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Advanced Issues in Transactions, Data Code Sets and Identifiers: Testing and Certification

The Fifth National HIPAA Summit

November 1, 2002

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Topics

- Testing options under HIPAA
- The ASCA extension and testing
- The WEDI SNIP testing model
- Certification, what is it?
- Myths
- Measuring progress
- Trading partner specific issues

# HIPAA Testing Options

Testing not required by HIPAA

- No testing of transactions.
  - "Testing is not required." mantra.
- Testing by "sympathy"
  - Other people with the same vendor have tested already. Why should I test?
- Testing my first couple of connections
  - I expect them to be all the same.
- Testing every single connection.
  - Time consuming, difficult, expensive.
- Compliance testing and certification
  - Followed by trading partner testing. SNIP model.

The ASCA extension

- The ASCA says that the compliance plan filed must include a timeframe for testing beginning no later than 4/16/2003.
  - Testing was not required under HIPAA
- Did YOU file for the ASCA extension?
  - What is YOUR plan for testing the transactions?
- If a vendor is testing…
  - Does the provider / client need to test?
  - Does the clearinghouse or vendor testing cover all of its clients?

Testing today

- Find trading partner that agrees to test with you
  - Typically one that will eventually benefit from your 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
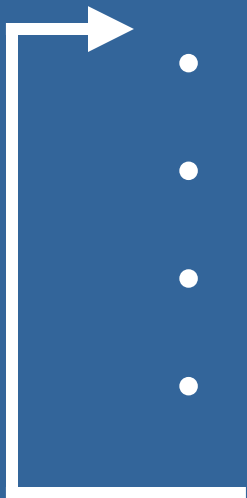
Graphical view

- EDI Submitter contract
- Telecom / connectivity
- X12 syntax
- HIPAA syntax
- Situational requirements
- Code sets
- Balancing
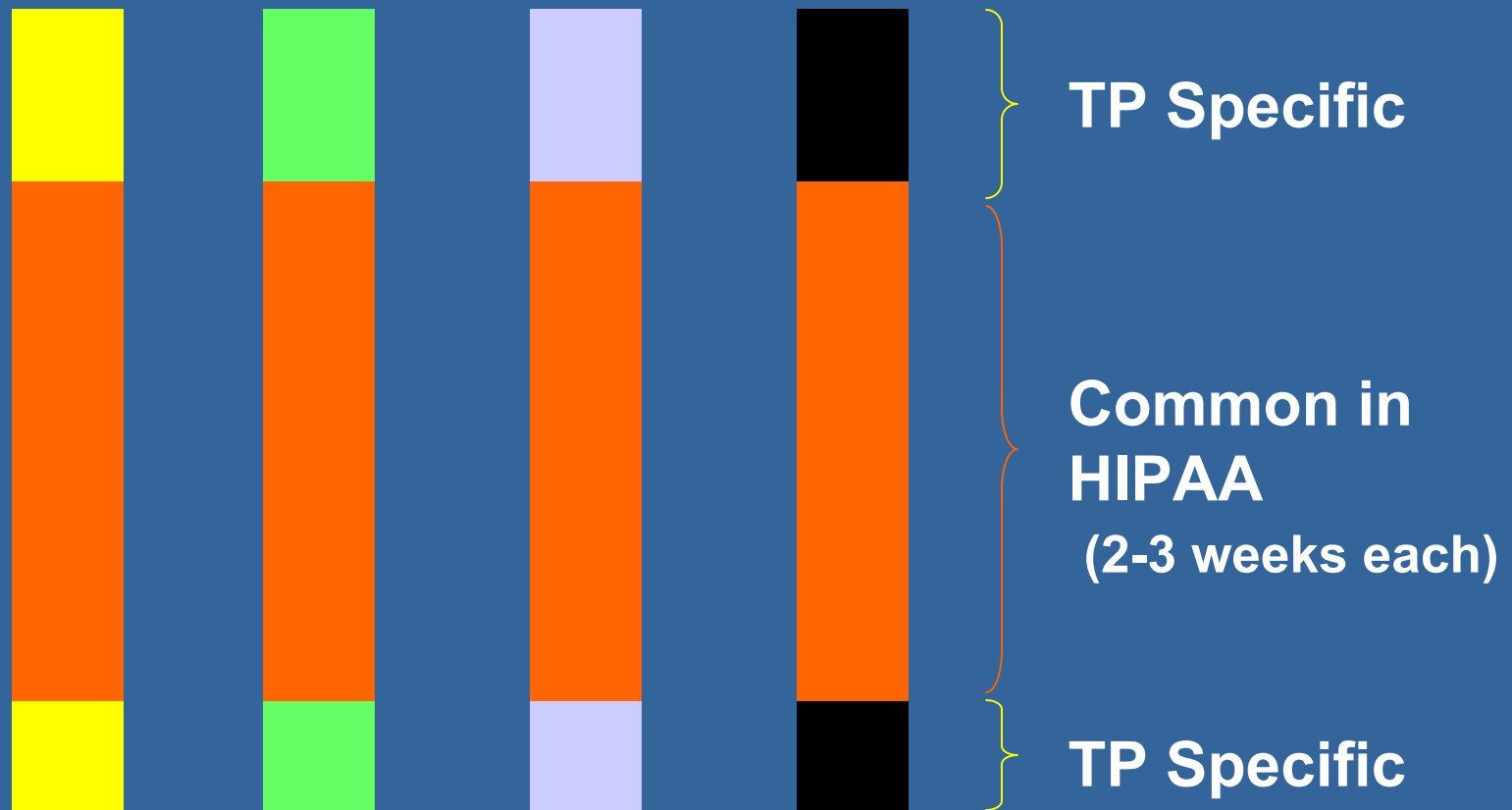- Line of business testing
- Trading partner specifics

1-2 days

2-3 weeks

3-4 days

3-4 weeks

Testing with multiple Trading Partners

TP Specific

Common in HIPAA
**(2-3 weeks each)**

TP Specific

Results of this testing

- Creates a bottleneck
  - Cannot start until **both** trading partners are ready
- If trading partner does not care about certain data elements
  - No errors reported this time
- If trading partner requires some data elements
  - Not an error for anybody else
- Is the error in the sender or the receiver of the transaction?
  - Cannot tell for sure.
  - Different interpretations.
- Unfair cost for the "readier" partner.
  - They end up debugging their trading partners.

