

HIPAA Transactions: Testing and Certification

National HIPAA Summit Audioconference: Vendor And Clearinghouse Requirements For HIPAA Compliance

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Breaking the cycle

- First phase: **testing**
 - Start testing as early as possible.
 - Confidential Testing against a neutral third party, not my trading partner.
 - Know where you are.
- Second phase: **certification**
 - Now I am really ready.
 - I want the world to know.
 - I can start engaging trading partners.
- Third Phase: **Business to Business**
 - Repeat for each “companion document” / TP

Testing today

- Find trading partner that agrees to test with you
 - Typically one that will eventually benefit from your transactions
- Send test files
- Get test report from trading partner
- Correct errors found by trading partner
- Repeat the cycle until no more errors

What the testing covers

- Telecommunications
- Security, authentication, access
- Data format issues
- Data content issues
 - Generic HIPAA requirements
 - Trading partner specific requirements
- Business rules
 - Some are HIPAA, some are trading partner specific requirements

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

1-2 days

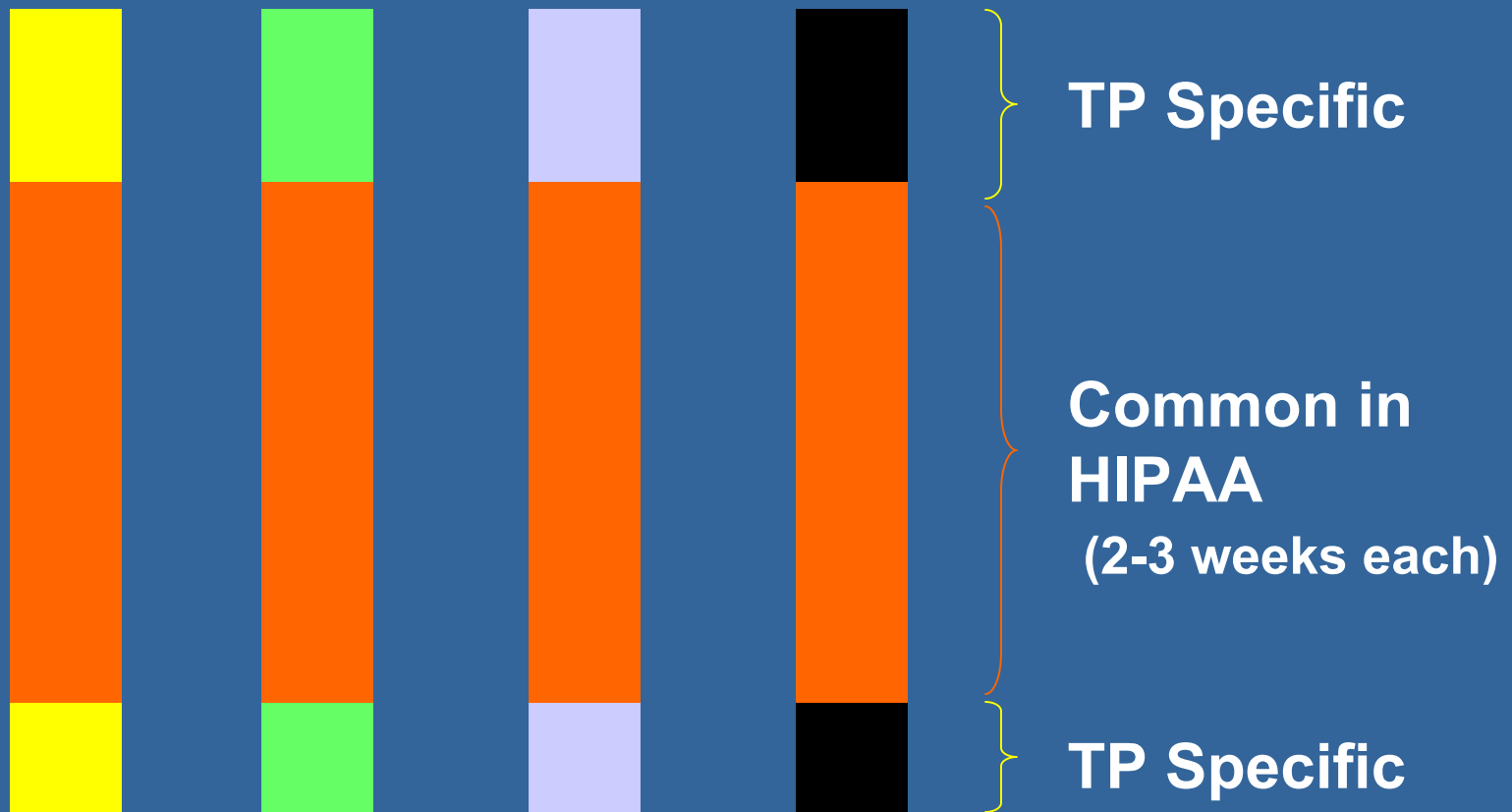
3-4 weeks



The result of this testing

- Trading partner does not care about certain data elements
 - No errors reported this time
- 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.

Testing with multiple Trading Partners



The end result of today's method of testing

- Repeat the testing for each trading partner.
- Common HIPAA requirements tested again from scratch each time.
- “Statistical Testing”
- Never sure of whether the testing is:
 - Complete, Correct, Repeatable.
- Very time consuming, expensive, wasteful, process.
- Unfair cost for the “readier” partner.
 - They end up debugging their trading partners.

The SNIP approach

- Compliance testing
 - Your own system, independent from trading partners
 - Structured testing; complete testing
 - 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
 - Companion Documents

