National Committee on Vital and Health Statistics
Subcommittee on Standards
Listening Session on
Healthcare Standards Development, Adoption and Implementation

Panel #2
August 25, 2021

Heather McComas, PharmD
Director, AMA Administrative Simplification Initiatives

Recommended Framework to "Assess Standards Landscape"

Recognize successful transaction/code set standards to preserve/enforce

Identify unmet industry business needs

Rigorously evaluate/test any new transaction standards considered for adoption (*see slide 4*)

Recognition of Successful Transaction/Code Set Standards

- Given the **limited resources** available to provider organizations to invest in technology changes and upgrades, NCVHS should prioritize advancing standards that **improve workflow efficiencies** and **address unmet industry needs**

- NCVHS's "assessment of the standards landscape" should **recognize** the adopted electronic transaction standards, operating rules, and code set standards that are **currently successful**—or that could be successful with effective enforcement
  - 2020 CAQH Index shows **96%** adoption of electronic claim
    - Electronic claim standards and associated code sets **should be maintained because they are working**
  - ACH EFT adoption is only **74%**
    - Questionable practices around virtual credit cards and "value-add" EFT fees drive down adoption of this highly efficient standard
    - CMS should enforce providers' right to receive free ACH EFT upon request and improve the ASETT complaint and investigation processes to be more proactive and transparent

Source: 2020 CAQH Index. Available at: https://www.caqh.org/sites/default/files/explorations/index/2020-caqh-index.pdf

Look (and Test/Study/Analyze) Before We Leap to New Standards

Are new solutions ripe for widespread deployment?

- Are new transaction standards **sufficiently mature and tested,** and have they demonstrated a smooth rollout across stakeholders of all sizes?
- Have new transaction standards been **piloted in real-world settings** with input from business and operational staff, as well as frontline health care professionals?

Will new transaction standards be implementable across the health care industry?

- Is implementation of new transaction standards **feasible** in smaller organizations (both providers and health plans) with far **fewer resources** to dedicate to HIT?
- What will be the **transition costs**—both direct IT purchase expenses and indirect costs like workforce re-training and lost productivity? What is the **impact on existing workflows**? Are these costs and disruptions countered by significant **ROI <u>across stakeholders</u>**?

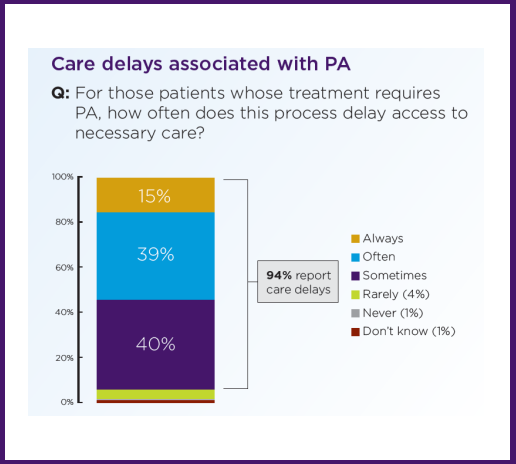
Do new transaction standards advance the Administrative Simplification provisions and purpose?

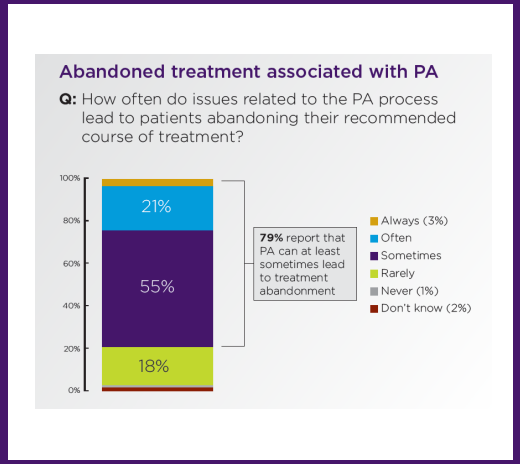
- Do the transaction standards **increase uniformity** (and reduce administrative costs) across the health care system? Are we using rulemaking pathways that ensure standards **apply to all health plans?**
- Do the transaction standards **ensure protections against the wrongful disclosure** of individually identifiable health information?

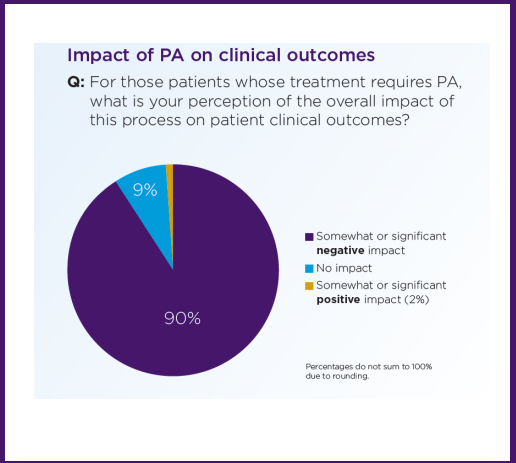
Provider Perspective on Priority Unmet Business Needs

- Prior authorization (PA) automation and clinical data exchange
- Real-time pharmacy benefit (RTPB) transactions
- Good faith estimates/Advanced explanation of benefits (GFEs/AEOBs)

Common thread: All of these impact *patients*







Source: 2020 AMA Prior Authorization Physician Survey. Available at: https://www.ama-assn.org/system/files/2021-04/prior-authorization-survey.pdf

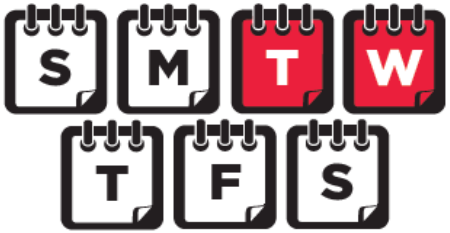
PA Hurts Patients . . .

