Practical HIPAA Compliance Strategies for Medical Groups, IPAs and Clinicians

The Sixth Annual National HIPAA Summit
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Who is MGMA?

• Medical Group Management Association
• Trade association founded in 1926
• Nation’s principal voice for medical group practice
• 19,000+ members in 10,000+ group practices nationwide (200,000+ physicians)
• Headquartered in Englewood, Colorado
• Government affairs office in Washington, DC
Key Partnerships:

1. Practice Management System Vendors

2. Health Plans
Compliance Strategy

Preparing for October 16
Easy First Steps

• Learn from your colleagues -- NETWORK!
• Prepare early and know your costs
• Gain executive “buy-in”
• Identify your data gaps
• Adopt industry “best approaches”
• Identify critical resources
• Don’t wait for vendors to come to you!
Compliance Strategy

Working with your Practice
Management System Vendors
Vendor Readiness issue

*Increasing concern that PMS vendors will:*

1. Not be offering any HIPAA solution
   - Out of the health care business
   - Insufficient resources to develop new product
   - Moved to a new platform / application
Vendor Readiness issue

2. Offering a “HIPAA Ready” solution, not “compliance”
   • Concern regarding versions and HHS timing
   • Utilizing clearinghouse
   • charging fees
Vendor Readiness issue

3. Offer a “compliance solution” but:
   • May not provide solution to meet October deadline
   • May not be ready to test by April
   • Will only be providing solutions to certain transactions
   • Will be viewing this as an opportunity to gouge providers
Vendor Readiness issue

4. Offer a “compliance solution” but:
   
   • No solution with older products--must purchase latest and greatest version of software
   • Often this latest version requires faster computers with more memory
   • Potentially very expensive
Vendor Readiness

• New Vendor HIPAA Readiness Directory
  – Developed by coalition of 14 medical specialty and industry groups including MGMA, AAFP, WEDI, and NCHICA
  – Non-commercial free access site donated by Claredi
  – Self-reported data
  – Increasing number of vendors listed

• www.hipaa.org/pmsdirectory
PMS VENDOR DIRECTORY

• Contents
  – Vendor name and contact information
  – Product name and release date
  – For each transaction
    • Transaction standard name and number
    • Version
    • Clearinghouse (if a specific one is required)
    • Is a clearinghouse required (Y/N)
    • Tested Certified by (name of certifying organization)

• Links to Vendor Websites
### HIPAA.ORG EDI Practice Management System Directory

<table>
<thead>
<tr>
<th>Directory</th>
<th>Create Listing</th>
<th>Instructions</th>
<th>HIPAA Transactions</th>
<th>Terms / Conditions</th>
</tr>
</thead>
</table>

This Directory is intended to assist medical practices locate important information, supplied by practice management and billing systems vendors, on HIPAA transactions and code sets implementation, testing, and certification. Visitors should read the Terms and Conditions governing their use of this website.

This directory is for informational purposes only. The individual vendors have supplied their own information about their companies and products. The organizations bringing you this website do not endorse the companies listed or verify the information posted, but we encourage practice management systems vendors to register and provide information regarding their HIPAA readiness that will guide medical practices’ business decisions.

To interpret correctly the technical information presented by vendors, it is important that medical practices begin by reading the Instructions and other hyperlinks located at the top of each page in the Directory. Then access information about a particular product by clicking on the vendors below.

Click [here](#) for instructions on how to use this Directory.

<table>
<thead>
<tr>
<th>Company Name</th>
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<td>A&amp;F Networking, Inc.</td>
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**Vendor Information**

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<td>Company Name</td>
<td>McKesson Information Solutions</td>
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<tr>
<td>Address</td>
<td>5995 Windward Parkway, Alpharetta, GA 30005</td>
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<td>Phone</td>
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**Product Overview**

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<tr>
<th>Product</th>
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<th>Approximate Release Date</th>
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<tr>
<td>Infinity</td>
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**Comments**

Infinity provides financial management capabilities plus other services such as appointment scheduling. It is used primarily as a software solution for outsourcing by McKesson’s Revenue Cycle Management. Please see Claredi’s website for transactions certification.