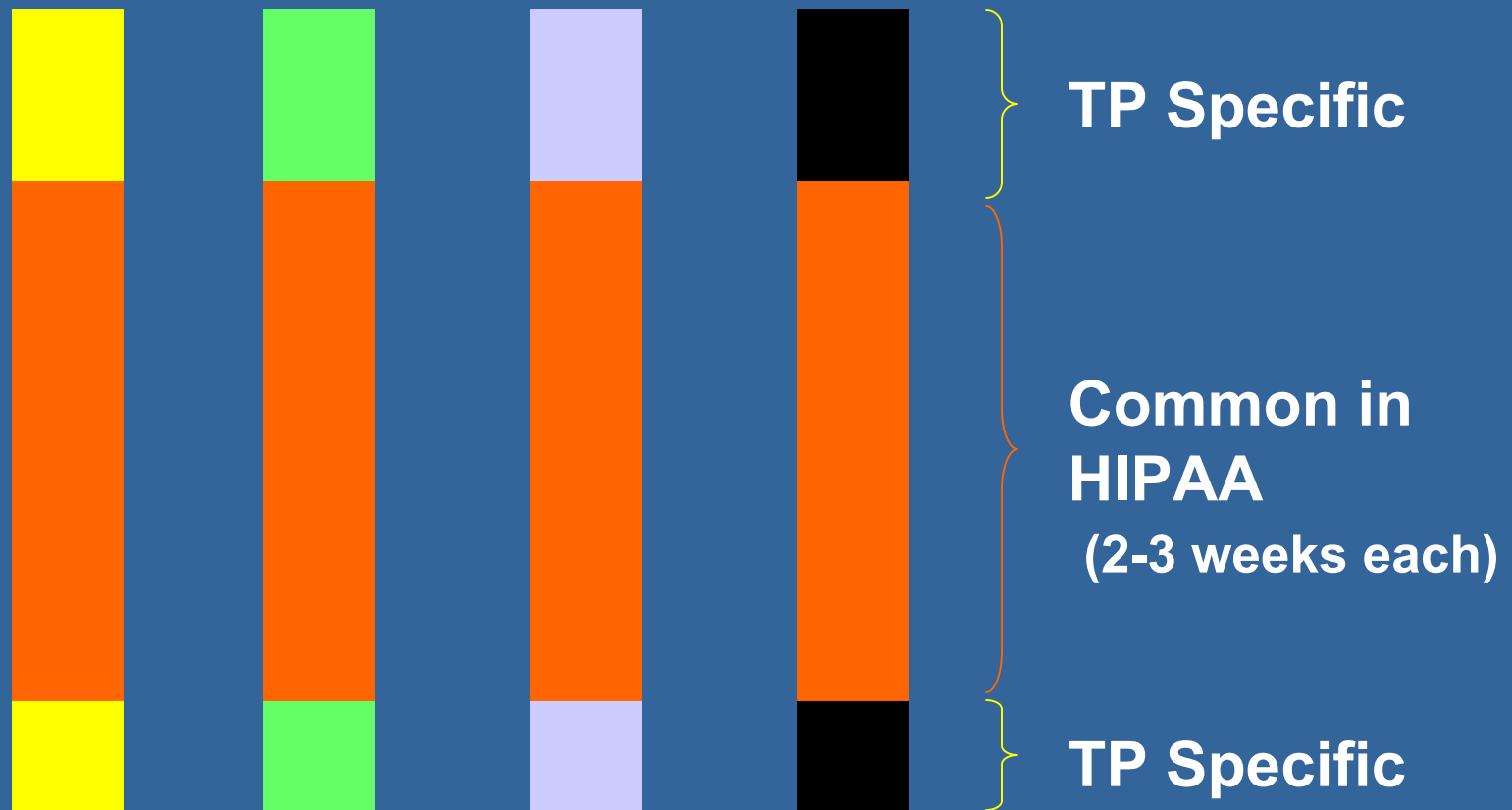
SNIP Compliance testing

- “Types” of testing recommended by SNIP:
 1. EDI syntax integrity
 2. HIPAA syntactical requirements
 - Loops, valid segments, elements, codes
 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 (**NEW**)
 - Medicare, Medicaid, Indian Health, in the HIPAA IGs.

