



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

How Plans and Providers Can Leverage Their HIPAA Investment for Productively and Profitability

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

November 1, 2002

Opening Remarks

Concept

- **Provide a virtual point of access and delivery** for DDE/EDI HIPAA transactions for Medicare and Commercial Payers
- **Facilitate secure information exchange** between Payers and health care providers
- **Help reduce administrative complexity** through real-time and batch transmissions and cut out the middlemen
- **Leverage HIPAA regulations** to help public and private payers and health care providers
- **Position Medicare for more direct data entry**, which would potentially increase EMC providers
- **Improve relationships for all stakeholders** and reduce the role of intermediaries in the delivery process

Everyone has Problems..

- Providers and Health Plans participate as adversaries in today's information life cycle
- Frustration and “finger pointing”
 - Delayed outcomes and reimbursements
 - Costly utilization and customer support
 - Barriers to accuracy and timeliness
 - Highest rates of redundancy in any industry
 - Barriers to collaboration and information exchange
 - Barriers to practicality of use (even given standards)
 - Multiple connections, sources, interfaces, processes logon ID's & passwords, and cost points

Standardized Dissatisfaction

- What Health Plans want:
 - Control over provider relationships
 - Use of branded user interfaces and site content
- What Providers want:
 - Single point of entry to the majority of the billed health plans and other payers
 - Common Authentication and User Interface to interact with these payers to reduce support costs
 - Little or No cost associated with the required administrative transactions on behalf of the insured
 - Faster response from the payers

Emerging Complications

- Predicted evolution towards more complex employer group benefit plan structures
 - Employer defined contribution
 - Personalized choice options
 - Medical Saving Accounts
- Reality of individually defined healthcare benefits
 - Complexity of management for payers
 - Complexity of utilization for providers
 - Complexity of choice and access for subscribers
- Extensive costs and resource diversions associated with HIPAA compliance and other efforts

"The Health-care industry will save \$1.5 billion during the first five years of HIPAA implementation, mostly in switching from paper to electronic claims submission. Health-care CIOs, however, predict these overhauls could make the billions they spent on Y2K seem like lunch money." - M. Villano, CIO Magazine, May 15, 2000

"By 2005, healthcare organizations will need to move toward external collaboration and relationships driven and supported by the Internet, rather than internal proprietary capabilities, to be successful in the marketplace" - Gartner Group, Business Wire, May 25, 2000

The Patient Challenge

“I can use my ATM card at thousands of locations. Why is it so tough to provide my doctor with basic information on my insurance coverage?”

--Insured Beneficiary



The Benefits Challenge

“It seems that most of my day is spent on the telephone or trying to access multiple web sites to assist my patients with their health insurance benefits !”

-- Physician Office Manager



The Provider Challenge

“Why can’t I get accurate and timely information on the status of a claim online ?”

