



Property Casualty Insurers
Association of America

Shaping the Future of American Insurance

ADMINISTRATIVE SIMPLIFICATION STANDARDS AND PROPERTY CASUALTY INSURANCE

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NCVHS



HIPAA and Property Casualty

- 1996 – Congress recognized P/C coverage different
- 42 U.S.C.A. 300gg-91 (excepted benefits)
- ACA Section 10109
 - Didn't repeal excepted benefits
 - HHS Secretary to seek input
- Congress right in 1996 and 1996 decision right now



Property Casualty Differs from Health

- A claim is not a claim
- P/C claimants not enrollees
 - First party
 - Third party
- P/C coverages involve legal and medical issues
- P/C insurers need medical information for other than treatment and its payment
 - Determine causation
 - Extent and duration of impairment or disability
 - Unrelated causes
 - New injury/old injury
 - Need for vocational or occupational rehabilitation



Property Casualty Differs from Health

- P/C coverage is broader than health
- P/C less likely to have on-going relationship with provider



P/C Coverages Vary

- Mandatory/Voluntary
- Source of coverage requirements
- First party/third party
- Differing medical obligation
 - Duration and amount
 - Who gets paid



Transaction Sets and P/C

- Don't mandate/allow to evolve
- Market volume is on health side
- PCI industry not ready
- Health has 15 years head start still not complete
- Need to work with Standards bodies to deal with coverage differences and state needs
- Workers Compensation coverage furthest along



Oppose a Mandate, Encourage Evolution

- MN example of Mandated Standards
 - Significant cost
 - Little benefit/few electronic bills
 - Standards without infrastructure in place to assure connectivity
 - Uniformity will be achieved when it is in best financial and business interests of providers and p/c insurers to be trading partners



Oppose a Mandate, Encourage Evolution-Cont'd.

- Don't assume electronic transactions make sense for all p/c coverages
- Forcing p/c into the health mold ignores real coverage differences and will lead to failure
- Health has a 15 year lead – give p/c the chance to evolve



Thank You