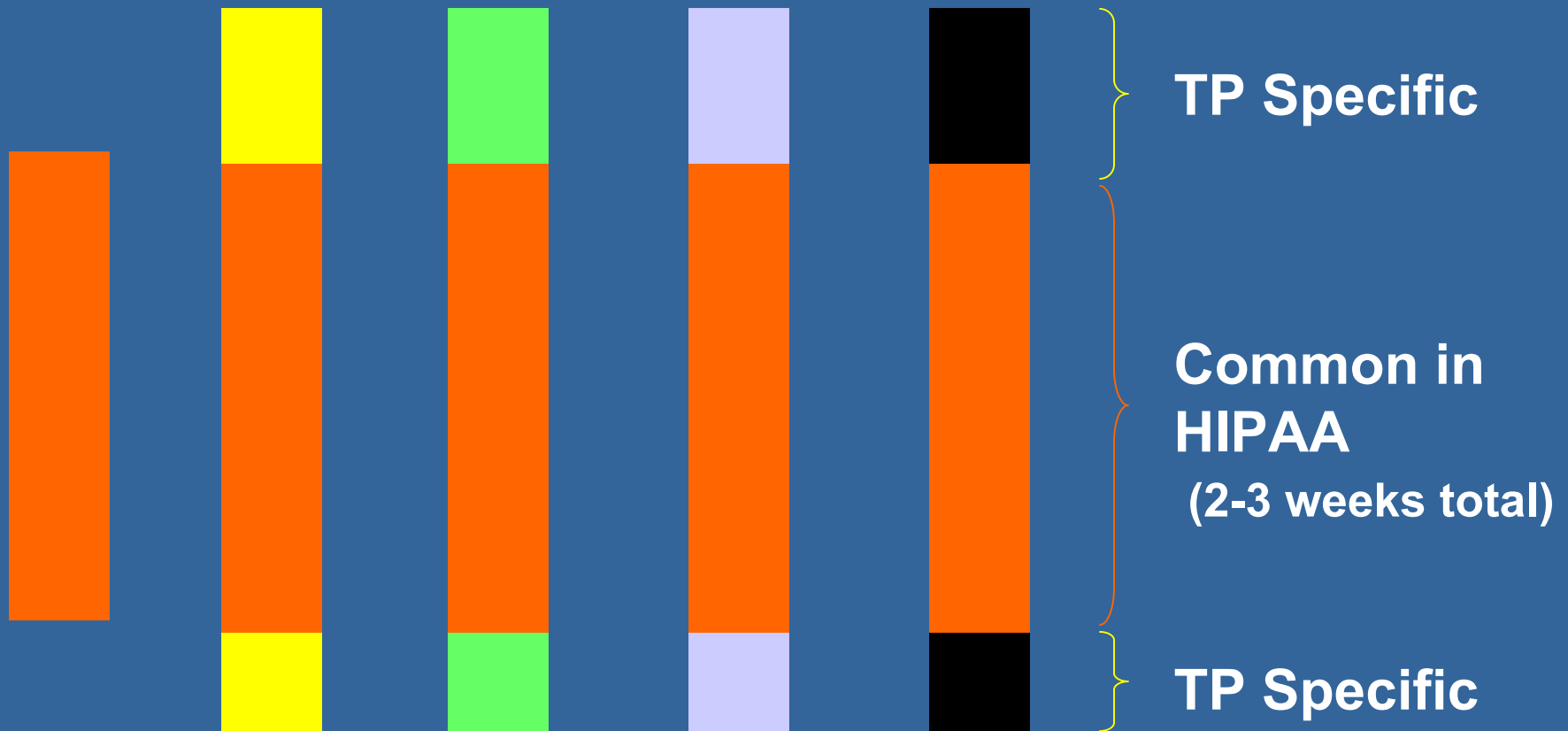
Compliance testing

- Testing in both directions
 - Outgoing transactions
 - Incoming transactions
- Test for all SNIP test types (“levels”)
- HIPAA Compliance
 - Specific requirements in the IGs
- Business requirements
 - Fuzzy general “industry knowledge”
 - Companion Documents

