



THE FIFTH NATIONAL HIPAA SUMMIT

*The Leading Forum on Healthcare Privacy,
Confidentiality, Data Security & HIPAA
Compliance*

October 30 - November 1, 2002
The Waterfront Marriott
Baltimore, MD

Roundtable on State HIPAA Compliance Strategies

**Walt Culbertson, Chair
Southern HIPAA Administrative
Regional Process (SHARP)**

October 31, 2002

Innovative State Initiatives



- **ConnectKentucky**
 - A three-year public-private partnership that seeks to measure Kentucky's readiness to live in the networked world
- **Testing and Standards Subcommittee of the New Jersey HINT Implementation Task Force**
 - A public and Private partnership that seeks to produce a standard set of HIPAA companion guides within an overall testing foundation and focus

Connectkentucky Findings

- Each of these elements is interrelated and all are crucial. The connectkentucky initiative utilizes metrics in each of these core areas to determine how the state is doing:
 - **Usage** - The ways in which businesses, schools, governments and individuals make use of the Internet.
 - **Access** - The availability, speed, and cost of Internet access throughout the Commonwealth. *connectkentucky* examines Dial-Up, DSL, Cable Modem, Wireless and Satellite services.
 - **Infrastructure** - The Internet is a vast mesh of networked connections that carries data to all parts of the world. Infrastructure refers to the extent to which Kentucky is connected to this network and the potential data-carrying capacity (bandwidth) of our connections.



Health Care Recommendations

- Work within the connectkentucky initiative to increase the use of e-commerce and Internet connectivity for health care in the commonwealth of Kentucky
- Decrease both administrative and medical expense of healthcare, increase quality of and access to care, and improve the wellness of public employees and Citizens of Kentucky



Health Care Recommendations

- Use of the Internet and the increase of e-commerce has shown a significant and positive impact in industries such as retail, financial services, real estate and health care.
- Specific areas within health care that can be impacted are:
 - Transaction cost – shift repeatable transactions from expensive human interaction to automated lookup
 - Access to care – immediate, content rich interaction with content or live consultation can bring specialization to any point with Internet access
 - Education of physicians and other health care providers – timely education without significant travel expense can be leveraged around issues
 - Education of health care consumers – audience appropriate versions of the above mentioned content can be made available..



Recommendations 1

- Create a partnership between the Commonwealth, providers and payers to create a web based portal/electronic clearinghouse for administrative transactions.
- Key Benefits:
 - Reduced administrative expense incurred for routine transactions suitable for automation.
 - Increased accuracy of transactions.
- Financial Considerations:
 - Minimize initial investment through licensure of existing solutions.
 - Create self-sustaining business model.
- Timeframe for implementation: 9-15 months



Recommendations 2

- Leverage the Internet to decrease medical expense to the Commonwealth through consumer choice and wellness initiatives.
- Key Benefits:
 - Decrease health care costs to the Commonwealth.
 - Improve overall health of members of Commonwealth funded plans.
- Financial Considerations:
 - Development of plans acceptable to labor and Medicaid interests.
 - Management of medical cost trend.
- Timeframe for implementation: 12-36 months



Recommendations 3

- Leverage the Internet for patient and physician access to specialty services. Augment existing telemedicine programs with email, on-line chat, streaming audio/video to connect rural physicians and hospitals with education/major medical centers.
- Key Benefits:
 - Increase access to and quality of specialty care in rural Kentucky.
 - Decrease transportation expense.
- Financial Considerations:
 - Minimize initial investment through licensure of existing solutions.
 - Reimbursement for electronic consults.
- Timeframe for implementation: 18-24 months



NJ Testing and Standards Subcommittee

- The Testing and Standards Subcommittee of the New Jersey HINT Implementation Task Force is focused on establishing a statewide standard for Interoperability
 - A focus on producing a standard HIPAA Companion guide that all state participating payers would be expected to evolve and utilize
 - A focus on statewide transaction testing and sequencing of the HIPAA transactions



Testing and Standards Subcommittee

- Get full hospital provider support of the proposed 277 Unsolicited recommendation
 - Get every health insurance carrier provide some form of electronic acknowledgement at the claims level for every claim submitted within two working days of receiving an electronic claim to the submitting provider by October 1, 2003. This provision keeps the NJ HINT Regulation consistent with NJ Prompt Pay Regulations.

Testing and Standards Subcommittee

- Get full hospital provider support of the proposed 277 Unsolicited recommendation
 - **Push the 277 Unsolicited deadline back 6 months from the October 1, 2003 to April 1, 2004.** Assuming Testing Standards Subcommittee agrees on a 277 version in the next few months that still gives payers over a year to fully implement the 277 Unsolicited. We understand that aspects of the newly proposed 277 167 4040 are still being reviewed by the X12 Committee

Testing Approach

- Find a trading partner that can test with you
 - Typically two trading partners that eventually must exchange transactions
 - They must be ready. Or “readier” than you are.
- Send or get test files
- Get test report from/to trading partner
- Correct errors found with trading partner
- Repeat the cycle until no more errors