--Hospital Administrator



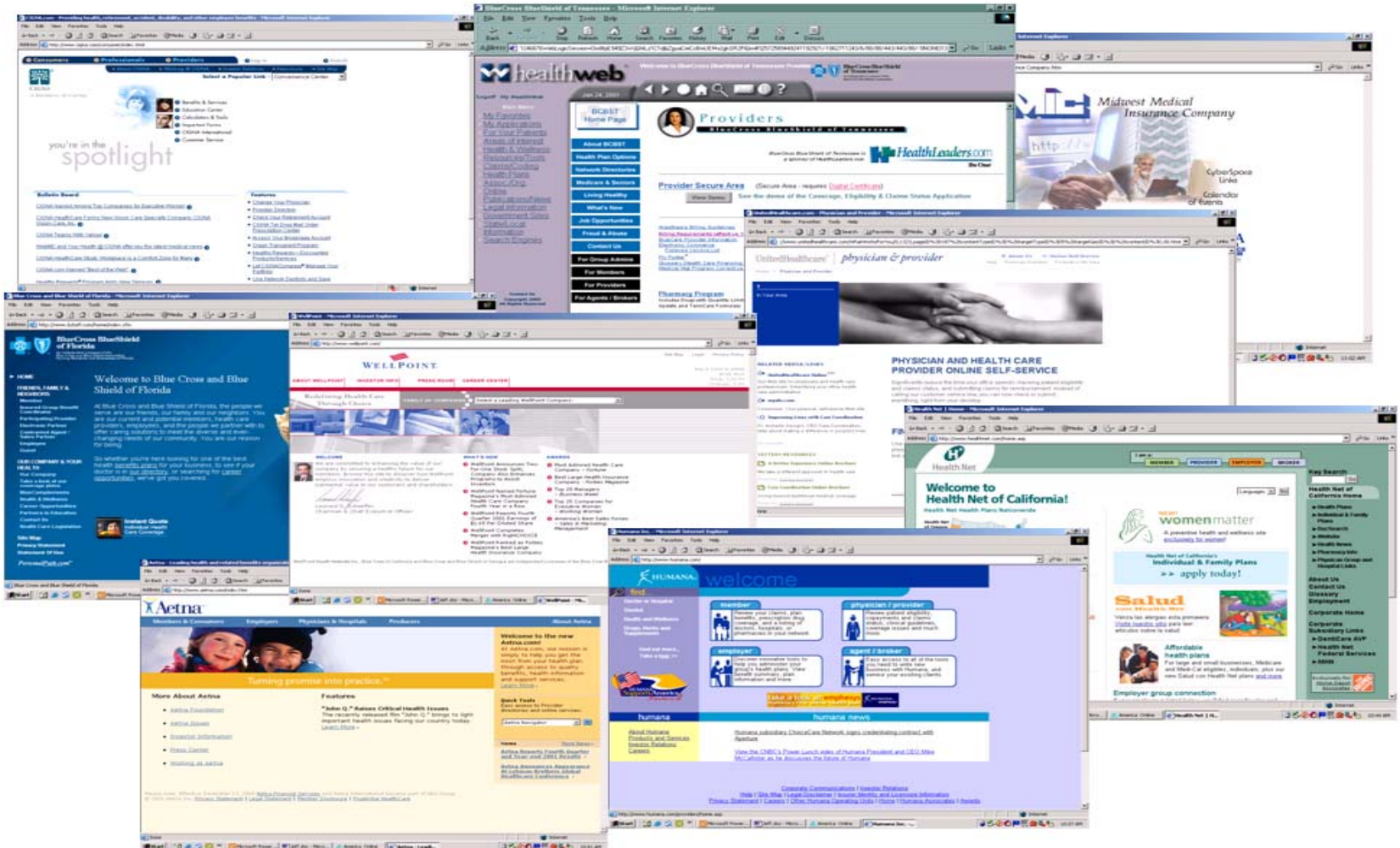
The Health Plan Challenge

“How can I provide quality customer service while I meet complex challenges for maintaining secure information access and disclosure ?”

--Call Center Supervisor

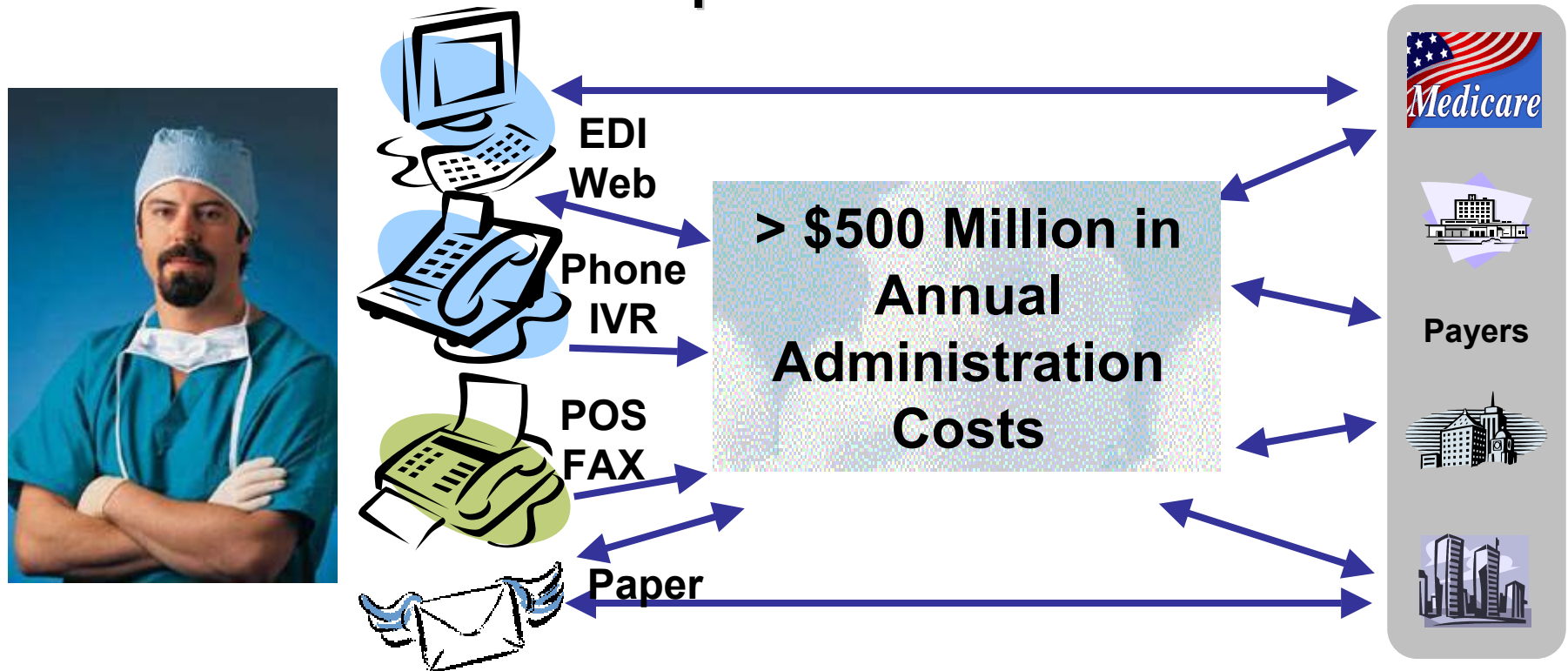


Everyone's Challenge



Today's Tangled Web

Today's fragmented health care environment is characterized by *inefficiency*, as health care professionals are faced with multiple systems, methods, and formats to communicate with health plans.