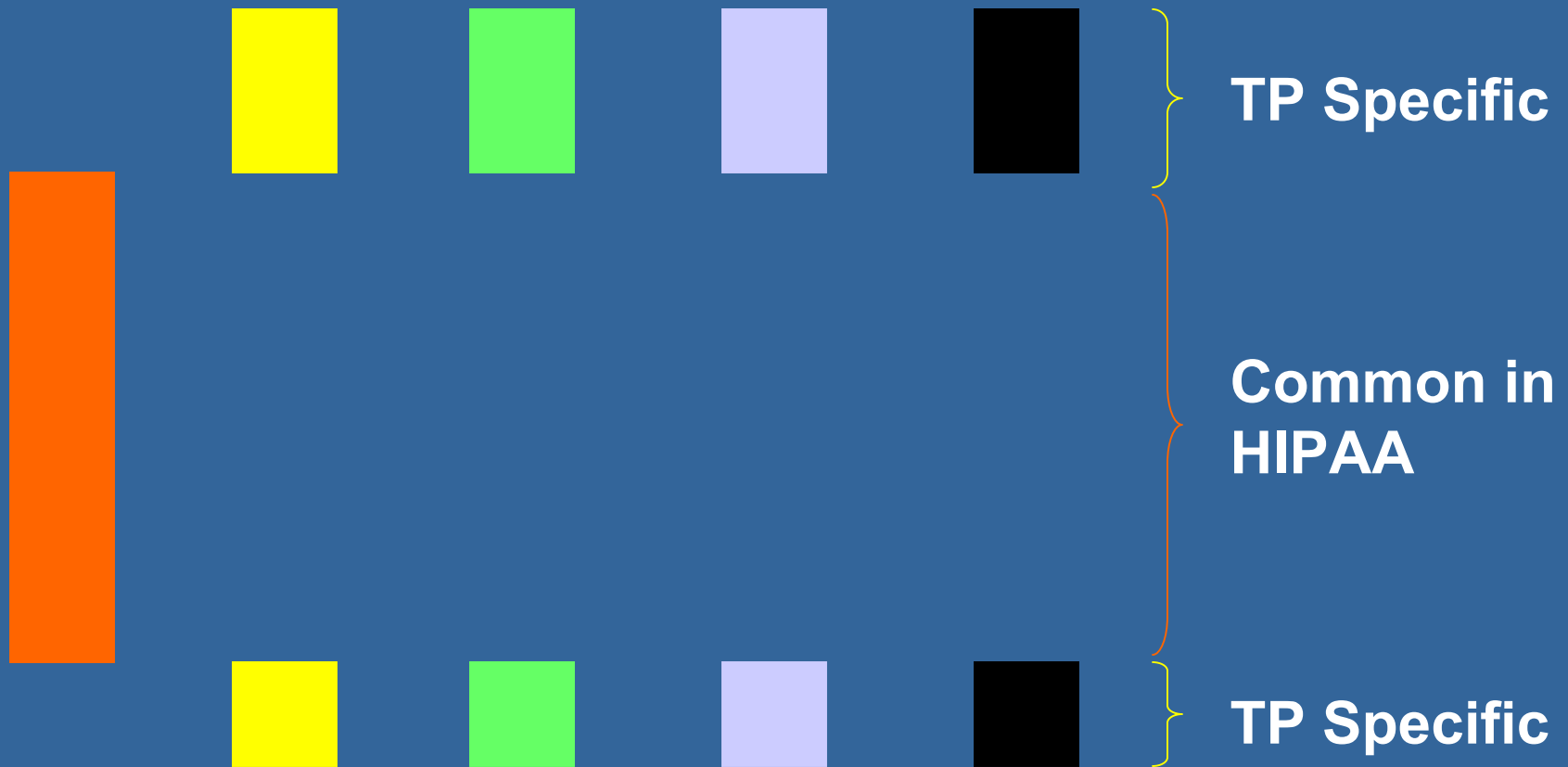
Testing with multiple Trading Partners



