

# Advanced Approaches to Transactions Testing

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# Kepa Zubeldia, M.D.

- Started clearinghouse in 1982
  - Left WebMD October 2000 to start Claredi
- Member of X12 since 1989
  - Co-chaired “Transactions Steering” and “Interactive Claim” workgroups
- Co-author of Medicare’s 837 and 835 guides (pre-HIPAA)
- WEDI involvement since 1992
  - Co-chair of Security PAG
- Immediate past chair of AFEHCT
  - Lead of Internet Security Interoperability Pilot
- Member of NCVHS
- Friend of Alan Goldberg

# The pre-HIPAA State

- Standards are great!
  - Each one should have their own.
- Each “hub” defines their own requirements for the “spokes” to connect.
- Typically the hub requirements reflect the internal hub processing needs.
- Lowest cost for the hub. Few hubs.
- Highest cost for the spoke that wants to connect to multiple hubs. Many spokes.
  - Competitive advantage for dominant hubs.
  - Some hubs provide “free” software.

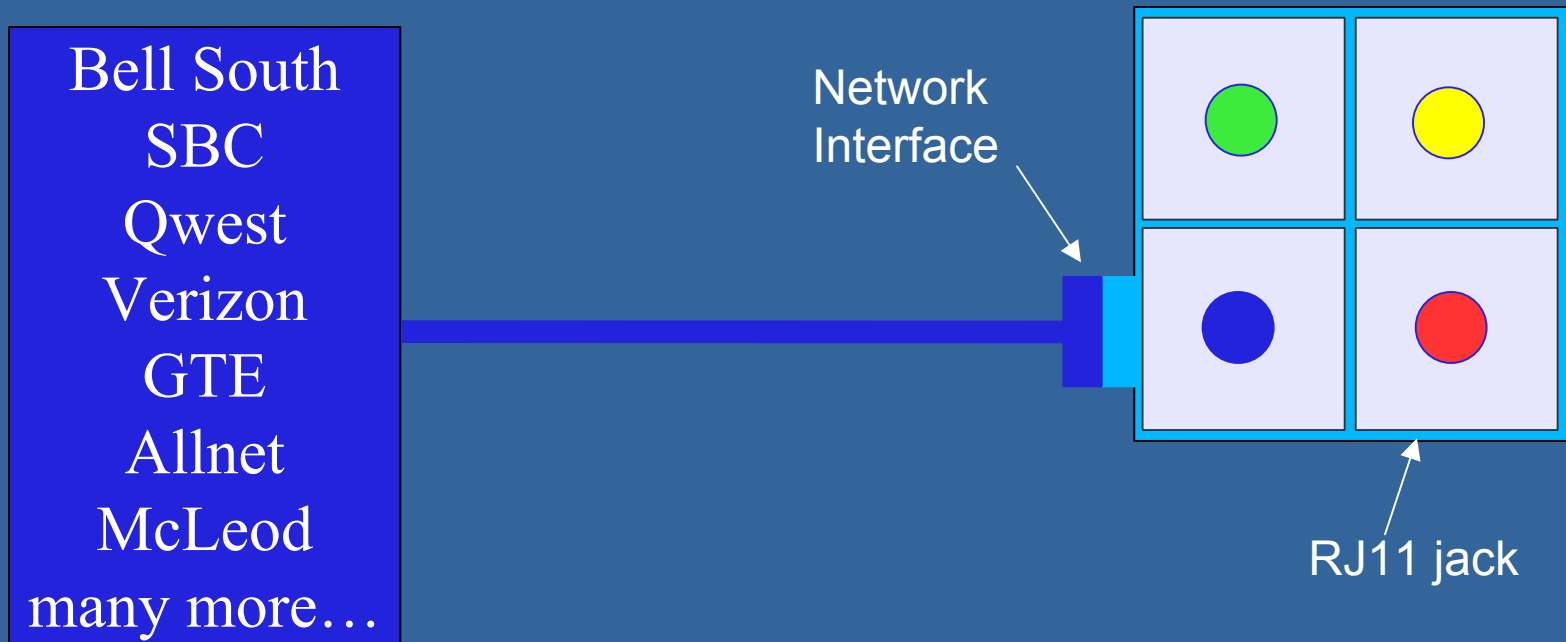
# The HIPAA Challenge

- Common standard to be accepted by all hubs.
  - Reduce the cost for both hubs and spokes.
  - Level playing field.
  - EDI is no longer a competitive advantage.
- The EDI requirements and transaction testing are no longer hub dependent.
- Requires a new mind set.

# The old telco model



# Today's telco model



# Standards Fragmentation

- Companion documents
  - Necessary — Specification of connectivity, security, agreements, etc.
  - But CD requirements should not change the HIPAA IG requirements.
- Electronic data INTERCHANGE
  - The hub PROCESSING requirements are being pushed to the spokes.
    - Loop limits, punctuation, many more.

# Testing Challenge

- Complex (hub neutral) transactions.
- Compliance testing before trading partner testing.
- The latest SNIP testing survey
  - Most providers will spend 10-30 days in testing each trading partner.
- True cost of testing is manpower cost.
  - Cost of testing tools is insignificant.
  - Cost limits spoke connectivity to 2-3 hubs.



# The Claredi Approach #1

- Single testing platform
  - HIPAA transaction requirements
  - Additional generic “business” rules
  - Individual payer specific requirements from the “companion documents”
    - Includes about 150 companion documents
- Reduces testing by 70% when testing with more than one trading partner

## Claredi Approach #2

- Each provider has different data content.
- Testing only clearinghouse/vendor will not work, given new HIPAA data requirements.
  - Providers' data content must be tested.
- Providers can't test directly.
- Testing through clearinghouse:
  - Provider sends X12/NSF/UB92/other to CH.
  - Clearinghouse sends X12 to Claredi on behalf of multiple providers.
  - Providers get their own data content reports.

## Beyond testing...

- Production transaction validation.
- Rules are different from testing rules.
  - The goal is not to detect and reject all the potential imperfections.
  - Instead, the goal is to accept as many transactions as possible.
- Standard validation reports
  - Machine processable by the PMS/HIS.
  - Human readable without EDI knowledge.

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