

Maintaining Detail Line Sequencing (837/835)

Solutions

Creation of new fields which would enable us to identify the original 837 line number. The following new fields were created:

- 837 Repository Control Number
- 837 Repository Type
- 837 Original Line Number
- 837 Original Line Charge
- Line Processing Indicator

Maintaining Detail Line Sequencing (837/835)

Solutions

Two additional solutions which will also be implemented are:

- Logic and procedural changes
- Data Repository

Handling of Excess Fields Not Stored in Core Systems

Challenge

Handling of excess fields not stored in our Core Systems that may affect claim adjudication. Examples of these fields include:

- Additional Diagnosis Codes as compared to UB92
- Additional Procedure Codes as compared to UB92
- Claim Note and Billing Note Areas
- Paperwork (attachment) indicators

Handling of Excess Fields Not Stored in Core Systems

Solution

- Creation of indicator fields in our Core System. The indicators would be populated when additional 837 data was provided, but where we did not map all the supplied data
- Access to full Repository Data
- Minor logic and procedural changes from Operations and IT

Questions

HIPAA

–Open Discussion