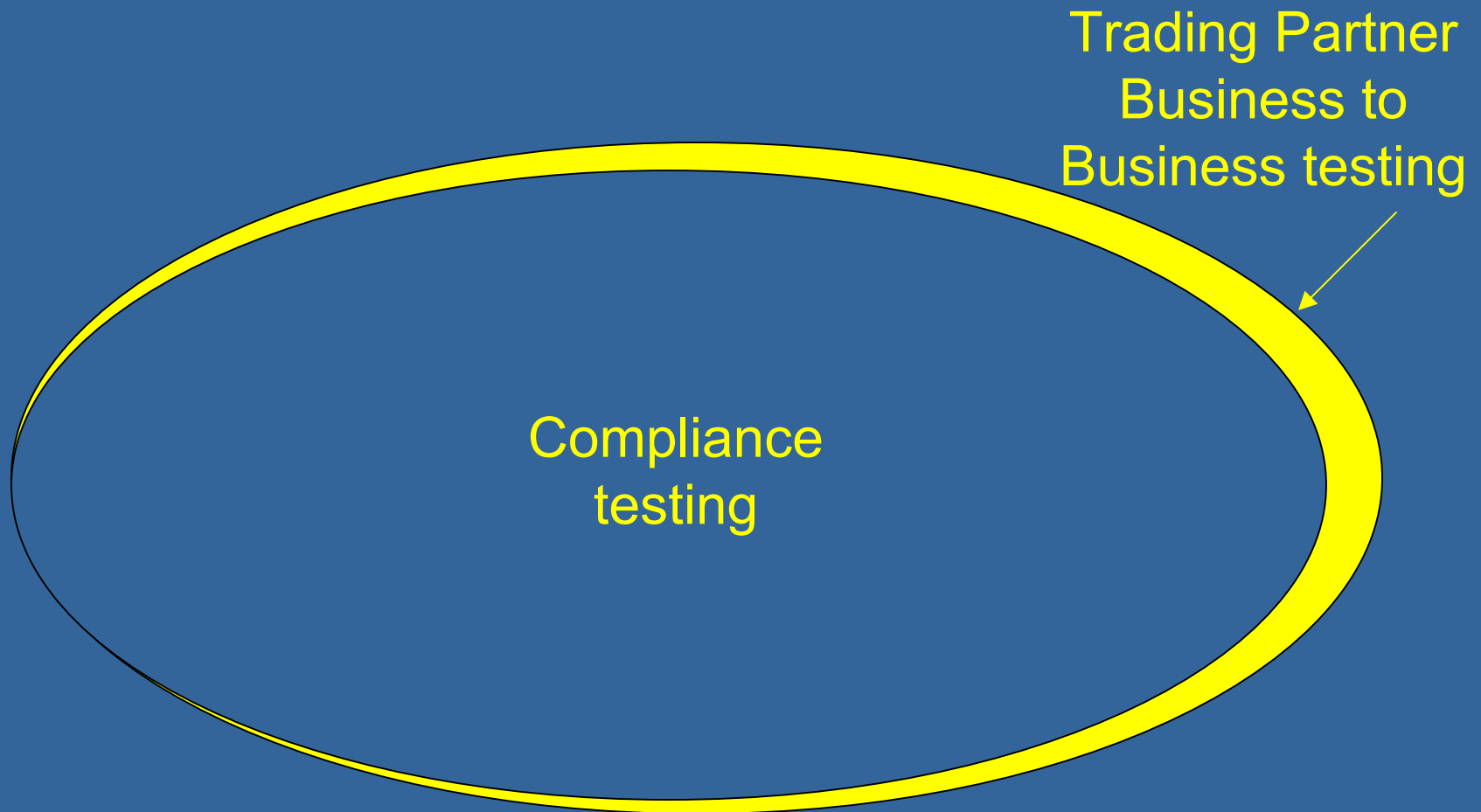
Certification prior to Testing with multiple Trading Partners