Industry Business Relationships
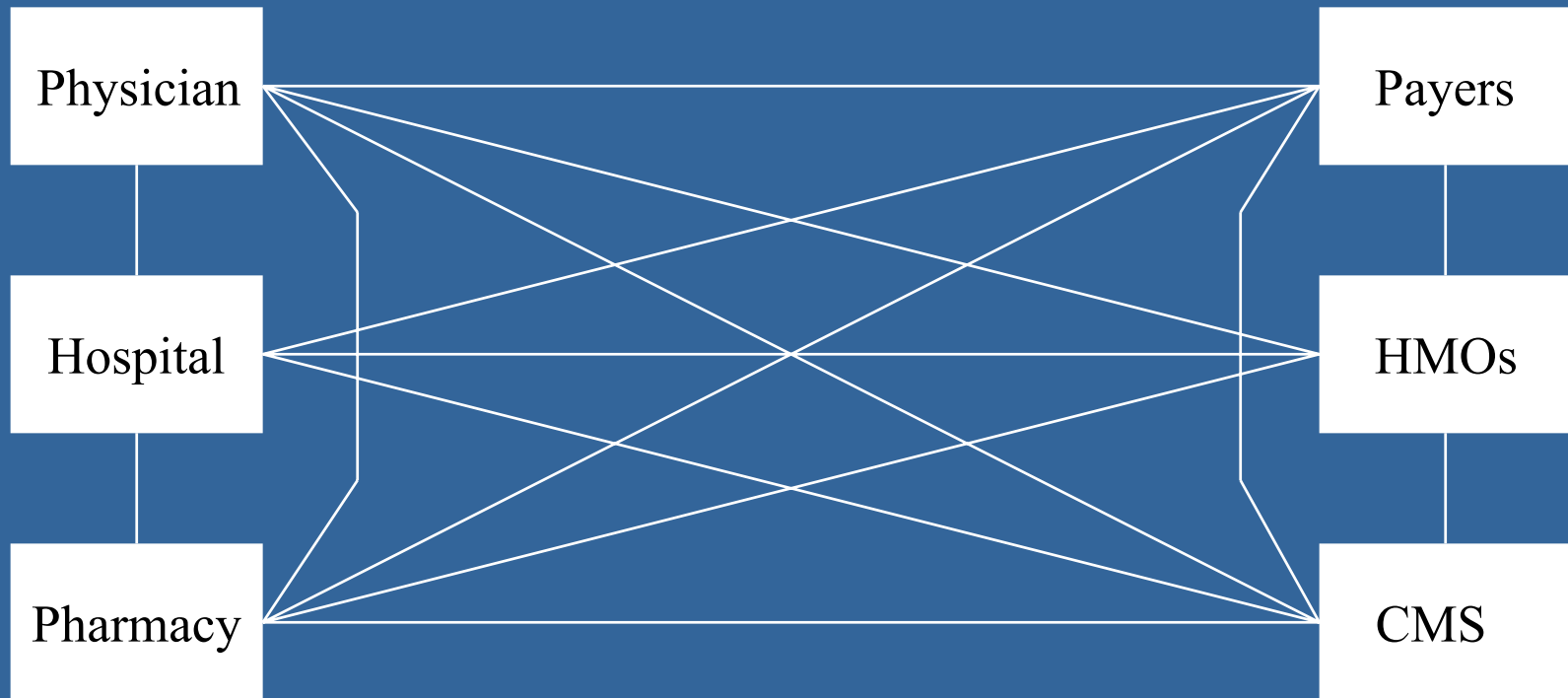
Real world
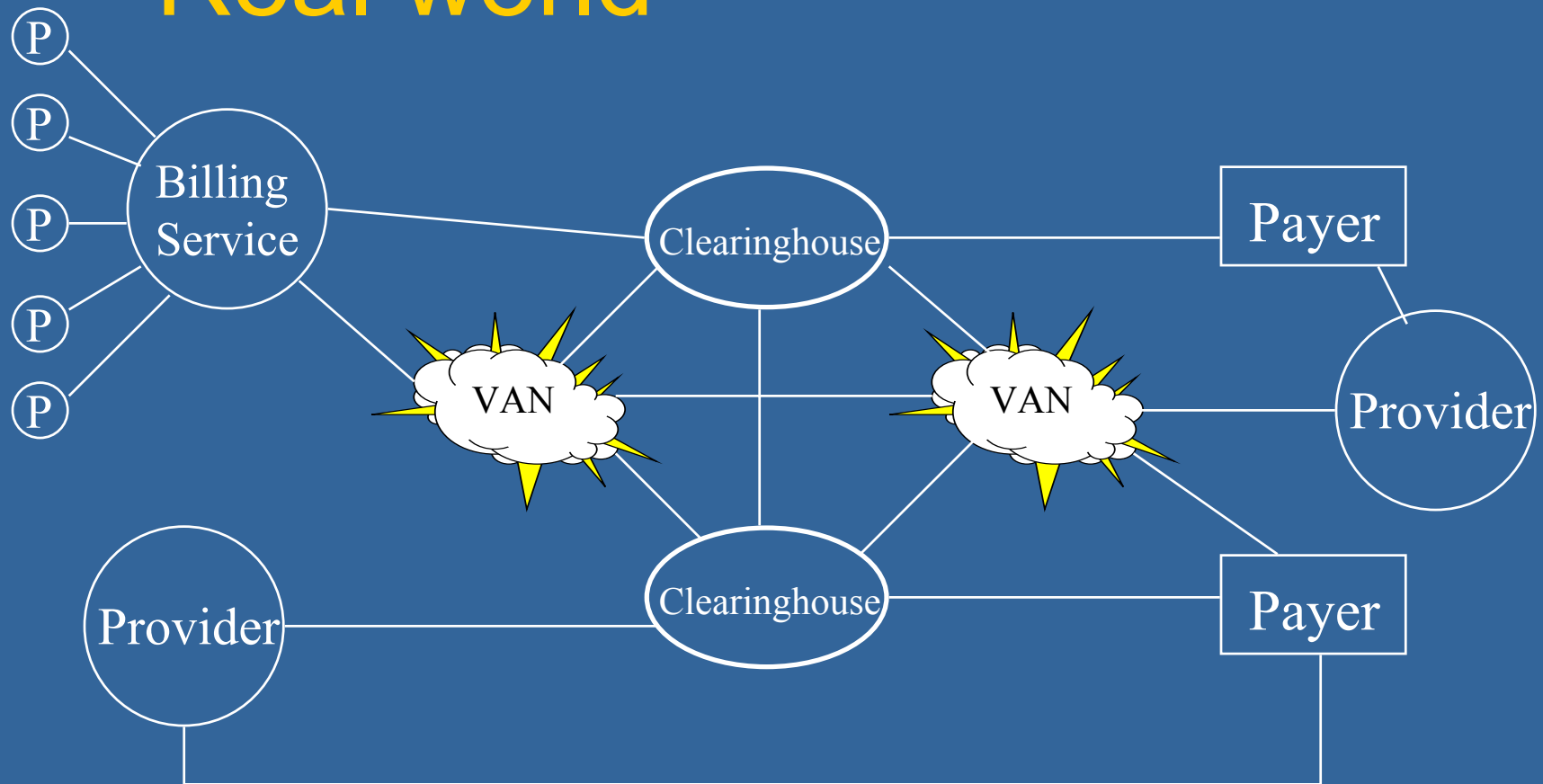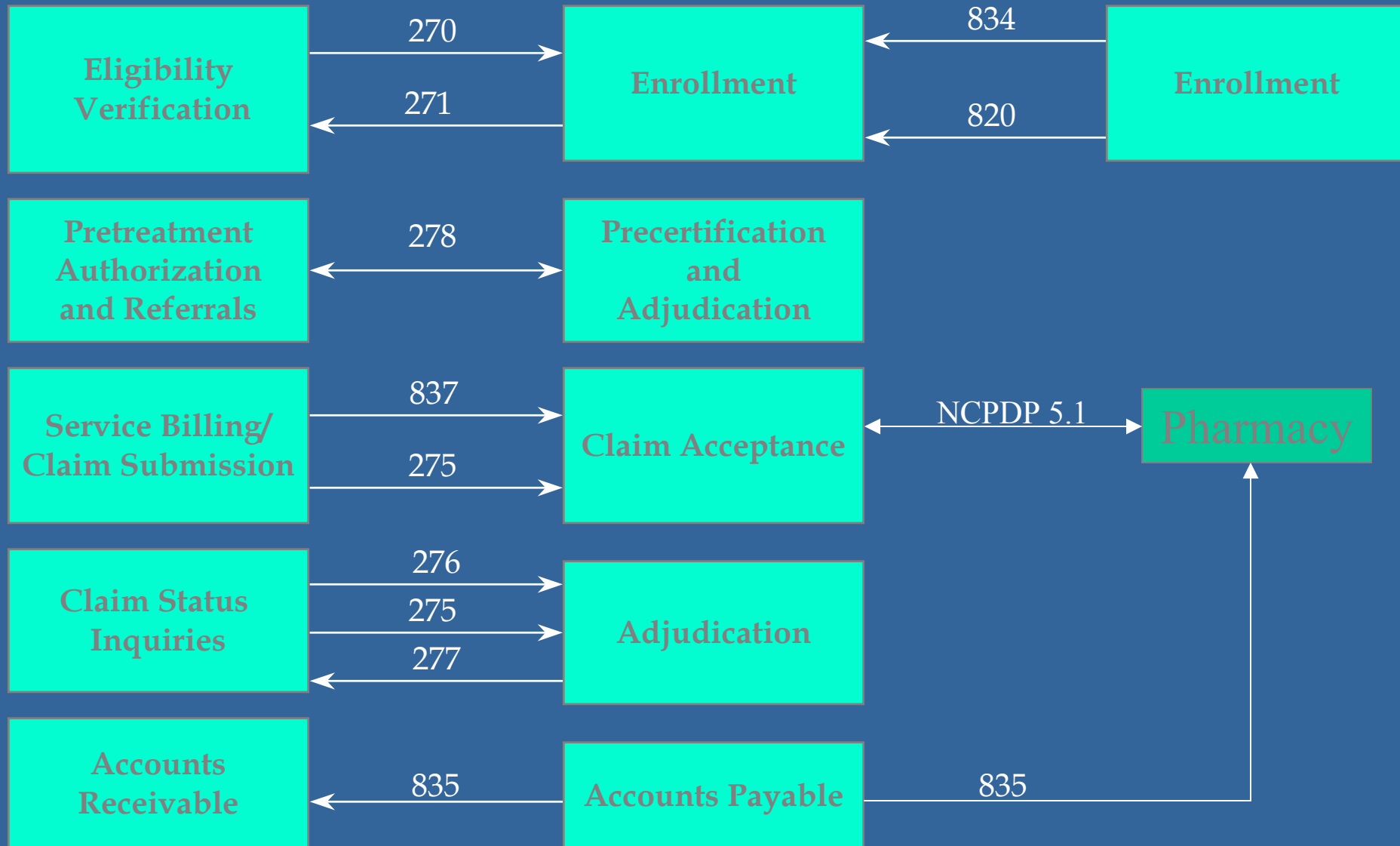