X12N – 837I Companion Guide

Microsoft Excel - DOBI 837I Companion Document_v2.3.xls

File Edit View Insert Format Tools Data Window Help

Type a question for help

Arial 10 B I U

75%

F1 Meeting Notes

A	B	C	D	E	F	G	H	I	J	K
Loop / Segment	Name	Page	R/S	Test Scenario Y/N	Meeting Notes	ADD	Used for Adjudication**			
1	GS									
2	ST	Transaction Set Header	56	R	N		N			
3	BHT	Beginning of Hierarchical Transaction	57	R	N		N			
4	REF	Transmission Type Identification	60	R	N		N			
5	1000A									
6	NM1	Submitter Name	61	R	N		N			
7	PER	Submitter EDI Contact Information	64	R	N		N			
8	1000B									
9	NM1	Receiver Name	67	R	N		N			
10	2000A									
11	HL	Billing/Pay-To Provider Hierarchical Level	69	R	N		N			
12	PRV	Billing/Pay-To Provider Specialty Information	71	S	Y		Y			
13	CUR	Foreign Currency Information	73	S	N		N			
14	2010AA									
15	NM1	Billing Provider Name	76	R	N		Y			
16	N3	Billing Provider Address	79	R	N		Y			
17	N4	Billing Provider City/State/ZIP Code	80	R	N		Y			
18	REF	Billing Provider Secondary Identification	82	R	Y		Y			
19	REF	Credit/Debit Card Billing Information	85	S	N		N			
20	PER	Billing Provider Contact Information	87	S	N		N			
21	2010AB									
22	NM1	Pay-To Provider Name	91	S	Y		N			
23	N3	Pay-To Provider Address	94	R	N		N			
24	N4	Pay-To Provider City/State/ZIP Code	95	R	N		N			
25	REF	Pay-To Provider Secondary Identification	97	S	N		N			
26	2000B									
27	HL	Subscriber Hierarchical Level	99	R	N		N			
28	SBR	Subscriber Information	101	R	Y		Y			
29					It is OK for both SBR03 and SBR04 are blank; no edit on SBR04					

General Rules Final Master Horizon RGBA WebMD Aetna HIXNY

Ready NUM

X12N – 837I Companion Guide

Microsoft Excel - DOBI 837I Companion Document_v2.3.xls

File Edit View Insert Format Tools Data Window Help

Type a question for help

Arial 10 B I U

75%

Reply with Changes... Egd Review...

L1 Meeting Notes

	A	B	C	D	E	F	G	H	I	J	K	L
	Loop / Segment	Name	Page	R/S	Test Scenario Y/N	Horizon BCBSNJ Notes	Riverbend Notes	HIXNY Notes	Aetna	AD D	Used for Adjudication**	Meeting Notes
1							1. RGBA (110001) - The purpose of this edit is to identify duplicate claims that have been submitted to Riverbend Government Benefits Administrator, and prevent those claims from being routed to the claims area for processing. The duplicate check edit will compare data using the Application Senders Code from the GS segment. The following fields within the transaction set will also be used: Billing Provider Tax ID, Patient Control Number and Statement Date from the last claim. The total calculated number of claims and the total calculated charges within the transaction set will also be used. Should a duplication of this data be submitted within a 45-day period, claims within the provider Loop ID-2300 will be rejected.					
2	GS							Group discussed limiting # of st's per GS and also recommending #of CLM's be lower than 5000 for initial testing period.. This is for direct submitters. Payers and Clearinghouses decide				
3	ST	Transaction Set Header	56	R	N						N	
4	BHT	Beginning of Hierarchical Transaction	57	R	N		1. RGBA (140002) - Creation date is located in the BHT segment. It is the 4th element in that segment. The creation date must not be greater than the current date.				N	
5	REF	Transmission Type Identification	60	R	N						N	
6	1000A											
7	NM1	Submitter Name	61	R	N		1. RGBA(130001) - Submitter tax ID is located in Loop ID-1000A in the NM1 segment. If the 1st element in that segment is equal to '41', then the 9th element in that segment is the submitter tax ID. The submitter tax ID must be a valid ID found on the Electronic Commerce database. 2. RGBA (140001) - The submitter tax ID should not be equal to all zeros or 9's. 3. RGBA (140003) - The submitter tax ID should be numeric.				N	
8	PER	Submitter EDI Contact Information	64	R	N						N	

Ready NUM

Start Microsoft Po... C:\newjerse... 277ProviderP... Untitled - Not... Microsoft E... 9:22 PM

NJ Status

- On Friday 10/25/02 a major milestone of the group's goals were reached:
 - At that meeting we were able to complete our review of the 837 Institutional Companion Guide.
 - The groups comments have been fully documented and all that remains is a few minor follow-ups and we will be ready to publish it.
 - The plan is to request that NJ DOBI require that all insurance companies in NJ must review the document and either agree with it in its entirety or publish any required exceptions

NJ Next Steps

- At the next meeting (Friday 11/1/02), the group plans to meet and will be seeking to accomplish the following:
 - Review the 837I Companion Guide for final approval
 - Establish the necessary committee composition for developing the 837P Companion Guide
 - Discuss Strategies on how to get more representation of the professional provider community



What is your State Doing?

- While just two state initiatives are highlighted today many other states are hopefully undertaking similar efforts as those of Kentucky and New Jersey



- **QUESTION:** What is your state doing ?

Questions?

WaltCulbertson@aol.com

www.SharpWorkGroup.Com