Certification prior to Testing with multiple Trading Partners



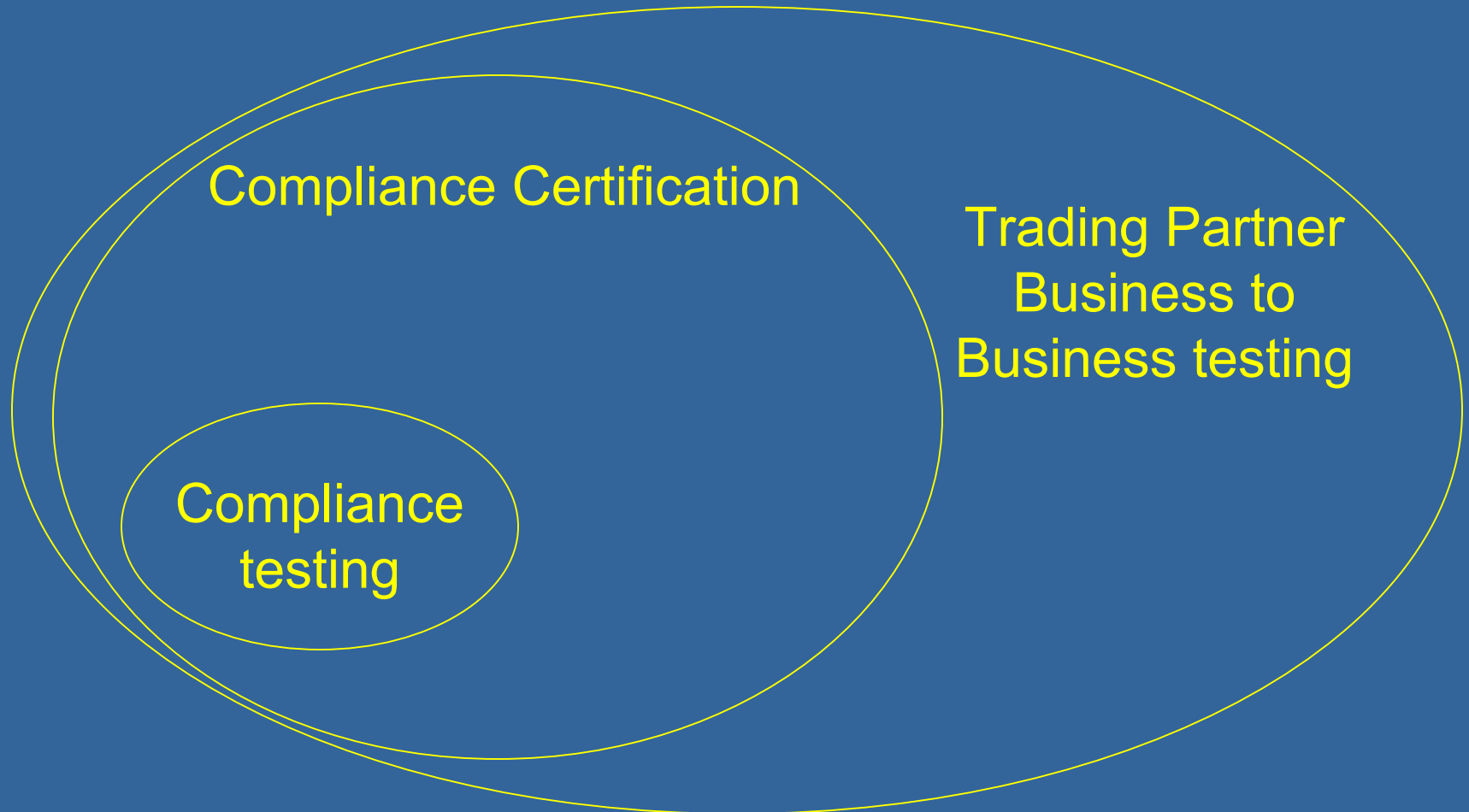
The ideal HIPAA scenario



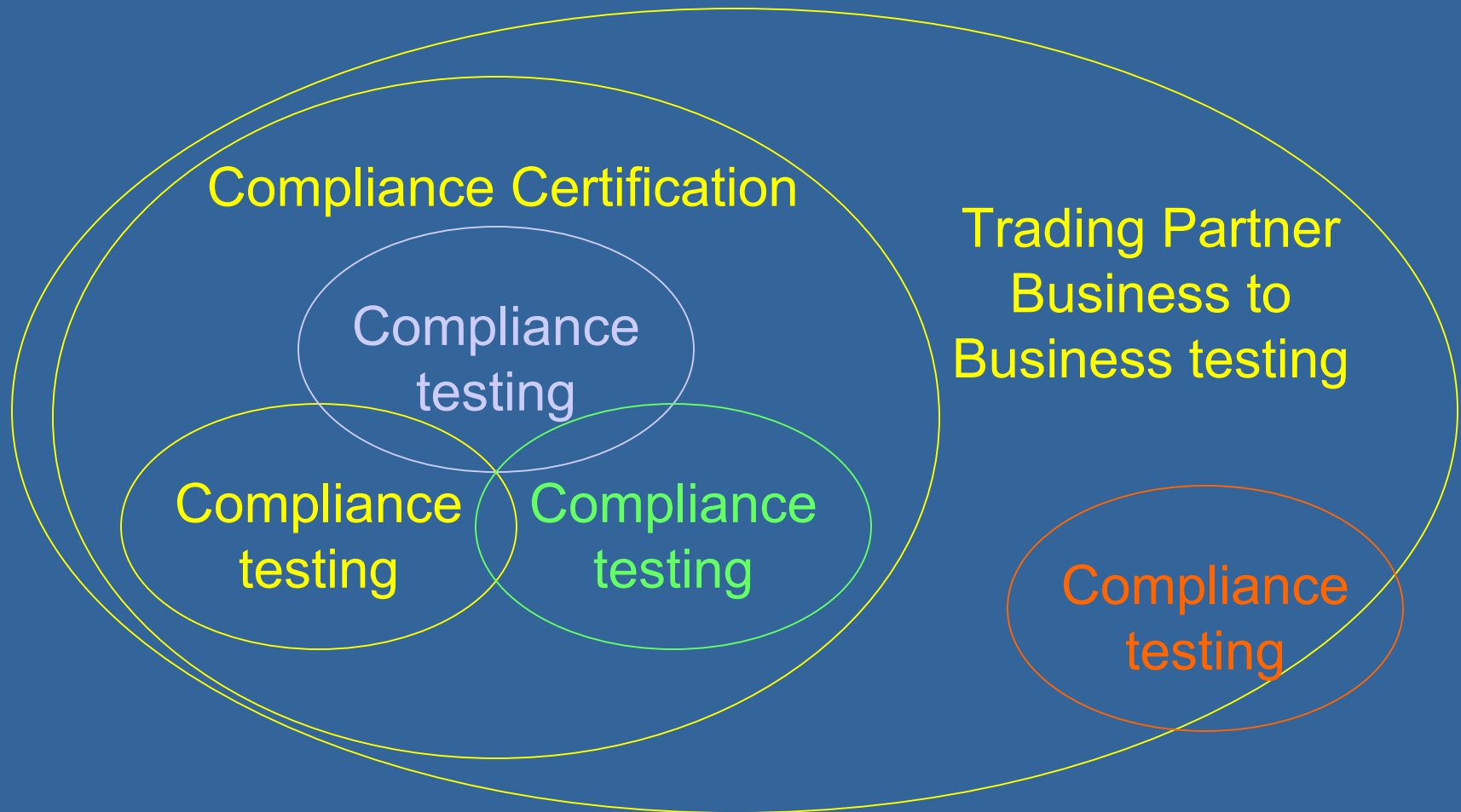
SNIP Compliance Testing

- Methodical vs. “statistical” (trial and error) testing process
- All types (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

Compliance Certification



Compliance Certification



Certification vs. Testing

- Testing is for yourself (or between yourself and your trading partners as done today?)
- Certification is by third party
- Certify once, use certification in many trading partner relationships
 - Simplify testing, reduce to only companion document
 - Reduce cost of testing phase
- Certification should be recognized by all trading partners
- Certification must be done by a neutral third party
- Certification process must be disclosed, verifiable, and accepted by industry

