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/respondiveness 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

d**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 healthcare

  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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