Electronic Savings

Typical Transaction Time and Cost



Physician Practice
\$5.00

> 20 minutes



Payer
\$4.00 - \$7.00

eHealth Transactions Time and Cost



Physician Practice
< \$.25 *

< 1 minute



Payer
\$2.00

Solution Objectives

- Facilitate secure information exchange between all health care stakeholders
- Provide real-time information needed to manage health care stakeholders' business
- Reduce administrative complexity
- Reduce costs for all stakeholders
- Leverage HIPAA regulations
- Improve the patient experience
- Improve relationships between stakeholders



Transaction Services Value

- Provide standard transactions at *no cost to providers*
 - *Eligibility and Benefits Inquiry*
 - *Claims Submission*
 - *Claims Status Inquiry and Response*
 - *Authorization/Referral Submission and Inquiry*
 - *Remittance Advice*
- Provide value-added HIPAA Services *to providers*
 - *HIPAA Testing and business rule validation*



- Provides value-added transactions at no cost to providers
 - *Pharmacy Prescription Services with major retail pharmacies,*
 - *Credentialing Data.*
 - *Formulary and other Health Plan support information*
 - *Laboratory and other diagnostic services*
 - *Future transactions*

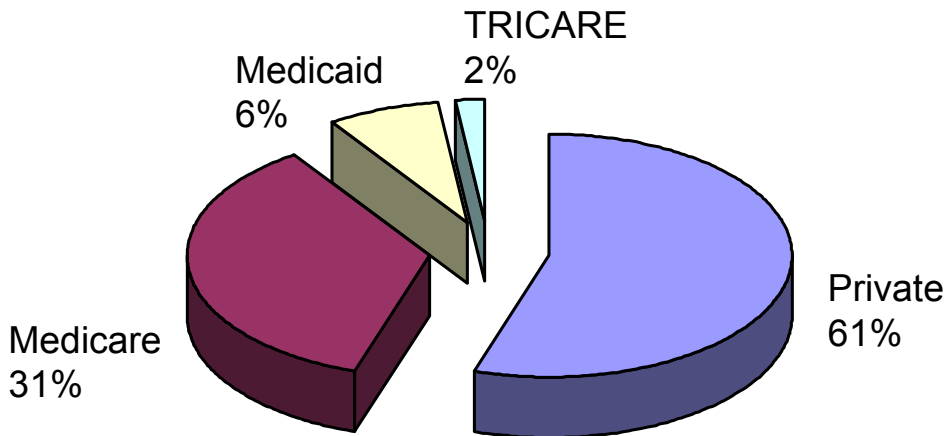
Virtual Exchange Concept

- Provide a *virtual, secure electronic exchange* for health care transactions which can be sourced by each connected Payer and Provider implementation
 - Physician Practices
 - Hospitals
 - Third Party Administrators (TPAs)
 - Billing Services
 - Pharmacies
 - ALL Health Plans including CMS



Florida Mirrors the Nation

**Est. 2001 Total Florida
Public vs. Private Claims -- Total 196M**

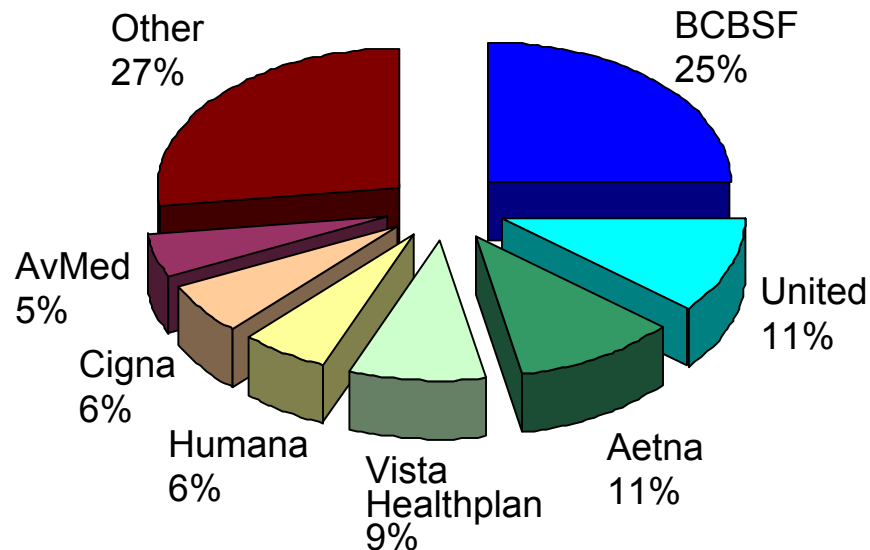


BCBSF and Humana represent 31% of the Private Health Plan marketplace.

Medicare and Medicaid represent 37% of the Public Health Plan marketplace.

Health care professionals must work with hundreds of public and private Health Plans.