Certification vs. Testing

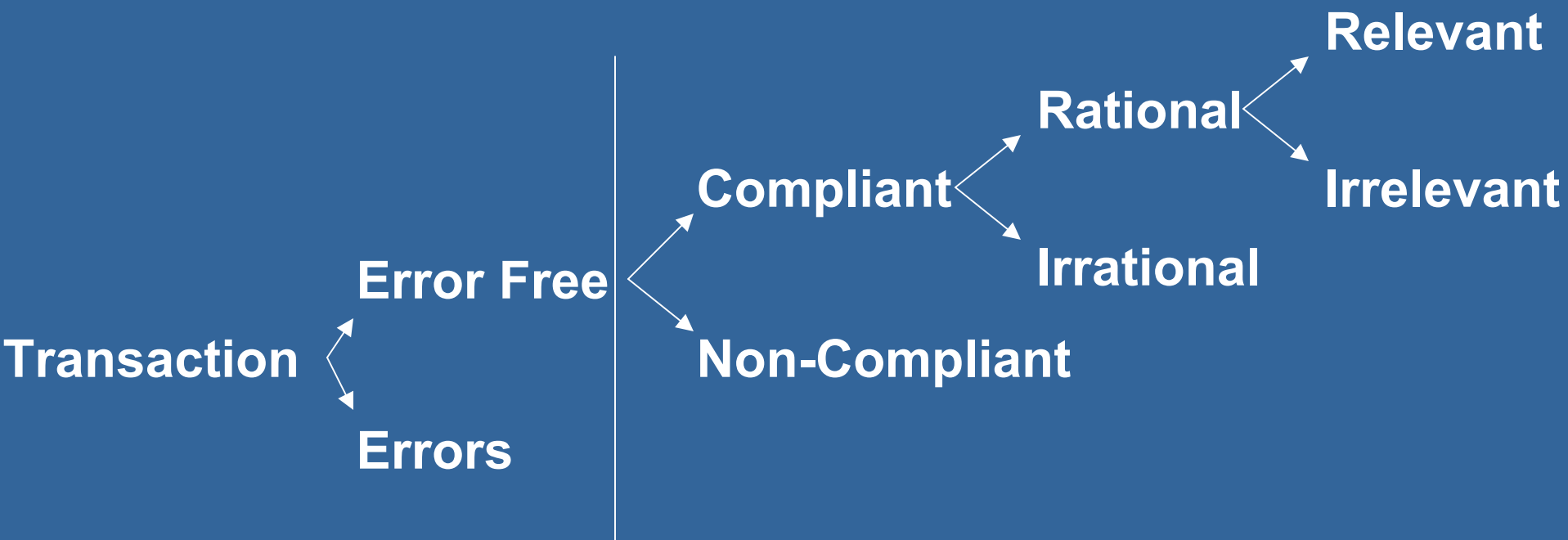
- Testing
 - Private
 - For your own needs only
 - Test compliance
 - Test non-compliance
 - Never ending?
User-defined
- Certification
 - Public statement
 - Also for other trading partners
 - Verify compliance
 - (Only positive assertion, no such thing as “certification of non-compliance”)
 - Well defined end point

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

The “clean test” myth

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



Valid HIPAA Certification

- Certify your HIPAA compliance
 - Indicates capabilities related to requirement to comply with the HIPAA law
- Certify the **transaction** capabilities you have demonstrated to have. Both incoming and outgoing
 - Transaction capabilities as groups of data that represent the data needs of a business transaction
- Cannot certify your ability to send/receive invalid (syntax or HIPAA) **transactions**
- Cannot certify that **all** your outgoing transactions will always be compliant

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.

The “Blanket Approval” myth

(Is testing 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							Business Errors							Warnings												
		1	2	3	4	5	6	7	1	2	3	4	5	6	7	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	✓	✓	✓						
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:																											
	<input checked="" type="radio"/> Errors and data <input type="radio"/> Errors only <input type="radio"/> Data only																											
<div>Click here for the analysis report</div>																												
Certification	Please Review the Claredi Certification Policy																											
	Status: Certification complete																											
Support	You may allow Claredi Customer Support Reps to view the information in this file. Click here to review the Claredi Privacy Policy .																											

Certification Use for Clearinghouses

- Work with select clients to test and certify significant clearinghouse capabilities
- Use certification as gap analysis before moving clients into production
 - Test provider implementation
 - New specialties, converted formats, software versions, etc.
- Value Add – Match capabilities of providers with payers to ensure interoperability