Simplified Connectivity Model

Gartner Research

"For HIPAA to work, more than 13 million pairs of a payer and a provider must implement an average of 2.2 transactions each."

– Assuming only one analyst day per transaction, the industry would need 2.9 Million analyst months to implement HIPAA

Research Note K-13-0374

The SNIP testing approach

- Compliance testing
  - Testing your own system first. Independent from trading partners. Start testing now.
  - Structured testing, complete testing. 7 Types.
  - Test against HIPAA Implementation Guides.
- Business to Business testing
  - Assume both trading partners are already compliant. Don't repeat the compliance testing part.
 - Test only peculiar TP issues.
  - Test against Companion Documents

SNIP Compliance testing

- "Types" of testing defined by WEDI/SNIP:
  1. EDI syntax integrity
  2. HIPAA syntactical requirements
     - Loop limits, valid segments, elements, codes, qualifiers
  3. Balancing of amounts
     - Claim, remittance, COB, etc.
  4. Situational requirements
     - Inter-segment dependencies
  5. External Code sets
     - X12, ICD-9, CPT4, HCPCS, Reason Codes, others
  6. Product Type, Specialty, or Line of Business
     - Oxygen, spinal manipulation, ambulance, anesthesia, DME, etc.
  7. Trading Partner Specific
     - Medicare, Medicaid, Indian Health, in the HIPAA IGs.