Est. 2001 Total Florida Private Claims



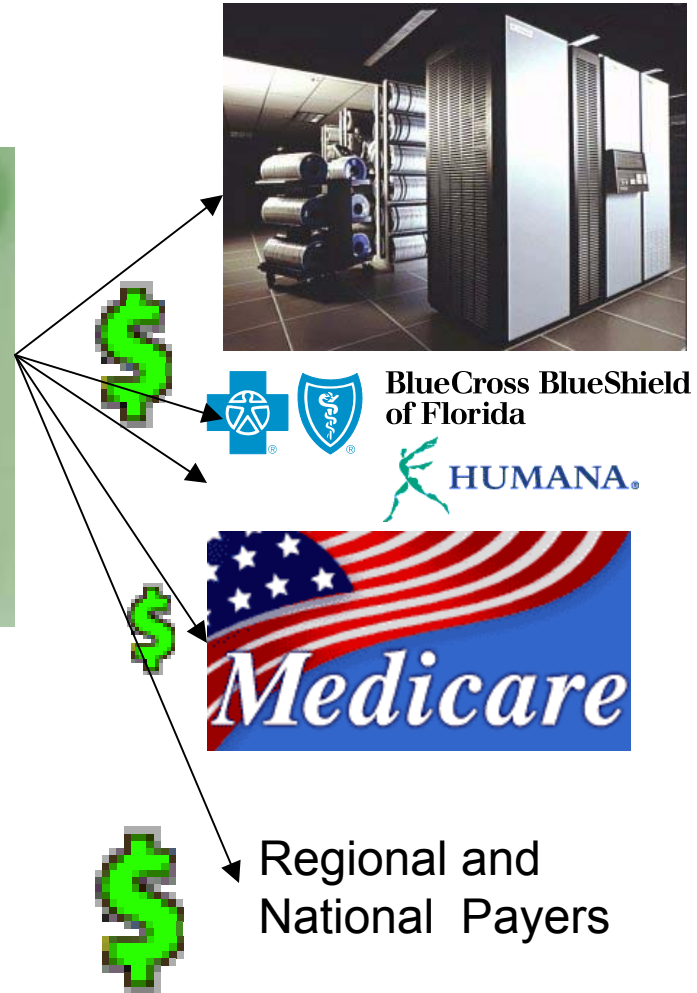
eHealthTransactions THE Solution

- Leverages HIPAA transactions, security and privacy
- Leverages ubiquitous Internet connectivity and delivery
- Enables Computer Aided Adjudication (CAA) and transaction quality and information timeliness
- Supports secure “real time” and “batch” administrative transactions and a foundation for the e-clinical evolution
 - Direct Data Entry (DDE) Browser originated
 - Electronic Data Interchange (EDI) legacy host originated
 - Proactive transactions (pre-encounter E&B, etc.)
- Directly connects providers to payers
 - Enables real time DDE and EDI adjudication
 - The HIPAA Opportunity - fundamental service delivery change
 - Benefits all stakeholders (provider, payer, insured, sponsor)

HIPAA Opportunity – Cut the Middlemen



Clearinghouses
Switch Vendors
Regional HUBS



Help Payers Help Themselves and Providers



Low or no cost to Providers using a
standardized Internet Delivery

Health Plan Exchange
Collaboration

The HIPAA Response

- Online **real-time** and **batch** transactions with multiple health plans
 - Eligibility and Benefits Inquiries
 - Claim Submissions and Claim Status Inquiries
 - Authorization and Referral Submissions and Inquiries
 - Links to Health Plan information
- Transaction reporting
- Standard User Interface
- Secure Access & Administration
- Front-end edits ensure accurate information is submitted

The screenshot displays the eHealthTransactions web application in a Microsoft Internet Explorer browser window. The page title is "eHealthTransactions" and it features logos for Aetna, CIGNA, and HUMANA. The user is logged in as "JOSEPH MATHESON, MD" and is viewing the "Find Claims" page. The page includes a search form with fields for Member #, Status (set to ALL), Claim #, Amount Charged \$, Date From, and Date To. Below the search form is a table of claims with 9 items found. The table columns are Member # Name, Claim #, Date, Claim Status, Diagnosis Description, Procedure Description, Charged, and Provider # Name.