On average, practices complete

40

PAs per physician, per week

Physicians and their staff spend an average of



two business days (16 hours) each week completing PAs

Two in five

40%

of physicians have staff who work exclusively on PA

85%

of physicians describe the burden associated with PA as high or extremely high

Source: 2020 AMA Prior Authorization Physician Survey. Available at: https://www.ama-assn.org/system/files/2021-04/prior-authorization-survey.pdf

. . . And Wastes Valuable Health Care Resources

Medical Services PA Automation

- 2020 CAQH Index reports industry adoption of the X12 278 at a **meager 21%**
  - Lack of transaction standards **supporting clinical documentation exchange** in medical PA automation **is the rate-limiting factor to progress** and has **paralyzed the industry**

As you listen today, consider:

Do the technologies under discussion:	Would any new requirements:
Integrate with EHRs and not require burdensome portals?	Ensure that transaction standards apply to all health plans?
Show successful testing results from **real-world settings**, in organizations of **all sizes,** to ensure viability beyond the "happy path" demonstrated in Connectathons and other closed testing systems? If not, when will results be available?	Account for the time and resources needed to digitize complicated PA payer rules and criteria across many medical services and health plans?
Show **sufficient ROI** across stakeholder groups? (And **what metrics** will be used to demonstrate success?)	Ensure appropriate guardrails so that the **privacy and security of patients' health information is not sacrificed in the name of expediency of health plan technology build?**

Source: 2020 CAQH Index. Available at: https://www.caqh.org/sites/default/files/explorations/index/2020-caqh-index.pdf

Prescription Drug PA Automation

- In December 2020, CMS issued a final rule mandating use of the NCPDP ePA standard in Part D plans, with compliance enforcement effective January 1, 2022
  - **Provisions do not apply to non-Part D plans**, for which the X12 278 remains the HIPAA-mandated standard
  - This sets a disturbing precedent in which rulemaking **establishes standards for only certain plan types**—countering the fundamental goals of administrative simplification law
- **NCVHS should recommend the adoption of the NCPDP ePA standard for all types of prescription drug plans to eliminate industry confusion**
- Physician **access to ePA technology** is also critical; only **24%** of physicians report having access to ePA in their EHRs
- **NCVHS should also recommend that support of the NCPDP ePA standard be incorporated into the ONC EHR certification program**

Source: 2020 Update: Measuring progress in improving prior authorization. Available at: https://www.ama-assn.org/system/files/2021-05/prior-authorization-reform-progress-update.pdf

RTPB and GFEs/AEOBs

RTPB

- Real-time, patient-specific prescription benefit information in EHRs supports informed decision-making, prevents treatment abandonment, and reduces administrative burdens
- CMS requires **Part D plans** to support **≥1 RTPB** tool that integrates with **≥1 EHR system**
- **NCVHS should recommend adoption of a transaction standard for RTPB technology that integrates with all EHRs and provides accurate information for all drug plans and patients**

GFEs/AEOBs (required by No Surprises Act)

- There are currently **no transaction standards or operating rules** for GFE submission or provision of AEOBs
- Given the recently announced (and fortuitous) postponement in enforcement, **NCVHS should prioritize this issue to:**
  - **Study** how transaction standards or operating rules can support GFE/AEOB exchange for **organizations of all sizes/resources**
  - **Evaluate the underlying physician practice and health plan workflows** needed for GFEs and AEOBs
    - Note similarities between these use cases and the **current claims submission, adjudication, and remittance processes**
  - Recommend a **single transaction standard and/or operating rule solution** for the industry to promote uniformity and efficiency
  - Ensure that any proposed solution **delivers AEOBs to providers and patients** to support informed conversations about care costs

Final Thoughts and Recommendations to NCVHS

- **Recognize, maintain, and enforce successful HIPAA transaction and code set standards**
- **Identify and prioritize unmet business needs** to immediately address:
  - PA automation and supporting clinical documentation exchange
  - RTPB
  - GFEs/AEOBs
- **Rigorously evaluate** new technologies under consideration for:
  - Readiness for real-world use
  - Feasibility of implementation across organizations of all sizes
  - Faithfulness to the intent of the Administrative Simplification statute for uniformity across industry
- Ensure that **all stakeholders** have the **opportunity to comment** on any proposed recommendations to the Secretary


AMA
AMERICAN MEDICAL
ASSOCIATION