SNIP Compliance Testing

- Methodical vs. "statistical" (trial and error) testing process
- All seven types (old "levels") of test are required
  - Cannot stop at an arbitrary point
- Required compliance testing **BEFORE** starting the Business to Business testing process
- Recommends third party certification of compliance
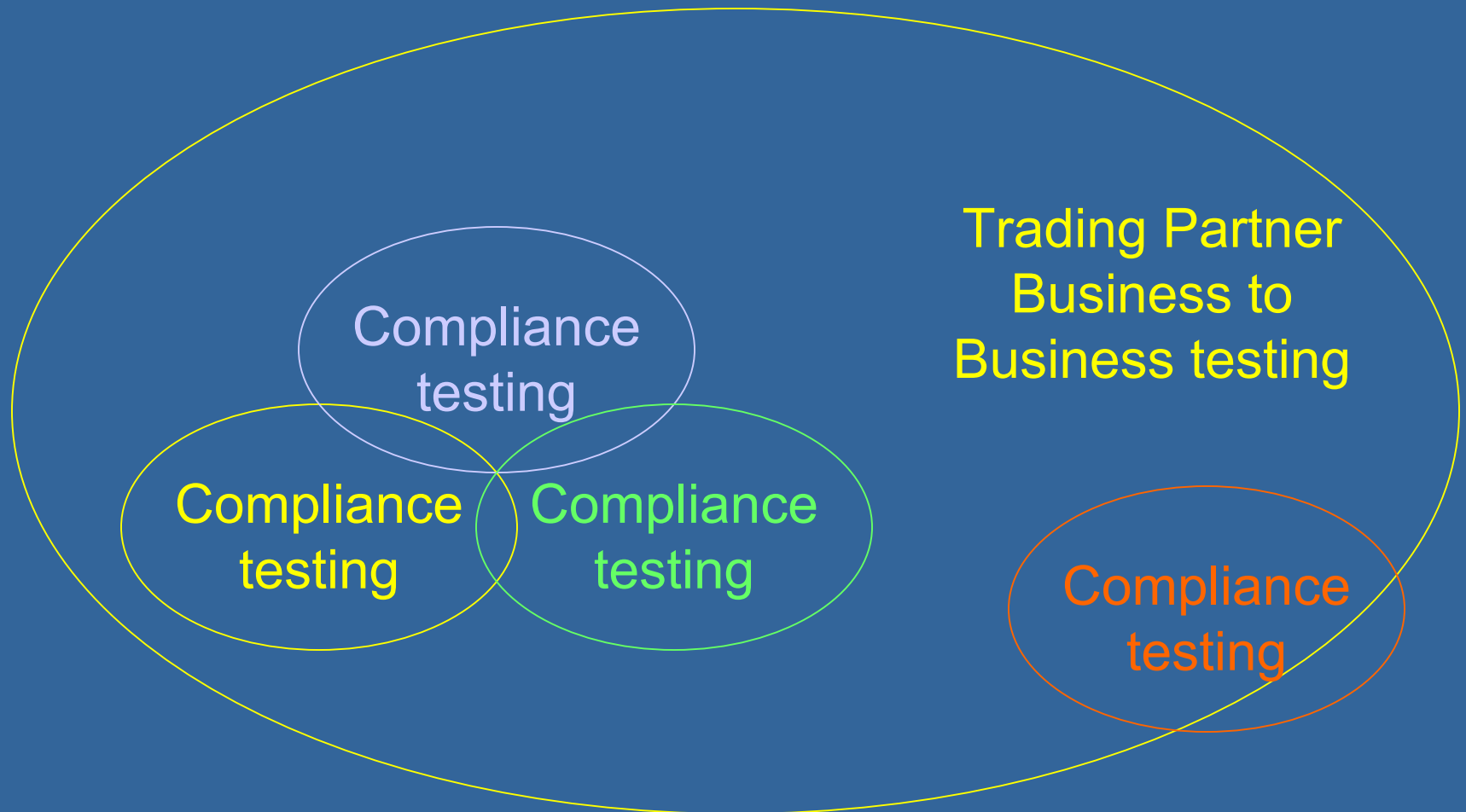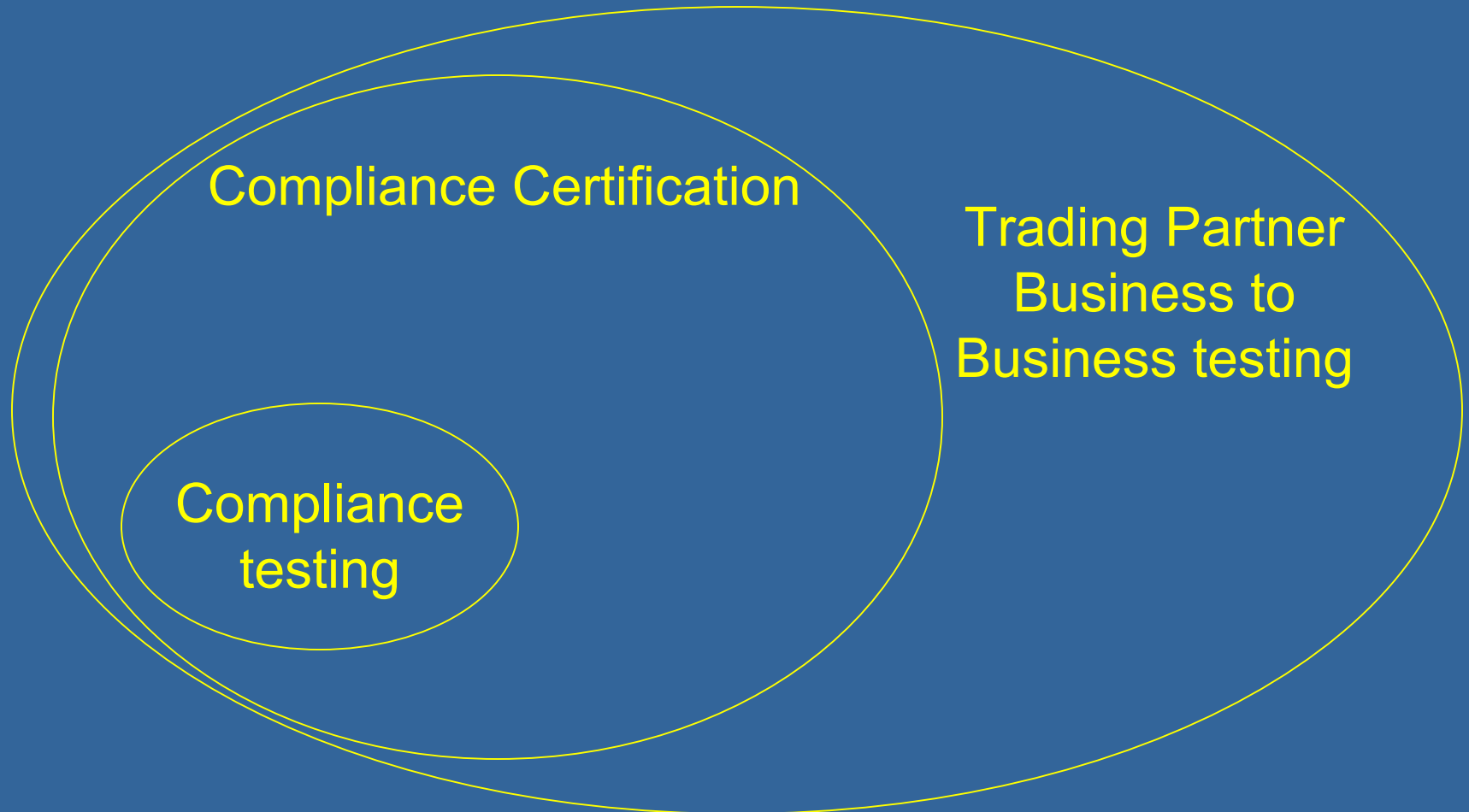
The ideal HIPAA scenario

