

Testimony of the American Dental Association
National Committee on Vital and Health Statistics
Subcommittee on Standards and Security

July 31, 2007

Mr. Blair, Mr. Reynolds and members of the Subcommittee thank you for inviting the American Dental Association (ADA) to testify on issues related to the successful migration to the next version of HIPAA Standards. I am Robert H. Ahlstrom, D.D.S. I am a practicing prosthodontist in Reno, Nevada.

The ADA is the world's oldest and largest dental professional association and represents over 155,000 dentists or almost seventy-two percent of the dentists in clinical practice in the United States. Since HIPAA was signed into law in 1996, the ADA has been monitoring the development and adoption of each of the regulations. Through our Division of Dental Practice and Office of Standards we participate in the standards-making process to ensure that the interests of dentistry are incorporated into health-related standards. We are continually researching and developing resources to help dentists make informed decisions on managing their practices.

Taking the subcommittee's questions provided in order:

1. What is the business benefit to you in terms of moving to the next version of each transaction? Are there transactions that although are currently implemented, have limited or no utilization? Are there transactions that you have implemented with a lot of work arounds in order to continue to meet advancing business needs?

Potentially, there are many benefits to dentists related to the implementation of the HIPAA standards including:

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- Dental office computer systems will be compatible with those of the hospitals and plans they conduct business with. Referral inquiries will be handled easily.
- Vendors will be able to supply low-cost software solutions to physicians/dentists who support standards-based EDI. Costs associated with mailing, faxing, and telephoning will decrease.
- All administrative tasks can be accomplished electronically. Dentists will have more time to devote to direct care.
- Dentists will have a more complete data set of the patient they are treating, enabling better care.

There are also potential benefits for our patients:

- Patients seeking information on enrollment status or health care benefits will be given more accurate, complete and easier-to-understand information.
- Consumer documents will be made more uniform and easier to read.
- Cost savings to providers and plans will translate in less costly health care for consumers. Premiums and charges will be lowered.
- Patients will save postage and telephone costs incurred in claims follow-up.
- Patients will have the ability to see what is contained in their medical and dental records and who has accessed them. Patient records will be adequately protected through organizational policies and technical security controls.
- Visits to dentists and other health care providers will be shorter without the burden of filling out forms.

- Consumer correspondence with insurers about problems with claims will be reduced.

However, the American Dental Association has several concerns regarding potential migration from version 4010 of the HIPAA standards, in particular with the 837 D TR3 Dental Implementation Guide for claims. We do want to go on record and indicate that the ADA is currently working collaboratively with ANSI ASC X12 and various industry groups on potential modifications to address some of these concerns. However, we also believe the NCVHS needs to have a full picture of the potential affects of adopting this new version of the HIPAA standard.

First, the ADA asserts that the NCVHS and others should note that there are concerns with the coordination process between X12 and the content committees that need to be addressed. The ADA believes that the process could be improved and continues to work with other industry groups to look at these concerns.

One of the ways the ADA believes improvement can happen is through the development of Memoranda of Understanding between the various participating organizations. The ADA is currently working on a Memorandum of Understanding (MOU) with X12N so that the ADA's Standards Committee on Dental Informatics (SCDI) will be able to contribute the content for future dental transactions for X12 messages. This type of relationship is similar to what we have accomplished with HL7. The SCDI provided the content for electronic claims attachments for periodontal charting and an HL7 message is now being developed. In addition, HL7 collaborated with SCDI on the harmonization of some of the SCDI and HL7 standards.

Second, the development of standards, such as the 837D 5010, applies to a defined community of users, a subset of the whole. That being said, the need for focused expert opinion on the development of such standards must rely on those most affected by them. The ADA believes there is room for improvement in the development

process for such standards. One example that was discussed is the inability to correct the guides in a timely fashion.

