

# STANDARDS Progress Report

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- Destination: electronic health data system made possible through standards
- How far have we come
- Road blocks and detours
- Side trips
- Next stops
- Other destinations

# Meta Goal

- Improve the efficiency and effectiveness of the health care system by encouraging the development of a health information system through the establishment of standards

# Standards Promises

- Other industries
  - Faster
  - Cheaper
  - More accurate
- Unexpected bonuses
  - Improved work processes and flow
  - Potential for true customization

# HIPAA Goals

- Adopt voluntary consensus industry standards as national standards wherever possible
- Use negotiated rulemaking if industry has developed standards not acceptable to Secretary.
- Only adopt standards developed by Federal rulemaking if no industry standards.

# Other HIPAA Requirements

- Extensive consultation with outside groups
- Expanded role of National Committee on Vital and Health Statistics
- Not to increase costs

# First steps

- No more log jam of competing proprietary formats for designated transactions
- National standards and code sets for 8 major transactions
- Privacy standards
- National Employer Identifier

# Work to date

- Transactions adopted from industry rules
- Almost all code sets adopted from industry
- First identifier: EIN from government



# Building HIPAA Infrastructure

- Designated Standards Maintenance Organization process
- Outstanding public/private cooperation
  - SDOs
  - WEDI/SNIP
  - NEMH
- HHS structure evolving

# HIPAA is happening

- Firm deadlines set
- ASCA re-affirmed Congressional support for administrative simplification
- ASCA Medicare payment provisions should prevent reversion to paper
- District Courts in Texas and South Carolina have affirmed authorities for HIPAA

# All of us are learning what works

- Consensus standard setting process
  - Business applications
  - Medicaid local codes
- Public/private cooperation
- Extensive consultation
- NCVHS as forum for expert advice

# And what does not work

- Duplicate public participatory processes:
  - SDO standards development
  - Rulemaking
- Standards that are not quite standard
- Inadequate funding

# Who and what is missing

- Key players
  - Small providers
  - Physicians
- Tested technologies
- Patients

What is not working for you?

# Functional Analysis

- Health care is not divided into three parts
- Not who you are but what you do
- Multiple functions = multiple requirements
- Borders still very fluid:
  - Financial institution functions
  - Educational institution functions
  - Oversight functions

# Unintended Consequences

- Expansion of voluntary consensus standard setting process to other areas
- Increase in role of external certification
  - Response to trading/business partner needs
  - Governments just additional users
- Diversion of cost savings



What is your most unexpected outcome?

# Evolving Roles

- Federal agencies
- State governments
- Providers
- Plans and other Payers
- Clearinghouses
- Employers
- Patient/beneficiary/consumers

# Government Gap Filling

- No ready-to-use industry standards for:
  - Privacy
  - Security
  - Electronic Signature
  - Provider, plan or patient identifiers

# Industry Gap Filling

- First report of injury
- Claims attachments:
  - Six code table sets developed through industry SDOs
- New and improved code sets under preparation

What other additional standards  
need to be developed?



# Projects underway

- Claims attachments
- Electronic signatures
- Privacy updates
- Security updates
- Additional and new code sets
- Next transactions modifications
- Compliance and enforcement

# Standard HIPAA Process

- Extensive SDO development
- NCVHS hearings
- Notice of Proposed Rulemaking
- Public comments
- Final Rule
- Two or three year implementation period

# Starting to see returns on investment

- Early adopters seeing early returns
- Factors creating opportunities:
  - Data processing capacity continues to increase
  - Outcomes oriented medicine requires good data
  - Patient directed medicine requires good data
  - Cost pressures



# Opportunities for Governments

- Public health reporting and response
- Emergency responses
- Medical error reporting
- Device malfunction reporting

# Opportunities for Providers and Practitioners

- Usable patient records
  - Accessible
  - Accurate
  - Complete
- Error reduction systems
- Practical telemedicine
- Improved productivity
  - Nurses back to patient care

# Opportunities for Plans and Payers

- Replace “this year’s cost plus 20%” with more sophisticated analysis
- Distinguish between “more care” and “better care” based on outcomes data

# Opportunities for Patients

- “Consult your doctor”
- Education
- Inquiries and follow-up
- In own language

# Ultimate Goal: Customization

- Patients
  - Own records, drugs, characteristics, including genetic information, may be taken into account in treatment
- Physicians and other treating personnel
  - Access to data in useable formats
  - Coordination around patient, not systems
- Employers and other payers
  - Data for better choices

Questions?