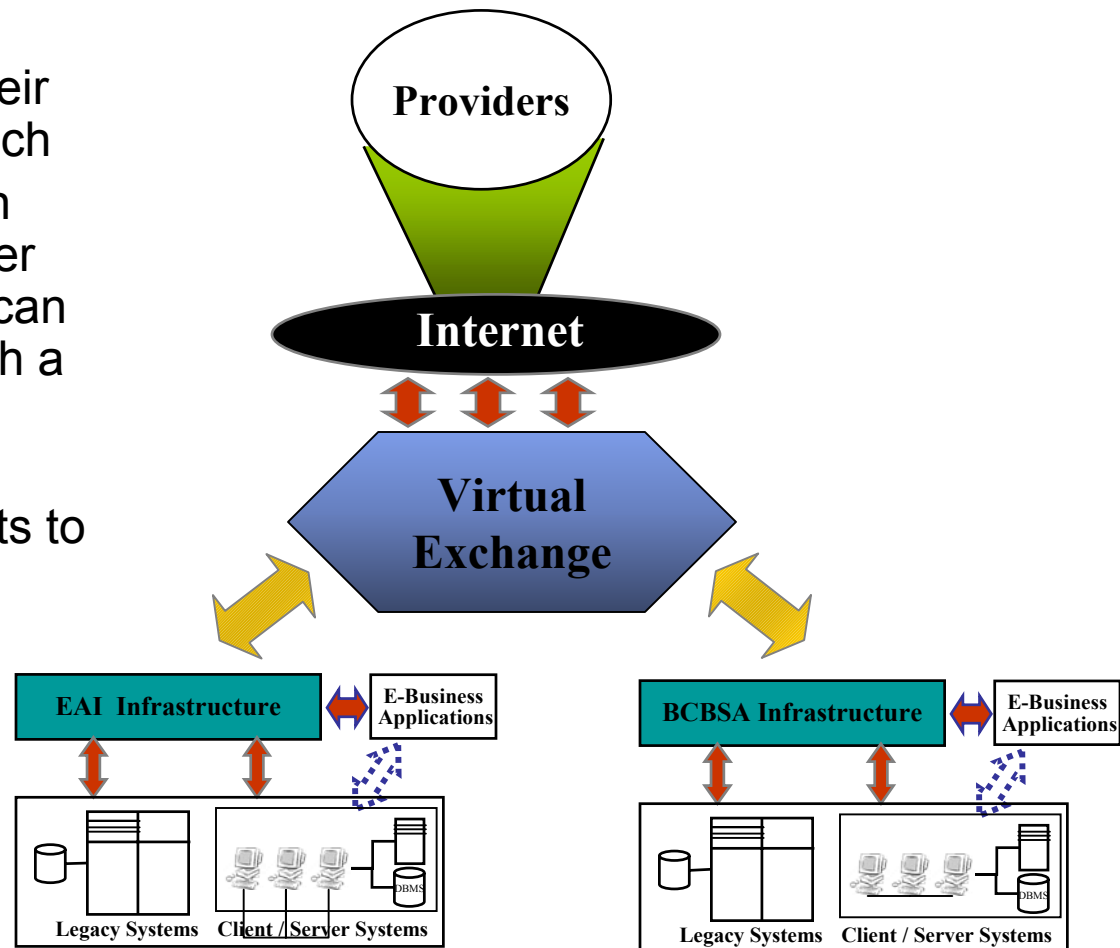
Member # Name	Claim #	Date	Claim Status	Diagnosis Description	Procedure Description	Charged	Provider # Name
10000001 WESTIN, SOPHIA	123456	06/06/1998	PAID	0340 STREPTOCOCCAL SORE THROAT	99212 OFFICE/OUTPATIENT VISIT, EST	\$100.00	10000200 MATHESON, JOSEPH
10000001 WESTIN, SOPHIA	987654	06/16/1998	PEND	482.30 PNEUMONIA DUE TO STREPTOCOCCUS, UNSPECIFIED	99221 INITIAL HOSPITAL CARE	\$500.00	10000200 MATHESON, JOSEPH

Fast technology

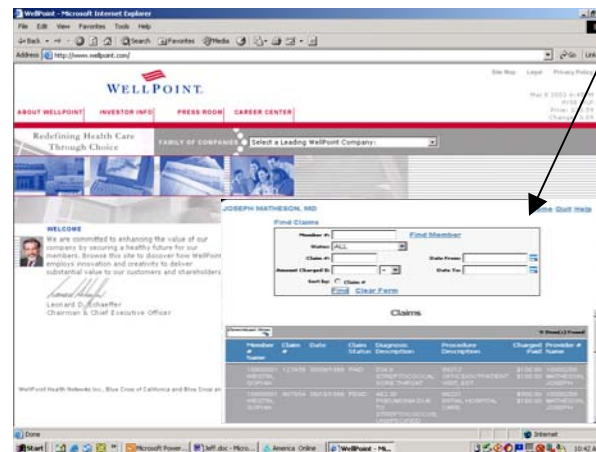
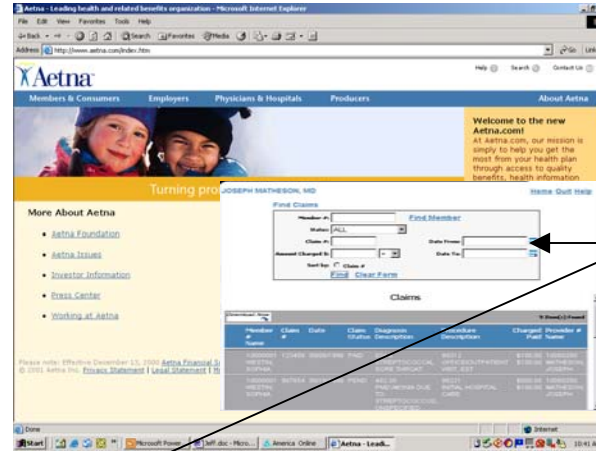
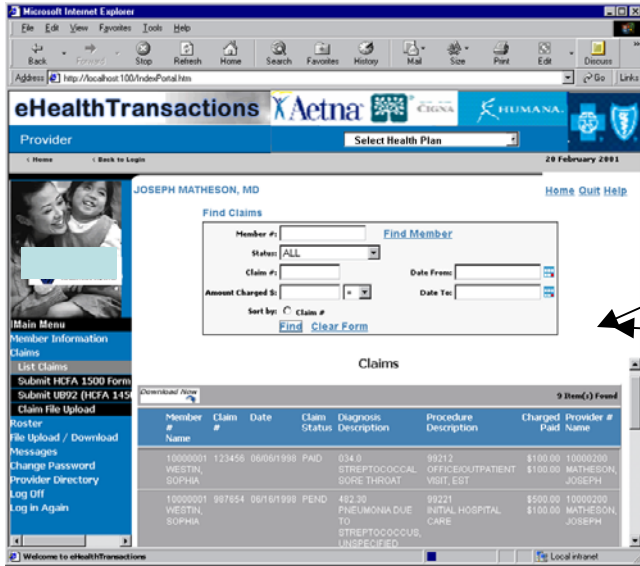
- Inquiries returned in *less than 4 seconds* on average
- Claims adjudicated in *less than 20 seconds* on average (where supported)