Third, the ADA is pleased that they have been able to work with X12N to gain acceptance of our proposal to consider the reference to HCPCS Procedure Modifiers in the 5010 version of the 837D TR3 as “Type 1 Errata.” In the original version, the ADA successfully argued that HCPCS modifiers cannot be used with the CDT codes because the HCPCS codes/modifiers were not approved for use for dental claims and are not mentioned as part of the HIPAA regulations as a recognized code set for dental claims. In addition, HCPCS is not included as an external code set in the 5010 837D TR3. However, this process took many months to resolve.

Fourth, the ADA is collaborating with other X12N groups and industry representatives to address another concern for dentistry. In the 5010 version of the 837D TR3, there is reference to the use of Diagnostic Codes. Diagnostic codes are not typically applied to dental claims unless the services are covered by a medical plan. The ADA recognizes the difficulty faced by providers in reporting oral and maxillofacial and dental anesthesia services. However, it maintains that the situational use of diagnostic codes does not address this problem. The ADA is currently developing a compromise change request for the subsequent version of the standard. However should the 5010 version be adopted, it will present problems to dentists whose vendors may not be clear as to when diagnostic codes should be used.

The ADA also continues to address other solutions that have been proposed, such as adding tooth numbers or codes for tooth numbers to the 837 professional TR3.

- 2. It has been suggested that there should be an overall industry implementation plan to assure a successful implementation. If you disagree, please explain why.**

The ADA believes that there should be an overall implementation plan to ensure successful implementation and migration from version 4010 of the ANSI ASC X12 Implementation Guides to the next version of the HIPAA Standards. The ADA also believes that all members of the industry should participate in this process to assure successful implementation.

What are the milestones for an implementation plan? What are the issues involved with each?

The ADA believes there are several concerns related to the issues raised in the questions as well as others:

1. Software Vendor Readiness – some practice management system vendors have not yet updated their software to include the NPI, and may have similar problems with updating to the next version of the HIPAA standards in a timely manner. In addition, some vendors are not willing to update dental office current versions and are requiring that dentists purchase new versions of hardware and software to accommodate the NPI. For upgrades to the HIPAA standards, this same situation will present a significant cost to dental offices. One dentist contacted the ADA recently and said that their current vendor was not going to update the current version in use today and instead the dental office would be forced to purchase a new system for \$30,000-\$40,000 dollars or return to submitting paper claims.
2. Phased Implementation – The ADA believes that implementing a phased approach to the migration of the standard either by transaction, industry group or some other classification would most likely put additional monetary, staff and time costs on providers and their offices. As

mentioned earlier, many software vendors are charging dental offices for new systems instead of upgrading existing software. If this is done separately for each transaction, the costs would be significant.

3. Trading Partner Flexibility - most of the electronic transactions that are sent from a dental office go through some type of clearinghouse for translation into the appropriate format. The clearinghouse function could be accomplished by routing a claim to the practice management system vendor utilized by the dental office and then the transaction may go on to a clearinghouse and eventually a payer. Or, the transaction may go from a dental office directly to a clearinghouse. These vendors are considered trading partners. The trading partners should be capable of transmitting all the appropriate data elements required by the most current HIPAA standards.
4. Testing-the ADA does not have the ability to track the status of the testing phase for transaction compliance of dental claims but based on some of the comments we have received the ADA believes payers/clearinghouses are behind schedule and believe there needs to be assurances that this will not occur with the updated HIPAA standards.
5. Payment Continuity Concerns – dentists are concerned about several payment issues including: Revenue Cycle Management; Payment Monitoring; and the availability of an Error Resolution Plan.
6. Data Requirements – there are also concerns related to new data requirements that will be required with the migration to the next version of the HIPAA standards including payer crosswalk solutions – from v.4010 to legacy and other data systems and availability in provider practice management systems

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Once again, thank you for the opportunity to present information relative to dentistry's position on the migration to the next HIPAA standard. I will be happy to try to answer your questions or refer them to our experts in Chicago.

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