Provider Perspective: Review Committee Evaluation Criteria and Process

NCVHS Subcommittee on Standards

February 26, 2015

Represented Provider Organizations

- Today's joint testimony is provided on behalf of the following organizations:
  - American Dental Association (ADA)
  - American Hospital Association (AHA)
  - American Medical Association (AMA)
  - Medical Group Management Association (MGMA)

Key Areas of Concern

- Oversight of standards development process
- Gaps in current standards/operating rules
- Agility/responsiveness of current standards and operating rules development process
- Evaluation of nonstandard transactions
- Industry compliance

Oversight of the Standards Development Process

- Currently, there is confusion regarding how best to improve standards and if change requests should go through the DSMO process or directly to the SDOs
  - Lack of clarity has led to inconsistency and process concerns
- Broad industry input lacking in early stages of development
  - Presently, implementation concerns are typically not identified until late in the process
- Due to underrepresentation of providers at the SDOs, the DSMO process was implemented
  - However, many submitted change requests go directly to the SDO without being vetted through the DSMOs

Review Committee Role: Change Requests

- New functionalities/transactions/concepts should be reviewed by **DSMO**
  - *Examples:*
    - *Addition of new data element to eligibility transaction*
    - *Development of new transaction*
    - *Change in usage (e.g., situational element required)*
- Modification of existing transactions should be reviewed by appropriate **SDOs**
  - *Examples:*
    - *Change indicator options to existing data element*
    - *Increase the number of data that can be reported*
- Criteria needed to determine when change requests should go to DSMO vs. SDOs
  - Review Committee should establish protocols to oversee that change requests are being reviewed by the appropriate entity

Review Committee Role: Assess DSMO Function

- Review Committee could:
  - Require earlier consultation with and engagement of the DSMO in standards development to:
    - Obtain broader industry input on the business need for change;
    - Assist in achieving a more balanced representation of stakeholders in the standards creation process; and
    - Identify implementation concerns earlier in the process.

Review Committee Role: Dispute Resolution

- Review Committee could:
  - Provide greater clarity of the appeal/dispute resolution process for SDO activities to ensure checks and balances in SDO process, particularly in cases of stakeholder underrepresentation within an SDO

    Example: Specific stakeholder objection to new function added to transaction
  - When evaluating new/modified standards, could assess whether there was balanced representation across stakeholders during development and review any concerns/disputes that arose during the process
  - Require greater coordination among SDOs

Gap Analysis

- Widespread agreement across industry regarding current gaps in mandated electronic standards

  Examples:

  - *Acknowledgments*
  - *Attachments*

- These deficits impede complete automation of processes and workflows
  - Without mandated acknowledgments, the tracking of missing transactions reverts to manual processes/phone calls
  - Most prior authorizations and referrals and more complex claims require submission of additional supporting clinical documentation, leading to current system of phone calls, fax, and mail

Review Committee Role: Gap Analysis

- Review Committee could:
  - Solicit industry input on gaps in current standards and operating rules
  - Evaluate shortcomings and issue recommendations to close gaps
- Gap analysis will need to be followed by increased flexibility in standards and operating rule development

Review Committee Role: Improve "Agility" of Current Process

- Current timeline for development and implementation of new version of standards is 10+ years
- Slow process hinders ability to respond to industry changes in timely fashion
- Agility particularly important in rapidly changing field of health care

  Example:

  Need for provider notification regarding patients in health insurance exchange grace period for premium payment
- Review Committee could:
  - Evaluate need for whether a new version is needed
  - Recommend standards design with flexibility in mind (e.g., codified outside of the standard for updates)
  - Recommend expedited development of standards to meet emerging industry needs

Review Committee Role: Analysis of Nonstandard Transactions

- Nonstandard transactions currently not subject to regulatory cost/benefit analysis with some harming stakeholders

  Example:

  Widespread use of virtual credits cards (nonstandard form of EFT) for claims payments has resulted in significant loss of provider income and increased administrative burdens

- Review Committee could:
  - Evaluate nonstandard transactions for implementation impact
  - Recommend best practices to industry, guidance to HHS

Review Committee Role: Compliance Oversight

- Increased efficiency promised by administrative simplification provisions can only be achieved if all stakeholders comply with standards and operating rules
- Current noncompliance leads to devaluation of standards

  Example:

  Additional/more accurate eligibility information on payer portals vs. X12 271 devalues and discourages adoption of standard transaction
- Review Committee could:
  - Interview stakeholders regarding industry compliance (incl. vendors)
  - Recommend actions to CMS, including targeted audits
  - Recommend random audits to CMS (i.e., focused on specific transactions)

Summary

- Substantial challenges still face health care industry on road to true administrative simplification
- Significant opportunity for the Review Committee to play vital and important role in addressing current and future issues
- Review Committee could ensure greater coordination between SDOs, DSMOs, and CAQH CORE

Questions?

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