Evolve Internet Virtual Exchange

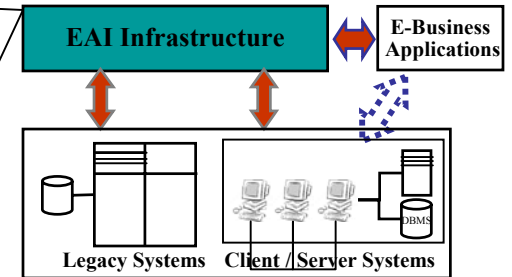
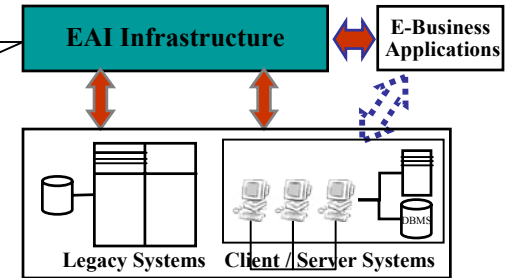
- Large national or dominant regional payers still desire their own branded provider outreach
- Provide a framework that can support single payer and other EAI implementations, which can migrate to or interoperate with a national Virtual Exchange
- Help providers promote their views to payers of the benefits to all of access to multi-payers
- With the Virtual Exchange Payers will no longer have to decide:
 - Do you want it to be yours?
 - OR do you want it to be successful ?



eHealthTransactions Virtual Exchange



Payers can host Vitria Frames within branded presence



Payer EAI Implementations

Vitria Virtual Exchange
 Payer DDE Hosted Frame
 Payer EDI Hosted Frame

Provider and Payer Solution

Provider Select Health Plan

20 February 2001

JOSEPH MATHESON, MD Home Quit Help

Find Claims

Member #: Find Member

Status: ALL

Claim #: Date From:

Amount Charged \$: = Date To:

Sort by: Claim #

[Find](#) [Clear Form](#)

Claims

Download Now 9 Item(s) Found

Member # Name	Claim #	Date	Claim Status	Diagnosis Description	Procedure Description	Charged Paid	Provider # Name
10000001 WESTIN, SOPHIA	123456	06/06/1998	PAID	034.0 STREPTOCOCCAL SORE THROAT	99212 OFFICE/OUTPATIENT VISIT, EST	\$100.00 \$100.00	10000200 MATHESON, JOSEPH
10000001 WESTIN, SOPHIA	987654	06/16/1998	PEND	482.30 PNEUMONIA DUE TO STREPTOCOCCUS, UNSPECIFIED	99221 INITIAL HOSPITAL CARE	\$500.00 \$100.00	10000200 MATHESON, JOSEPH

Member Information
Claims
List Claims
Submit HCFA 1500 Form
Submit UB92 (HCFA 1450)
Claim File Upload
Roster
File Upload / Download
Messages
Change Password
Provider Directory
Log Off
Log in Again

Welcome to eHealthTransactions Local intranet

Provider Dynamic Content areas populated based on the provider profile and requested payer access Info stored in a host

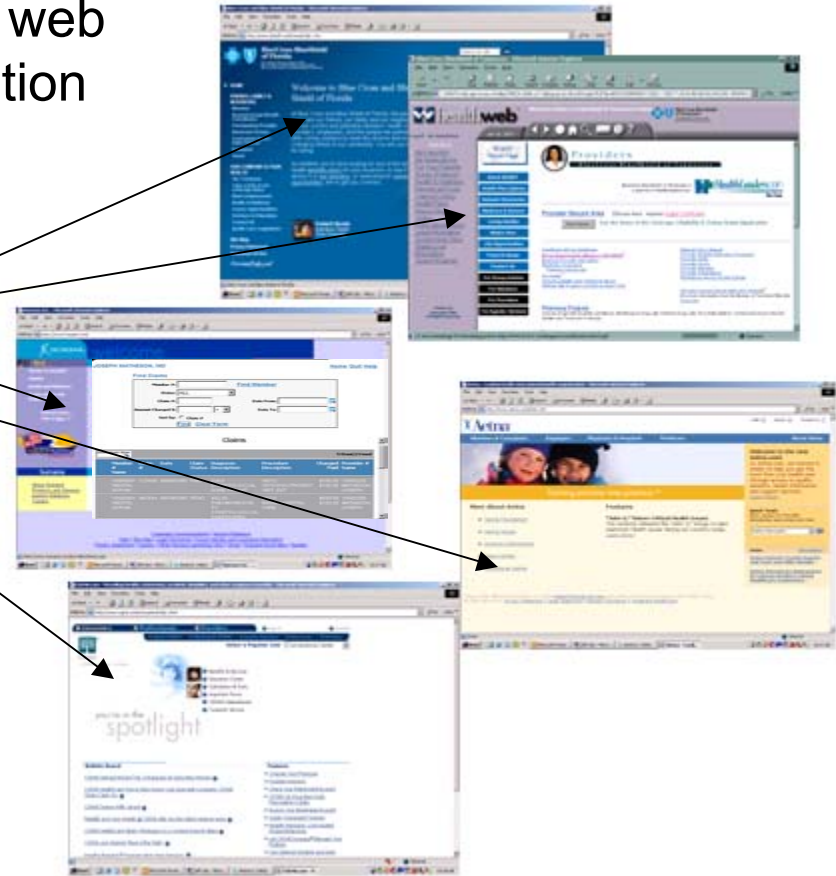
- ✓ Common User Interface
- ✓ Single Sign-On & Identity
- ✓ HIPAA DDE and EDI
- ✓ Virtual eHealthTransactions sourced directly from any EAI Implementation: (Medical, RX, Vision, Dental... etc.)
- ✓ Promote Virtual Exchange transactions as free to all
 - ✓ No charges to providers
 - ✓ No charges to payers

