

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

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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 connections.

Health Care Recommendations

- Work within the connectkentucky initiative to increase the use of ecommerce 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.

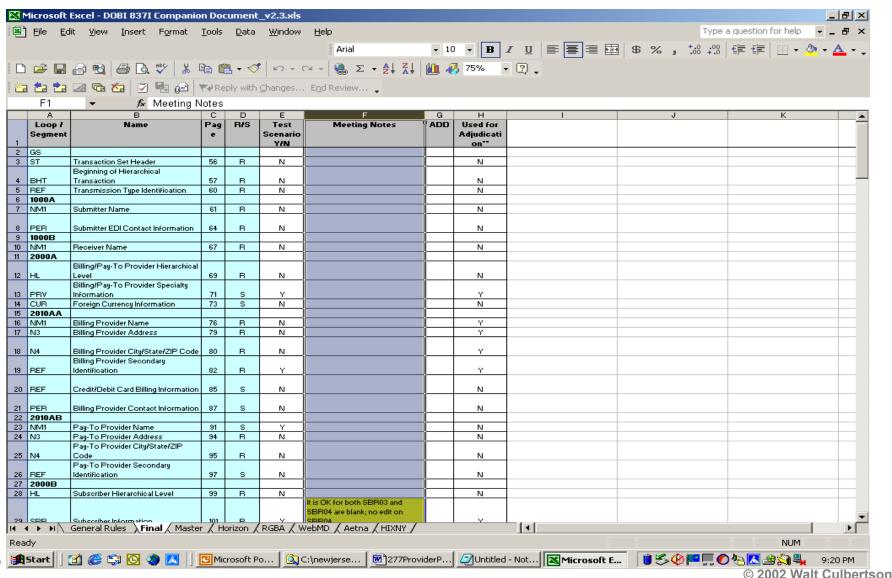
Testing and Standards Subcommittee

- 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

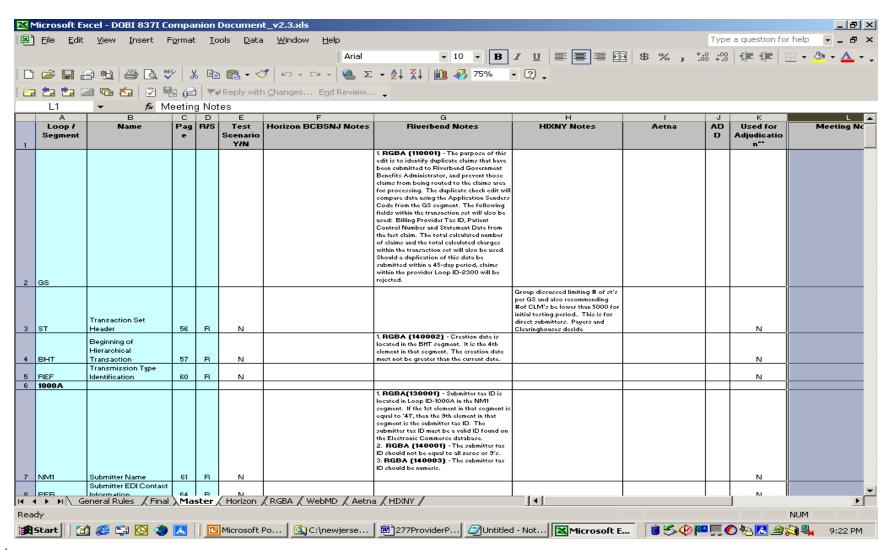
Testing Approach

- 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



X12N – 837I Companion Guide



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?

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