Trading Partner Business to Business testing

Compliance testing
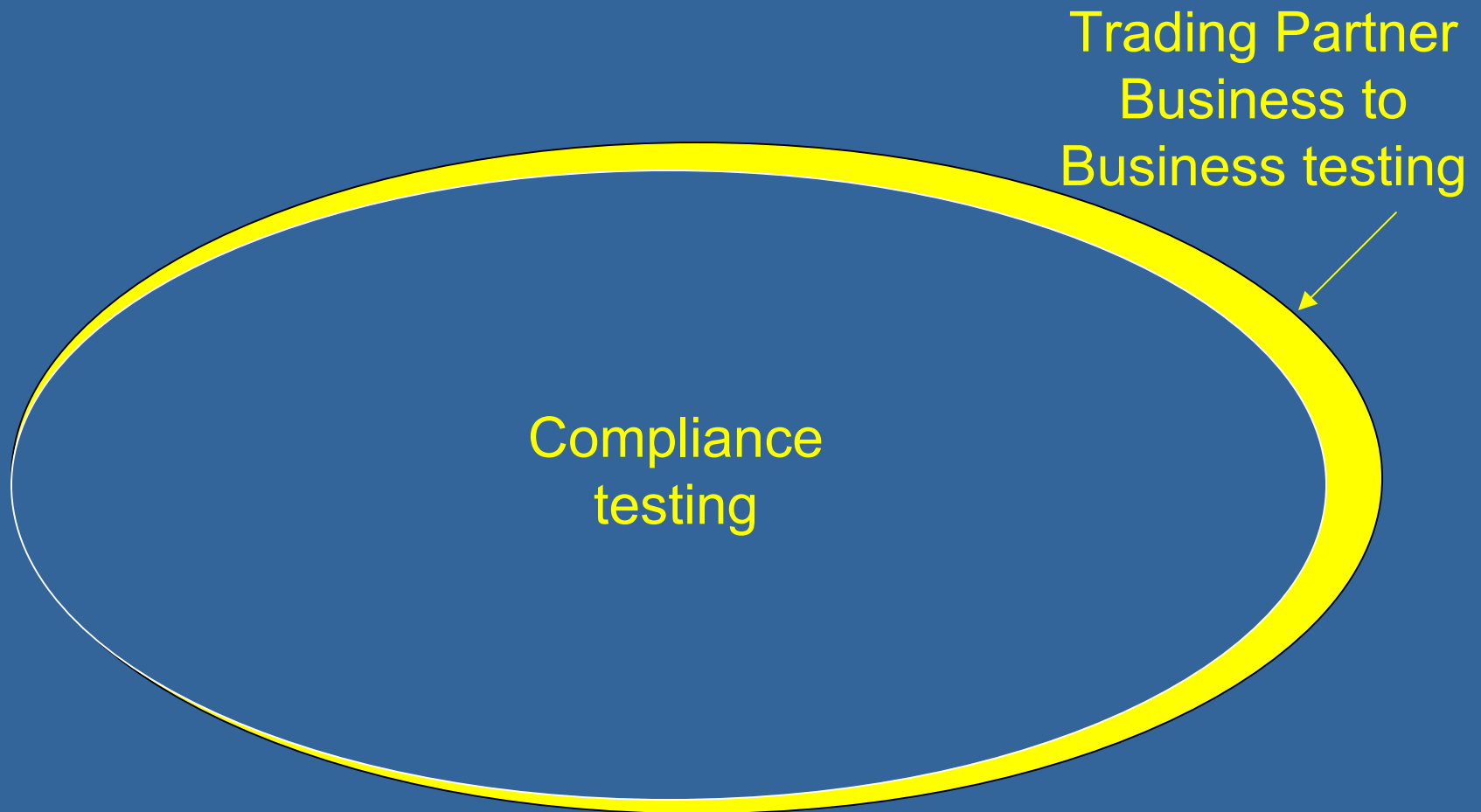
The cell phone model

Today's Compliance Testing

Trading Partner
Business to
Business testing

Compliance
testing

Compliance Certification
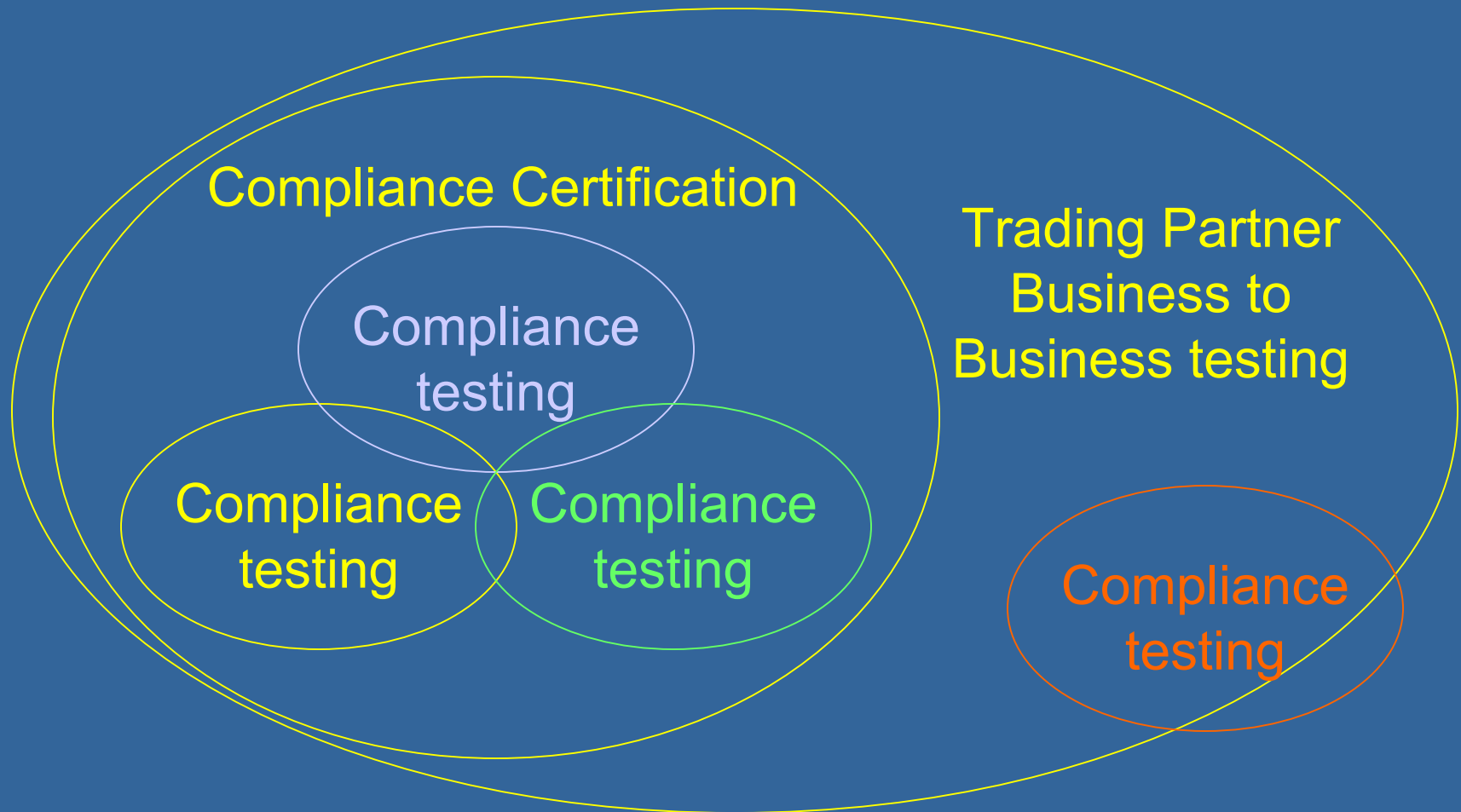
