

Applicability of Standards to Other Insurance Types

WEDI Testimony to NCVHS Subcommittee on Standards November 18, 2011

Presented by
Deborah Meisner, Member of the WEDI Board of Directors
Vice President of Regulatory Compliance Strategies
Emdeon

What is WEDI?

- ◆ **Workgroup for Electronic Data Interchange**
 - Established 1991
 - Named advisor to HHS under HIPAA
 - Represents broad cross-section of health care industry
 - Objective collaborative approach to addressing issues

Background

- ◆ Joint effort with the IAIABC
 - Education on workflows and challenges
 - Formed a Sub-workgroup
- ◆ Fall Conference Session to discuss applicability of inclusion under HIPAA

1. What are the different terms used in other insurance industries that is in conflict with, or different from that used in health care (e.g. the term "claim").

- ◆ Many terms are different from health care
- ◆ Most significant is claims vs. bill
- ◆ WEDI Sub-workgroup was formed in 2009 to address the gap
 - Working toward a national approach
 - Developed two whitepapers to focus on the gaps

2. Do providers use the CPT, HCPCS and ICD-9 code sets for "claims" sent to other insurance entities? If not, what codes are used to identify services rendered and request reimbursement?

- ◆ In most instances yes
- ◆ Some jurisdictions use proprietary codes
- ◆ Challenge is they are written in the regulations
- ◆ Education is needed on the use of GEMS in helping them transition

3. How is coordination of benefits conducted between your industry and health care?

- ◆ Once event is determined to be compensable Workers' Comp does not coordinate with health plans
- ◆ Shared events are worked out between the carriers
- ◆ Any reimbursement by a health plan would be similar to subrogation
- ◆ Auto there are secondary payer situations accomplished through provider to payer model but mostly paper based.

4. What would the benefits be to moving to standard transactions?

- ◆ Providers of P&C medical are the same as the providers for health plans
- ◆ One set of requirements reduces cost and education
- ◆ Encourage providers to treat work/auto related events
- ◆ Faster turn-around will help meet prompt payment laws

5. What would the challenges be, and what kinds of costs would be involved?

- ◆ State regulations that may need to be changed
- ◆ National payers who have implemented should see increased ROI
- ◆ Not all transactions under HIPAA address the P&C needs
 - For example: eligibility, enrollment and premium payment
- ◆ Workers' Compensation Identification Cards are not used
- ◆ Content Challenges
 - Working within the SDO's to fill the gaps
 - CARCs and RARCs may need modifications to meet State regulations.

6. What else should the committee know about your industry, apropos of the use of standards for electronic exchange of information?

- ◆ Reach out to States that have regulations in place to determine cost benefits and challenges
- ◆ Look to the large clearinghouses and e-bill agents who have worked to overcome obstacles
- ◆ Workers' Comp and P&C rely heavily on attachments and would benefit from adoption of a standard

Items for Consideration

1. Consideration for applicability under HIPAA for medical claim/bills, payment and acknowledgments
2. Consideration of inclusion for ICD-10
3. Policy Advisory Group be convened
4. Consideration of assignment of Health Plan Identifiers

Conclusion

WEDI would like to take the opportunity to express appreciation for the collaborative work being done with the IAIABC. They have been working hard over the last several years with the Standards Development Organizations (SDOs) to bridge the gaps and have worked closely with WEDI to develop educational materials.

However, there is still a challenge getting the P&C industry involved in the development of standards. To make this successful there needs to be more involvement by the subject matter experts in the field of Workers' Compensation and other Property and Casualty.