



SUBMITTED TO:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS SUBCOMMITTEE ON STANDARDS

August 25, 2021

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Board Chair, Cooperative Exchange: *The National Clearinghouse Association*

Members of the Subcommittee, I am Crystal Ewing, Board Chair of the Cooperative Exchange (CE), representing the National Clearinghouse Association and Director of Product, Waystar. I would like to thank you for the opportunity to provide feedback on behalf of the Cooperative Exchange membership concerning the listening sessions on Health care Standards Development, Adoption, and Implementation.

Cooperative Exchange Background

Cooperative Exchange is the nationally recognized resource and representative of the clearinghouse industry for the media, governmental bodies and other interested parties

Cooperative Exchange's 22 member companies, represent over 90% of the clearinghouse industry and process annually over 6 billion plus claims representing \$1.1 trillion, from over 750,000 provider organizations, through more than 7,000 payer connections and 1,000 HIT vendors.¹

The Cooperative Exchange ***truly represent the healthcare industry EDI highway infrastructure*** and maintains hundreds of thousands of highways and the majority of the on and off ramp connections across all lines of healthcare business in this country.

¹ *Disclaimer: The Cooperative Exchange (CE) is comprised of 22 of the leading clearinghouses in the US. The views expressed herein are a compilation of the views gathered from our member constituents and reflect the directional feedback of the majority of its collective members. CE has synthesized member feedback and the views, opinions and positions should not be attributed to any single member and an individual member could disagree with all or certain views, opinions and positions expressed by CE.*

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Cooperative Exchange member clearinghouses support both administrative and clinical industry interoperability by:

- Managing tens of thousands of connection points
- Securely manage and move complex data content including administrative and clinical information
- Receive and submit both real time and batch transactions
- Provide interoperability by normalizing disparate data to industry standards
- Provide flexible solutions to accommodate the different levels of stakeholder EDI readiness (low tech to high tech)
- Actively participates and provides strong representations across all the national standard organization with many of our members holding leadership positions.

Therefore, we strongly advocate for EDI standardization and compliance within the healthcare industry. We are committed to promote and advance electronic data exchange for the healthcare industry by improving efficiency, advocacy, and education to industry stakeholders and government entities.

Response to Subcommittee Questions

1a: How can data sharing be improved between patients, providers, payers, public health system, and other actors in health care?

Reduce the ambiguity of the implementation of healthcare regulations

- As new healthcare regulations are being developed greater collaboration early in the process across key industry stakeholder is needed to identify barriers, solution(s) available or not available, best practices for implementation, and risks with proposed mandates and timelines.
- Releasing a mandate without understanding if existing solutions exist or do not exist to solve the problem resulting in the industry scrambling find a solution and is not an efficient implementation strategy.
- The Cooperative Exchange strongly encourages this key industry collaboration to reduce stakeholder burden with resulting “hacked” or proprietary solutions increasing administrative burden for all stakeholders.
- A recent example of this is the No Surprise Act. Cooperative Exchange members have participated in many recent industry feedback sessions and expressed concern with amount of requirements, tight deadlines, and missed stakeholder concerns that could have been identified prior to the mandate to address specific use cases not defined clearly in the requirements.

- As indicated in prior testimonies and stakeholder feedback sessions, SDO's are working in silos which introduces even more complexity to implementation and slows down the regulation process. As indicated previously by WEDI, "*it is recommended that SDOs share roadmaps and work products with the other SDOs to improve harmonization and minimize overlap of work*". The Cooperative Exchange agrees with this statement.

Solve Critical Business Processes and Technical Workflow Inefficiencies

As previously presented by the Cooperative Exchange and multiple other industry stakeholders, and NCVHS recommendations to HHS we continue to have known gaps in the healthcare revenue cycle gaps despite years of advocacy, successful pilots, and ROI results.

Release an Attachment Regulation

- Despite multiple NCVHS Stakeholder Hearings, letters, and recommendation to HHS since 2005, recommending the adoption of updated electronic standards for attachments the industry is still burdened with this business problem. The lack of attachment regulations has resulted in increased payer portal usage, continued costly manual processes and administrative inefficiencies that has had significant impact across all stakeholders.
- What do we need to do to get this done? How can the Cooperative Exchange help?

Consider a pilot for 838 Electronic Enrollment

- EDI enrollment continues to be a challenge to healthcare industry stakeholders. The Cooperative Exchange's latest survey results identified that thousands of hours are spent each month by both providers and clearinghouses processing and managing outdated and manual processes for EDI enrollment that are unique for each health plan.
- Clearinghouses cannot perform all enrollment steps on behalf of provider, thus increasing the burden for providers. Most payers do not offer the option to perform bulk enrollment .
- The average time to complete enrollment is 30 days once the information is received. Manual workflow is often required to follow on up status of EDI enrollment and third parties managing enrollment on behalf of the payer do not always communicate with clearinghouse putting the burden of enrollment status back on the provider to manage.
- We must make this process more streamlined, reduce the administrative burden to providers, and increase the speed to implement EDI transaction adoption.