Testing with multiple Trading Partners
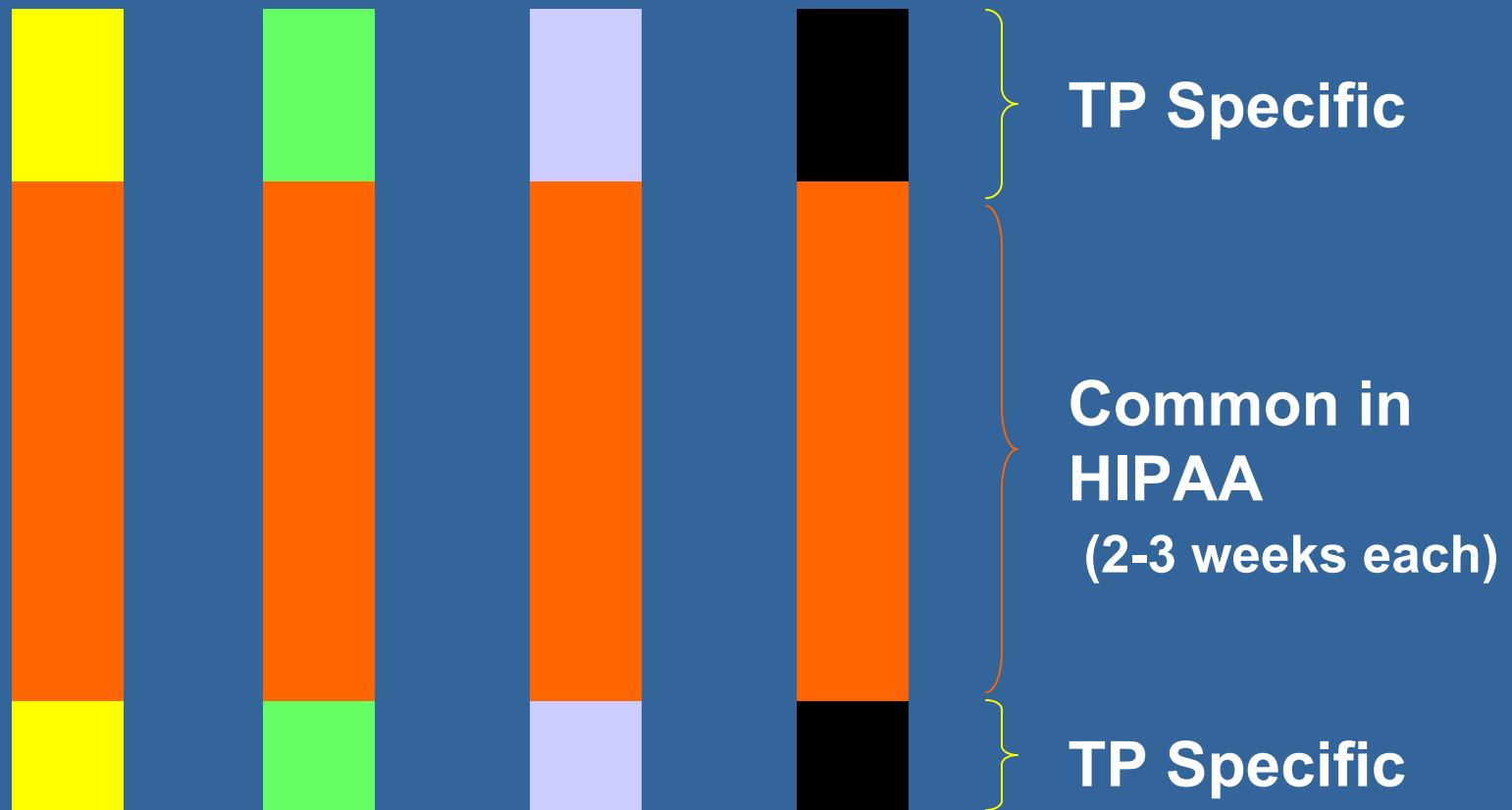
TP Specific

Common in HIPAA
(2-3 weeks each)

TP Specific

Certification prior to Testing with multiple Trading Partners

TP Specific

Common in HIPAA
(2-3 weeks total)

