



The National Clearinghouse Association

# **NCVHS Subcommittee on Standards Listening Session on Healthcare Standards Development, Adoption and Implementation**

**Feedback Given By:**

**Crystal Ewing, Chair of the Board for the Cooperative Exchange  
Director of Product, Waystar**

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# Cooperative Exchange

## The National Clearinghouse Association

- Membership includes 22 clearinghouse organizations.
- Representing over 90% of the clearinghouse industry.
- Process over 6 billion healthcare claims representing over 2 trillion dollars annually.
- Enable nationwide connectivity for over:
  - 800,000 provider organizations
  - More than 7,000 payer connections
  - 1,000 Health Information Technology (HIT) vendors
- Cooperative Exchange healthcare electronic data interchange (EDI) interstate highway represents the U.S. system enabling connectivity across all lines of healthcare eCommerce in the United States.

# 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 results in the industry scrambling find a solution. This is not an efficient implementation strategy.
- 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.
- 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.
- 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.

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

### **Solve Critical Business Processes and Technical Workflow Inefficiencies**

#### **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.

#### **Consider a pilot for the 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.

#### **Adopt the Acknowledgement Transactions**

- Per the October 15, 2016 letter to HHS, NCVHS recommended the adoption of the acknowledgement transaction stating: *The acknowledgement 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.

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

### **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.**

### **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.

# ***What are the barriers to these improvements?***

## **Lack of HHS Response to NCVHS Recommendation**

- 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.

# *What are the barriers to these improvements?*

## **Enhance Liaison Process Between NCVHS/HHS and Industry Stakeholders**

- It is unclear to the industry, that is providing valuable feedback to NCVHS, as to who is accountable at HHS for reviewing these recommendations, and how the communication process is facilitated back to NCVHS and industry stakeholders. As stakeholders we all need to be at the same table in collaboration to address the healthcare industry business needs. HHS representatives should be included as 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
- Predetermination
  - Unique use case to leverage the 837 standards and existing network connectivity to support the functionality of the Section 111 “Advanced Explanation of Benefits (AEOB)” functionality. 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.
- 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.
- 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.



## 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 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 priority to increase collaboration efforts and reduce the silos with an oversight on SDO priority initiatives to avoid duplication or overlapping focus areas.
- **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.**

# Thank You

Crystal Ewing, Chair of the Board, Cooperative Exchange

Director of Product, Waystar

[crystal.ewing@waystar.com](mailto:crystal.ewing@waystar.com)