Adopt the Acknowledgement Transactions

- Per the October 15, 2016 letter to HHS, NCVHS recommended the adoption of the acknowledgement transaction stating: *The acknowledgment transaction is widely seen by the industry as a critical element in the end-to-end healthcare administrative transactions lifecycle.*
- The recommendation from 2016 is still an outstanding business issue for the industry.
- The industry needs the 277CA and the 999. With so many variations of the standard this has caused industry burden which is outlined in the recommendations from 2016.

- What do we need to do to get this done? How can the Cooperative Exchange help?

Protect the Integrity of Administrative Simplification

- The proliferation of payer portals has been detrimental to the advancement of the foundational HIPAA Administrative Simplification goal of establishing national standards for electronic transactions to improve the efficiency and effectiveness of the nation's health care system.
- Proprietary payer portals create costly administrative burden for provider and facility entities that are required to distinctly navigate and access each payer's portal to conduct administrative transactions.
- Transactions via a payer portal are conducted outside of the providers practice management or hospital information system, and associated revenue cycle management systems create additional provider operational and fiscal burden and impact to data interoperability.
- The term "Operating Rule" should be reserved for use only as legally provisioned specific to federally mandated transaction standards. (Examples of concern: "Operating Rules" regarding payer portals)

Execute on Pilot Program Results

- The Cooperative Exchange supports the use of pilot programs to identify the return on investment including estimated cost, best practices for implementation, challenges with implementation and success results.
- Many members have participated in pilot activities for attachments, investing in technology and solutions, and presented ROI results however, as stated above the recommendations made to HHS have not been followed through with a federal mandate. **As an industry we are losing credibility in our boardrooms to request investments for future pilot programs.**

Operating Rule Optimization

- The Cooperative Exchange strongly encourages the Operating Rule Authoring Entity (ORAE) to partner and align efforts with their Standards Development Organization (SDO) peers more effectively.
- Data content rules created outside of and divorced from SDO guides/specifications create confusion and disparity in healthcare EDI standards deployment. Data content and enhancement needs should be formally submitted as timely as possible to the SDOs for consideration.

Missing Stakeholder Accountability

- As we have recommended in our previous testimonies, along with multiple other industry participants, Practice Management Systems and Electronic Medical Record vendors need to become covered entities to comply with the HIPAA EDI transaction sets which result in streamlined administrative simplification across all stakeholders. As noncovered entities they

have no obligation to comply with HIPAA EDI standards creating costly administrative workaround solutions that impedes interoperability.

1b: What are the barriers to these improvements?

Lack of HHS Response to NCVHS Recommendations

- Since 2005 as an industry, we have had presented the same business use cases to NCVHS. The questions being presented today are redundant to previous requests. The time, effort and cost associated in responding to redundant administrative simplification questions which have resulted in minimal results to resolving these issues is of serious concerns and has far reaching impacts to the credibility of the regulatory process.
- To continue to build trust with the current process this barrier must be resolved. The Cooperative Exchange highly recommends prioritizing focused efforts to expedite the need to publish regulations to adopt additional HIPPA standards based on previous recommendations.

Regulatory Guidance

- There are situations where existing regulations have barriers that have been raised, which are causing significant burden for providers and a decrease in adoption of the electronic transactions, for example situations where fees are charged for a provider to receive an EFT claim payment, and the No Surprises Act. Providing guidance in a timely manner when issues are raised will assist in alleviating these barriers and positively impact adoption of the electronic transactions.

Enhance Liaison Process Between NCVHS/HHS and Industry Stakeholders

- It is unclear to the industry that is providing valuable feedback to NCVHS who is accountable at HHS for reviewing these recommendations and the communication interface with NCVHS and industry stakeholders. As stakeholder we all need to be at the same table and collaboration and addressing the healthcare industry business needs of this country. HHS representatives should be a key stakeholder in this process.
- The lack of regulatory system accountability for the failure to resolve the industry business issues that have been repeatedly brought forward by NCVHS to HHS has significant impacts to us as stakeholders, the US Healthcare System, and delivery of patient care.
- Based on these results it is highly recommended we find a resolution to these issues before we can begin to discuss further administrative simplification opportunities. To mitigate historical repeated outcome failures, we need to move forward with solutions to resolve these industry business barriers.

- HHS is a critical stakeholder and must be involved in this process and held accountable to the industry to provide feedback and transparency as to why NCVHS and the industry stakeholders providing feedback to these recommendations are not being adopted and executed into actionable outcomes.

Are you aware of new standards or use cases in health care (for data exchange) that should be considered by NCVHS for recommendation to HHS for adoption to support interoperability, burden reduction and administrative simplification?