TP Specific

Certification prior to Testing with multiple Trading Partners

TP Specific

Common in HIPAA
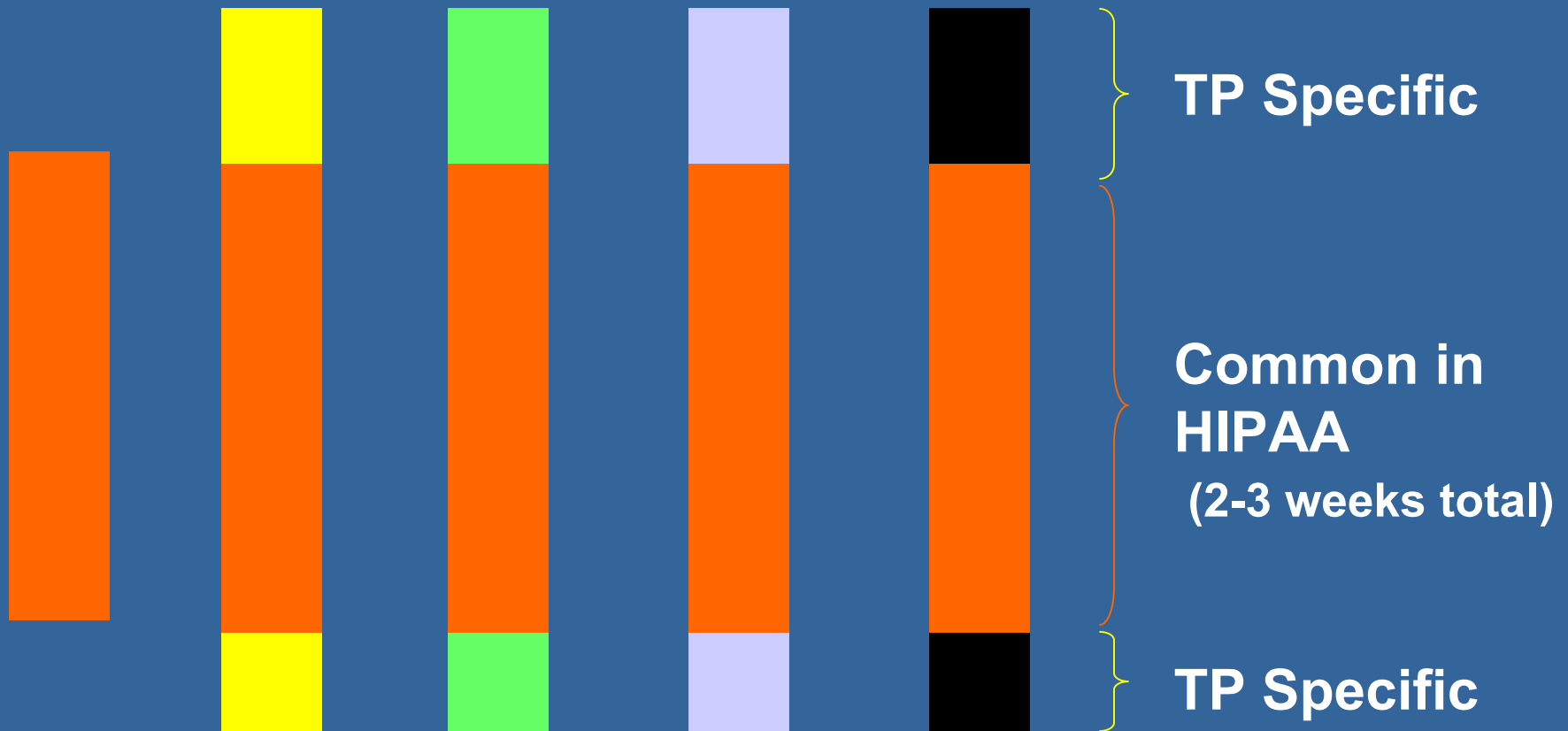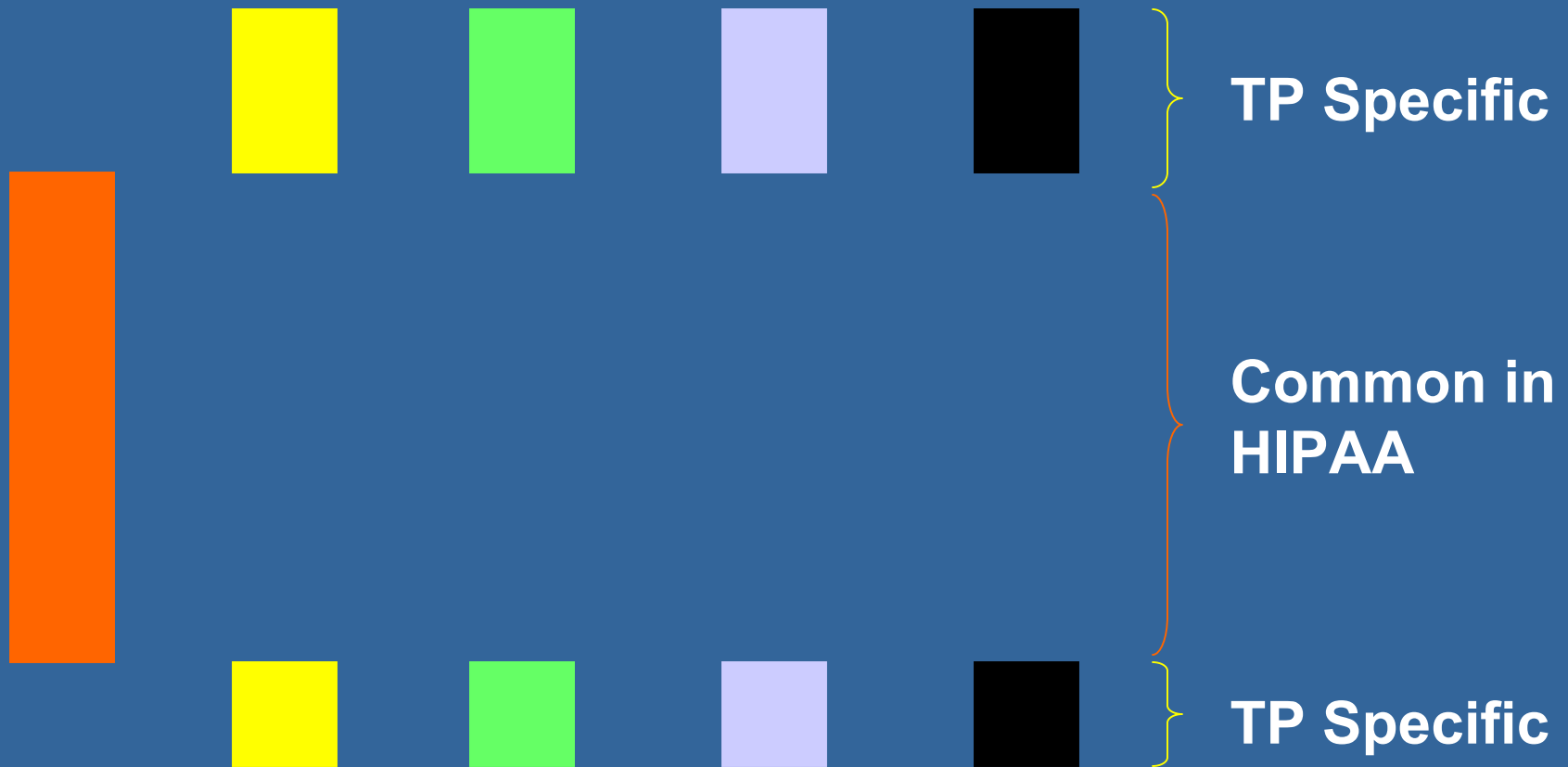
TP Specific

