

# Will There be a Train Wreck on October 16, 2003?

HIPAA Audioconference

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Kepa Zubeldia, M.D., Claredi

# Topics

- Facts
- The CMS meeting yesterday
- Realistic alternatives
- Contingency vs. Long Term
- Will there be a train wreck?
- Recommendations

## Facts

- Most entities want HIPAA to work
- Most entities are not 100% ready for all HIPAA transactions
- Both payers and providers will do whatever it takes to not disrupt the payment process

## CMS meeting yesterday

- CMS will not evaluate whether your particular contingency plan is good or not
- CMS will look at whether you have a contingency plan
- CMS expects good faith efforts
  - Publish your contingency plan ASAP
  - No “undisclosed” contingency plans

# Realistic Alternatives

- Continue with the current legacy transactions, **WITHOUT CHANGE**, until you can transition to HIPAA
- Relax/improve the HIPAA transactions
  - Reduce the “edits” that are causing most rejections at payer end
  - Capture the data that are causing most rejections at provider’s end
  - Use “dummy” data to “gap fill”
- Use a clearinghouse

# Contingency vs. Long Term

- Contingency plans will be discontinued at certain point in time
- Need long term solution to issues:
  - Rejecting a batch because one claim is bad
  - Rejecting an imperfect transaction
- When long term issues are resolved the need for contingency plans is reduced.

# Will there be a train wreck?

- No
  - Nobody wants a train wreck
  - Contingency plans will take care of the immediate problem
  - HIPAA implementation is going to take more than a few weeks 😊
- Construction zone
  - Moving toward compliance
  - Raising the bar gradually

# Recommendation #1

- Assess your HIPAA compliance as of today
  - Providers: Percentage of your transactions that is accepted by your trading partners as HIPAA transactions
  - Payers: Percentage of your transactions that you accept as HIPAA
  - Expect these percentages to be very low today, probably close to zero
  - Establish baseline

## Recommendation #2

- Re-evaluate your compliance ratios for each transaction monthly
  - Keep increasing the ratio
  - Do not expect perfection, targeting 100% as the long term goal may be unreasonable
  - Document your efforts as good faith testing and due diligence
  - Use third party (e.g. Claredi) to document your efforts

## Other Recommendations

- Publish your contingency plan
  - Minimal change/disruption plan
- Don't give up on HIPAA
- Relax, there is no train wreck, only a construction zone
- Keep improving your HIPAA systems and document your progress

# Questions ?

Kepa Zubeldia, M.D.

President & CEO

Claredi

[Kepa.Zubeldia@claredi.com](mailto:Kepa.Zubeldia@claredi.com)

(801) 444-0339