- Recognizing the health care industry standards advancement made over the past 20 years, the Cooperative Exchange welcomes opportunities for new and emerging standards to support the needs of the industry and our customers.
- Approved HIPAA Exception to test HL7 CRD and PAS IG standards
 - Some of the Cooperative Exchange members are also members of the HL7 Da Vinci Project. While we believe that the root cause barrier toward industry adoption of systematic and automated prior authorization workflow is not a “standards” issue, we look forward to supporting the exception testing and the outcome of the reported results and cost-benefit analysis.
- Predetermination
 - There is a unique opportunity to pilot the ASC X12 837X323 (837P) & ASC X12 837X324 (837I) v8010 standard to support the functionality of the Section 111 “Advanced Explanation of Benefits (AEOB)” functionality. The CLM19 data element can be used to designate the entire claim and services as “predetermination” to allow a payer to then return a “zero pay” remittance / explanation of benefits of the pre-d claim, which is supported by the current version of the ASC X12 835 transactions.
 - Leveraging 837 standards and existing network connectivity, the AEOB use case would be an excellent opportunity to pilot v8010 ahead of regulatory mandate. Without guidance, payers will (are) implementing proprietary and distinct solutions to meet the legislated statute.

Property & Casualty

- Bringing P&C into a HIPAA mandated status would reduce burden /costs for the healthcare industry stakeholders. Currently, many states have disparate and unique requirements/standards for P&C transactions which must be supported by providers and payers.
- Claim Status
 - Mandate the 277CA as a HIPAA named transaction to standardize and require a claim status update(s) in response to an 837-claim submission.

- Improve adoption use within payers. Many payers still do not support the 276/277 standard.
- Claims (837 P, I and D)
 - In general, the ASC X12 837 standards (P, I, and D) are well adopted and mature standards that are effectively supporting the industry needs. If there were a move to an alternative standard for the administrative transactions, there would be significant burden for the industry to migrate to a new standard. The same is true for the ASC X12 835 remittance advice transaction.
 - The Cooperative Exchange supports any regulatory rule making and/or educational initiatives toward migrating paper claim volume to EDI to further advance standardization and fully realize the initial HIPAA goal to reduce paperwork and streamline business processes across the health care system.

How have other industries effectively implemented, tested, and certified standards for data and their exchange that could be considered for health care?

- Property and Casualty since 2008 has adopted the HIPAA acknowledgement transaction sets that have been mandated in E-Bill states including California, Texas, Minnesota, Oregon, Tennessee, Virginia, North Carolina, Louisiana, Georgia, Illinois, New Jersey. Most of these states have adopted the IIABC National Workers Compensation Medical Billing and Payment Companion Guides that aligned with the National Standard Transaction Sets.
- Many of these states moved forward with adopting the acknowledgment transactions based on the 2005 NCVHS recommendations to HHS to adopt these standards.
- The business use case and ROI to adopt these transaction standards were based on bringing administrative simplification to automate an extremely paper based system.
- In addition to the acknowledgement transaction, Minnesota in 2009 adopted the attachment standard as it made good business sense to automate business processes and reduce administrative expenses.
- All of the same stakeholders involved with Property and Casualty are the same stakeholder engaged in commercial and government lines of business.

What short term, mid-term and long-term opportunities or solutions do you believe should be priorities for HHS in the next 5 to 10 years.

- The Cooperative Exchange highly recommends increased involvement with HHS and other industry stakeholders. Do we need to meet with HHS directly? Should they attend these hearings and listening sessions? Do we think this will help to move forward with our outstanding recommendations and decrease the regulatory challenges we continue to experience?

- How can we enhance the industry strategic approach and enhance outcomes?
- The Cooperative Exchange supports other industry stakeholders' recommendations to focus short term priority efforts on publishing critical outstanding regulations including the latest iteration of the X12 suite of healthcare transactions, naming new transactions as HIPPA standards as suggested above, including the pilot opportunity for the 838-enrollment transaction.
- The Cooperative Exchange further supports a focused, short-term effort to aid in efforts to comply with regulations from the No Surprises Act. As outlined above, there are multiple sections of this regulation that will require additional guidance for stakeholder compliance. The Cooperative Exchange welcomes the opportunity to provide further feedback for compliance options, concerns and best practices.
- The Cooperative Exchange supports a medium to longer term priority to increase collaboration efforts and reduce the silos with an oversight on SDO priority initiatives to avoid duplication or overlapping focus areas.

Conclusion

The Cooperative Exchange firmly believes as an industry we must first address the reasons **WHY** there is a lack of response and action from HHS and understand the continued disconnect with NCVHS and industry stakeholders to be able to move forward with a collaborative communication strategy which includes HHS that will yield administrative simplification outcomes that address the industry's business needs.

Respectfully Submitted,
Crystal Ewing, Board Chair
Cooperative Exchange