Certification is

- Third party verification of <u>the demonstrated capabilities</u> to send or receive a subset of the HIPAA transactions, for specific business purposes, in compliance with the HIPAA Implementation Guides
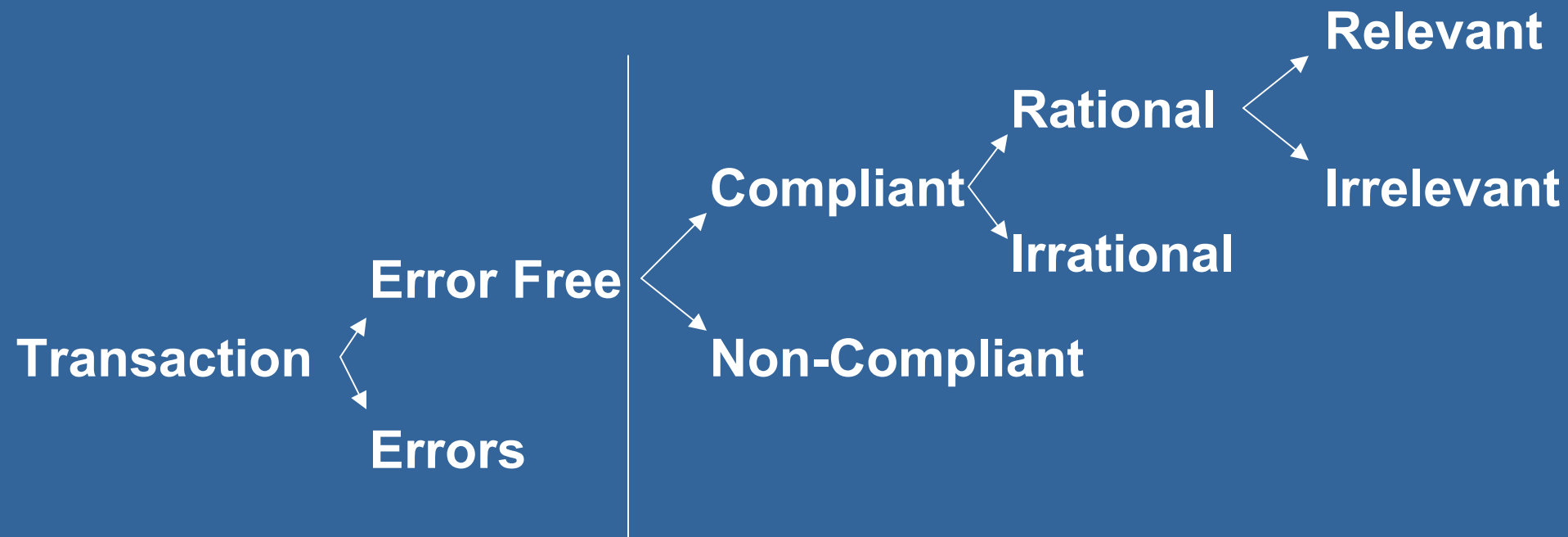
Certification is not

- Testing. It does not replace testing. Complements testing.

- A guarantee that all transactions will be forever perfect.

- The assurance that the receiving trading partner will accept the transactions.

Breaking the cycle

- First phase: testing
  - Start testing as early as possible. HIPAA IG's.
  - Confidential Testing against a neutral third party test tool, not with my trading partners.
  - You know where you are. Interpret the results.
- Second phase: certification
  - Now I am really ready. Third party verification.
  - I want the world to know.
  - I want to start engaging trading partners.
- Third Phase: Business to Business
  - Repeat for each "companion document" / TP

The "clean test" myth

- If a transaction has no errors, it must be "HIPAA compliant"

Relevant

Rational

Compliant

Irrelevant

Irrational

Error Free

Transaction

Non-Compliant

Errors

Additional "Business" requirements

- These are not "HIPAA Requirements"
- Proper "Sequencing" of dates
  - Transaction, service, admission, etc.
- Transaction specific business issues
  - Initial in-patient claim without room and board revenue codes
- Clean transactions
  - Do not mix ambulance and podiatry services in the same claim
- Medicare requirements

The "vendor will fix it" 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.
  - Providers and payers MUST get involved.
  - This is NOT an IT problem. It's not Y2K
  - There are profound business implications in HIPAA.
  - Liability for Clearinghouses and vendors due to the unrealistic expectations of providers

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
000000401	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓
000400004	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
154789686	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓
294953698	✓ ✓ X X ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
478159686	✓ ✓ X X ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
492953986	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓
495329986	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
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

[Submit this file for certification]

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Internet

The "Blanket Approval" myth
(Is certifying 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

| 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	✓ X ✓ X ✓ ✓ ✓	✓ ✓ ✓ X ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
PCLAM0002	✓ X ✓ X ✓ ✓ ✓	✓ ✓ ✓ X ✓ ✓ ✓	✓ X ✓ X ✓ ✓ ✓
154789686	✓ X ✓ X X ✓ ✓	✓ ✓ ✓ ✓ X ✓ ✓	✓ X ✓ X ✓ ✓ ✓
294953698	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓
478159686	✓ X ✓ X X ✓ ✓	✓ ✓ ✓ ✓ X ✓ ✓	✓ X ✓ X ✓ ✓ ✓
492953986	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓ ✓ ✓
495329986	✓ X ✓ X ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ ✓ ✓ X ✓ ✓ ✓
534929986	✓ X ✓ X ✓ ✓ ✓	✓ ✓ X ✓ ✓ ✓ ✓	✓ ✓ ✓ X ✓ ✓ ✓

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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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Kinds of compliance

- Compliant by coincidence
  - Providers only
    - Office visits, simple claims
  - Perhaps as high as 60%?
- Compliant by design
  - Need remediation effort
    - Software upgrade, new formats, etc.
  - Maybe about 40%?
- How can you tell the difference?
- When can you tell the difference?

Certification Challenge

- 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 in business context.

Progress not perfection

- Certification of the capability
  - Certif. for some transactions, not others
  - Certif. for some Bill Types, not others
- Not all claims will be compliant
  - Gap filling issues
  - Implementation guide errors
  - Legacy data, data errors
- Perfection may be impossible

Trading Partner Specific

- Unavoidable under HIPAA
- Business Requirements
  - State mandates
  - Contractual requirements
- How do we communicate to providers and vendors
  - Companion Documents
    - Human readable. Difficult to locate.
  - Computerized verification of "match"
    - Machine readable companion documents.

How are you doing?

- EDI implementation of the claim takes about 6 months
  - Compare with 2-3 weeks for NSF or UB92
- Waiting for your trading partners?
  - Are they waiting for you?
- What is your plan to start testing?
  - ASCA deadline April 15, 2003
- Avoid last minute rush!

One locust is called a grasshopper. Put a few thousand in one place and we call it...

A Plague.