“Can navigate it” Revolution

“Can get to it” Evolution

Provide Payers with the infrastructure to promote provider navigation to payer web sites for relevant content and information

Member #	Claim #	Date	Claim Status	Diagnosis Description	Procedure Description	Charged	Provider #
10000001	123456	06/06/1998	PAID	034.0 STREPTOCOCCAL SORE THROAT	89212 OFFICE/OUTPATIENT VISIT, EST	\$100.00	10000200
10000001	987654	06/16/1998	PEND	482.30 PNEUMONIA DUE TO STREPTOCOCCUS, UNSPECIFIED	89221 INITIAL HOSPITAL CARE	\$500.00	10000200



Virtual Exchange is opened to payer content to be presented based on provider demographics

Solution Requirements



- Workflow simplification and cost savings
- Standard online batch and real-time transactions at no charge
- Optional value-added transactions
- Single secure connection with multiple health plans
- Practice Management System (PMS) and Hospital Information System (HIS) integration
- Improved information accuracy
- Faster claims submission
- Enhanced patient satisfaction
- HIPAA compliance

HIPAA Connection

- **Accessible**

- *From any computer with Internet access*
 - *Adding dial-up FTP option for batch Electronic Data Interchange (EDI)*
- *Single user login and interface*
- *Uniform screens for all health plan HIPAA transactions*



- **Compliant**

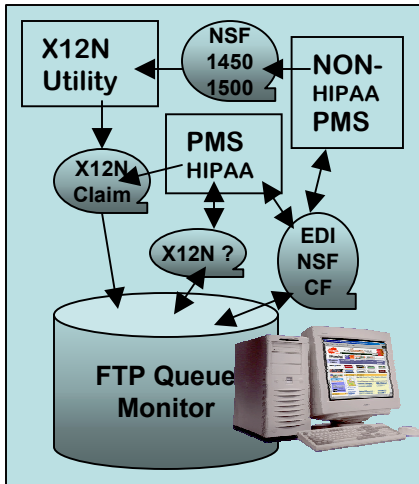
- *Dedicated to complying with the Health Insurance Portability and Accountability Act (HIPAA) regulations for privacy, security, and electronic transactions, code sets and IDs*
- *Requires browser versions that support at least 128-bit encryption*
- *Every User is Uniquely Identified*
- *Role Based Access and Authorization*



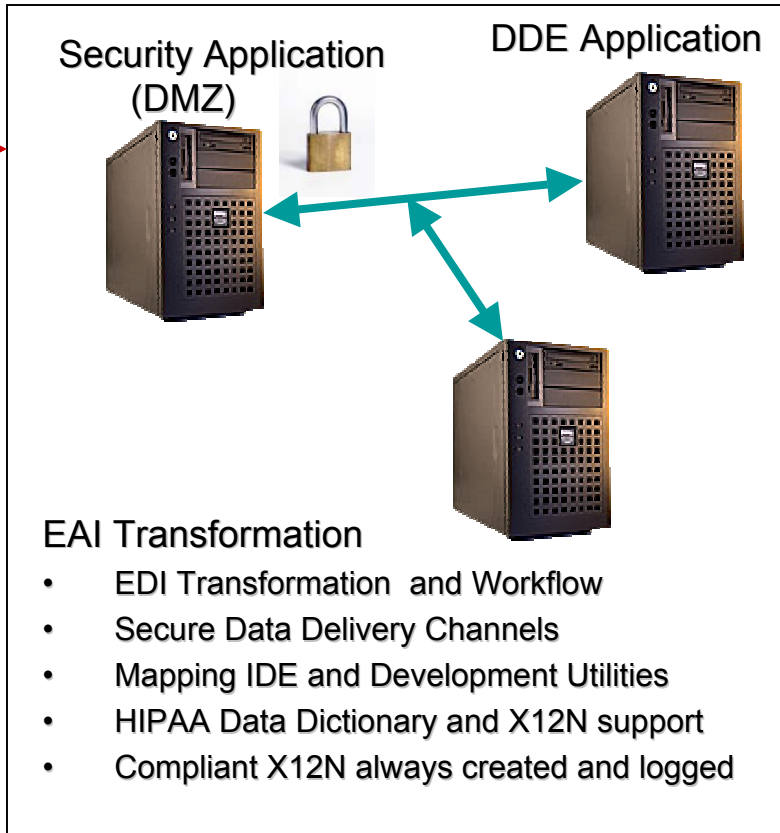
Support for HIPAA DDE and EDI

- Utilize a EAI foundation to provide **secure and compliant EDI transformation and secure Internet or dial-up delivery and file management**

- Support for compliant and non-compliant Provider Legacy originated transactions