**Prerequisites / System Requirements**

Please see McKesson’s website for complete readiness disclosure details at www.mckesson.com.

<table>
<thead>
<tr>
<th>Transactions (click for definition)</th>
<th>Version</th>
<th>Clearinghouse</th>
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Compliance Strategy

Contact your Vendor ASAP
Vendor Readiness

- Write your practice management system / billing system vendor(s). Ask them the following questions:
  - When will you be ready to upgrade my system?
  - Will I require any new hardware?
  - Will you send me a schedule of upgrades and testing?
  - Can I upgrade incrementally?
  - Will my system accept the NPI?
  - Do you offer data mapping?
  - What are the expected costs?
  - Have you been listed in the Directory?
Compliance Strategy

Working with your Health Plans
Health Plan Readiness

Concerns:
• Who will and will NOT be ready?
• WHAT transactions?
• When will testing begin?
• Any payment contingencies?
• Will they reject claims?
• Will they slow payment of paper claims?
• Minimum necessary issue
Welcome to the WEDI / CAQH joint initiative website.

The Workgroup for Electronic Data Interchange (WEDI) and the Council for Affordable Quality Healthcare (CAQH) have joined forces to develop tools to assist healthcare organizations in their implementation of the X12N HIPAA transactions. Both initiatives were developed with input from multiple health plans, system vendors, provider representatives and healthcare / HIPAA industry experts.

**HIPAA Transactions Testing and Implementation Schedule**

The CAQH-WEDI HIPAA Transactions Testing and Implementation Schedule initiative was designed to facilitate industry-wide collaboration on the communication of HIPAA X12N and NCPDP Standards testing and production schedules. Plans can complete the standard template developed by CAQH and WEDI in order to communicate their plan-specific HIPAA X12N transactions and NCPDP Standards testing and production schedules on a central website. Ultimately, CAQH and WEDI hope this centralized site will assist in easing potential provider confusion related to HIPAA-driven changes in payer-provider interaction.

Any plan can participate at no cost and it takes only a few minutes to download the template. For instructions about how to participate, please click here "Testing and Implementation Timeline". If you have questions please contact Laura Strombo at 202-881-1493, or lstrombo@caqh.org between the hours of 8:00 AM - 4:30 PM EDT.

**"Best Practice" Companion Guide**

As a supplement to the X12N Implementation Guide, many plans are creating a "companion guide" that describes the specifics of how they will implement the HIPAA transactions. Currently, different plans are creating companion guides that vary in format and structure. The CAQH/WEDI "Best Practice" template provides guidance on companion guide structure and topical areas plans should address, with the understanding that the content of a companion guide needs to be plan-specific.

All or part of the CAQH/WEDI "Best Practice" Companion Guide template can be used by any interested health plan. For instructions about how to download the template, please click here "Best Practice Companion Guide". If you have questions please contact Laura Strombo at 202-881-1493, or lstrombo@caqh.org between the hours of 8:00 AM - 4:30 PM EST.

Other Important Links Include:

- CAQH Website, www.caqh.org
- National Council for Prescription Drug Programs (NCPDP), www.ncpdp.org

WEDI – CAQH HEALTH PLAN TRANSACTION STATUS RESOURCE

• WEDI and the Council for Affordable Quality Healthcare (CAQH)
  – Health Plans present readiness status for X12N and NCPDP transactions
  – Standard approach to Companion Guides
  – Providers and clearinghouses need to know when health plans will be ready to test and go into production
  – Health plans need an efficient way to communicate readiness
  – Health plan transactions test and production data on one free site
http://www.wedi.org/snip/caqhimptools/

Welcome to the CAQH/WEDI Web site!

The resource for information on health plan electronic transaction changes in 2003.

Created by the Council for Affordable Quality Healthcare (CAQH) and the Workgroup for Electronic Data Interchange (WEDI), this site intends to ease potential provider confusion related to 2003 HIPAA-mandated changes in health plan-provider electronic interactions. Designed as one common resource for providers and plans alike, this site gives providers the latest information on health plan transaction changes and equips health plans with simple tools to communicate these changes to providers.