HTTP/S
Secure FTP
X12N
NSF



EAI Transformation

- EDI Transformation and Workflow
- Secure Data Delivery Channels
- Mapping IDE and Development Utilities
- HIPAA Data Dictionary and X12N support
- Compliant X12N always created and logged

VPN
XML



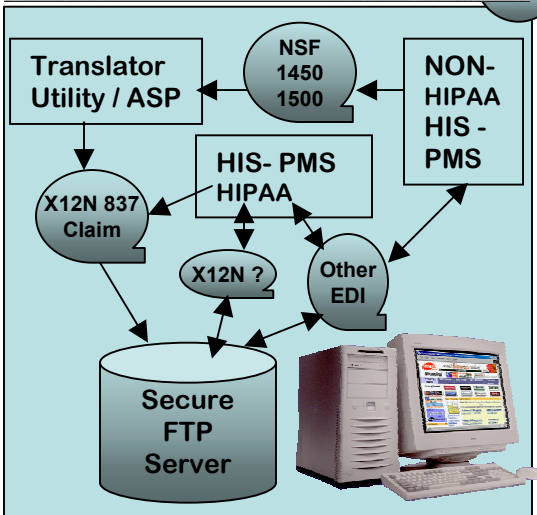
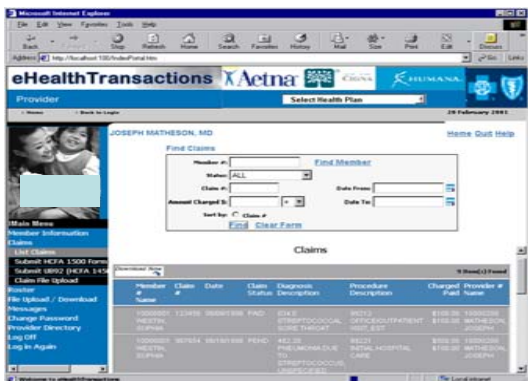
VPN
Secure FTP
HTTP/S
X12N
NSF

The HIPAA Solution

End-to-End EDI and DDE

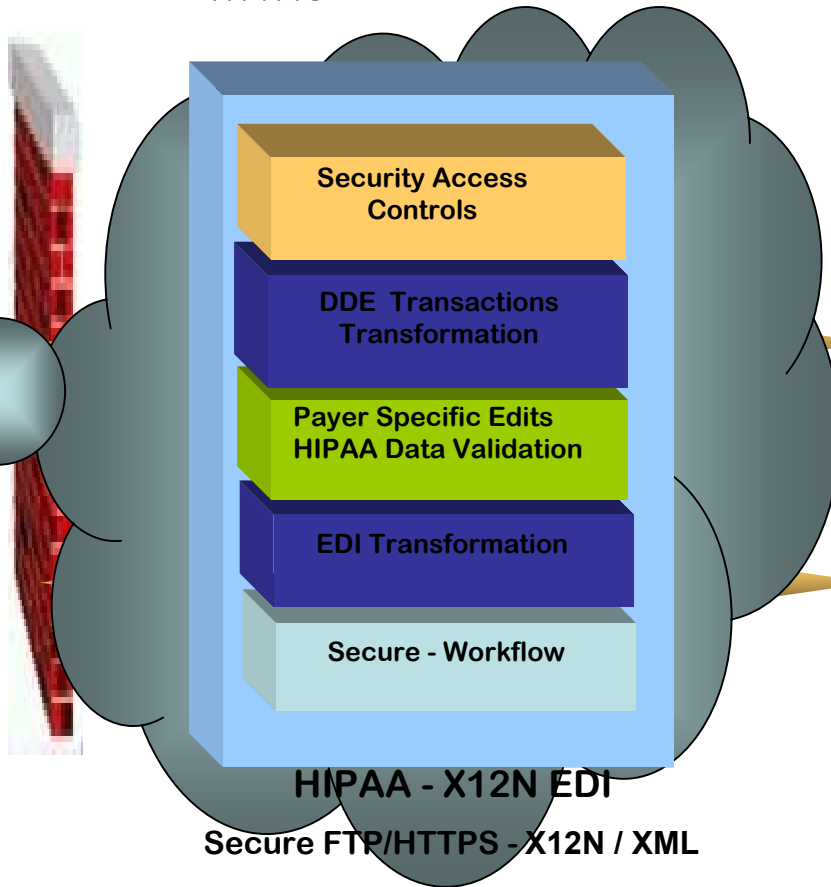
Provider Browser

- ALL HIPAA Transactions - DDE
- Value Added Services
- DDE/EDI Transaction Statements



HIS - PMS Application Integration
Loosely Coupled Messaging

HIPAA - X12N DDE HTTP/S - HTML / XML / WML



National and Regional Commercial Payers

Public Health Intermediaries

Value Added Transactions and Services

- Lab & RX
- Credentialing
- Digital Identity
- Billing & Collect.
- Banking & EFT
- Advanced Funding
- Scheduling, Etc.

EAI Implementations

What We Need

- Question: What do we need to make the Virtual Exchange happen and cut the middle men and the delivery costs?
- Answer: Standard National Identifiers which are digital and trusted across the healthcare continuum
 - Health Plans
 - Providers
 - One day.. individuals



Questions?

WaltCulbertson@aol.com

www.SharpWorkGroup.Com