Using the Site
CAQH and WEDI created two tools to help health plans communicate to providers their implementation of the HIPAA X12N and NCPDP transaction changes: the Transactions Testing and Implementation Schedule Template and the “Best Practice” Companion Guide Template. Health plans, system vendors, provider representatives, and healthcare/HIPAA industry experts provided input during the development of these tools.

Providers and Trading Partners: View the Schedules
To view the participating plans’ HIPAA X12N Transactions and NCPDP Standards testing and production schedules, please click here.

Health Plans: Submit Your Schedules and Access the “Best Practice” Guide
To participate, please click on the links below. If you have questions regarding participation, please contact Laura Strombothe at 202-861-1492 or lstrombothe@caqh.org.
## CAQH/WEDI Transactions Testing and Implementation Schedule Initiative
### CONSOLIDATED HIPAA TRANSACTIONS SCHEDULES
**LAST UPDATED - 3/17/2003**

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</table>

**General Notes**
Ask your major health plans:

- When will you be ready to accept a HIPAA claim?
- Have you tested internally?
- Will you be providing any billing software?
- Will you send me your schedule of upgrades and testing?
- When will you be able to handle the additional transactions?
- Medicare is providing free billing software. For more information on this go to: http://cms.hhs.gov/medicare/edi/edi3.asp.
- Can I submit using the Medicare billing software?
October 16--a Potential Train Wreck

• What happens if:
  • Provider is ready but Plan is not?
  • Plan is ready but Provider is not?
  • Your Clearinghouse is not ready?
  • Medicare / Medicaid is not ready?
Keep your practice on the right track by:

- Setting aside cash reserves to handle payroll and critical bills
- Establishing a line of credit with your financial institution
- Developing a relationship with a clearinghouse in the event that you must send non-compliant claims and/or revert (temporarily) back to paper
Health Plan Readiness

Some hope:

- WEDI recommendations to HHS in development:
  - Safe harbor for compliant plans
  - Communication between plans/providers
  - Get ready for paper deluge
  - EOB “missing data elements”

- Standard DDE coming?
Web Resources

– http://aspe.os.dhhs.gov/admnsimp/
  • The administrative simplification law, process, regulation, and comments
– http://www.cms.hhs.gov/hipaa/
  • Learn about HIPAA
  • Complaint submission process
– http://www.mgma.com
  • HIPAA Resource Center
– http://snip.wedi.org
  • Strategic National Implementation Process (SNIP)
– http://www.nucc.org
  • National Uniform Claim Committee
WEDI Strategic National Implementation Process (SNIP)

- Cross industry group co-chaired by MGMA
- Focused on critical implementation issues and solutions
- 35+ workgroups looking at:
  - transactions
  - security
  - privacy
  - provider issues
- 5,000+ on listserv
- Conferences/Webcasts/SNIP Synopsis
Transactions and Code Sets

White Papers

- Impact on DDE Services White Paper, Version 3.0 released
- Sequencing Version 2.
- Coordination of Benefits, Version 1.
- A White-Paper Assisting the Industry in Translator Selection, Draft Version 1.0 (1/11/02)
- Front-end Edits (draft)
- Clearinghouse Transactions and Connectivity (draft)
- Business To Business White Paper
- Data and Code Set Compliance
- Trading Partner Agreements
- National Drug Code (NDC)
SNIP “Small Practice Implementation” Ver. 2.0

• An estimated 400,000 small medical entities will need to be compliant
• Few can afford a consultant or expensive solution
• Paper grew out of a need in the industry for a concise, easy to read guide to HIPAA
• Two central goals:
  – Present a HIPAA strategy from a “trusted source”
  – Give specific guidance to enable smaller CEs to become HIPAA compliant
SNIP “Small Practice Implementation”
Ver. 2.0 Appendices

• Model HIPAA Transactions Audit
  – Discussion of critical implementation issues:
    • What does my practice have to do to make sure I’m ready for the new standards?
    • What specific questions should I ask my software vendors and billing services?
    • Why do I need to be concerned so far in advance?
    • Software or billing service check list
QUESTIONS