Integration of the X12 and WEDI RTA Work To Date
Overview of Today’s Session

◆ Update on RTA Initiatives
  – X12 RTA/HSA Harmonization Special Appointed Committee
  – WEDI-X12 RTA Initiative
  – Summary of the October WEDI-X12 RTA Conference

◆ Updates from the WEDI-X12 Joint Work Groups
  – Communications
  – HIPAA Exception Requests
  – RTA Glossary
  – RTA Implementation
  – Security & Privacy
  – Transactions Business Process Modeling

◆ RTA Questions and Dialogue

◆ Next steps
  – Wrap up of discussion
  – Overview of next steps
Update on RTA Initiatives

- X12 RTA/HSA Harmonization Special Appointed Committee (SAC)
- WEDI-X12 RTA Initiative
- Summary of the October WEDI-X12 RTA Conference
WEDI-X12 RTA Initiative Structure

- **WEDI-X12 RTA Initiative Steering Committee**
- **RTA/HSA Executive Committee**
- **RTA/HSA Harmonization Special Appointed Committee**
- **X12N TG2 WGs, X12F, and X12C**

**WEDI**
- **WEDI Board of Directors**
- **RTA Oversight Task Group**

**Joint WEDI-X12 RTA Work Groups:**
- Transactions Business
- Process Modeling
- RTA Glossary
- Communications
- Security & Privacy
- HIPAA Exception Requests
- RTA Implementation
SAC Members and Representatives

- Co-Conveners
  - Nancy Spector
  - Byron Warren

- Reps
  - WG1
    • Annie Brannan
    • Donna Campbell
    • MaryAnne Zingaro
  - WG2
    • Laurie Burckhardt
    • Peter Walker
    • Tim Brown – alternate
  - WG3
    • Pat Wijtyk
    • Kim Peters
  - WG4
    • Annette Gabel
  - WG5
    • Karen Shutt
    • Ken Edick – alternate
  - WG12
    • Nancy Nemes
    • Kepa Zubeldia
  - WG20
    • Craig Nordin
  - F
    • Byron Warren
  - C
    • Lisa Miller
    • Kris Olberg
  - N and TG2 Management
    • Don Bechtel
    • Margaret Weiker
  - WEDI Liaison
    • Lisa Miller
SAC Scope of Work

- Educate, inform, and develop the scope for additional electronic transactions work by the Insurance, Finance, and Communications Subcommittees related to RTA and HSA.
- Serve as the coordinating committee within X12N, X12F, and X12C for activities related to RTA and HSA.
- Interact with the joint WEDI-X12 work groups and WEDI as necessary.
SAC Project Plan Phases

Phase I – Analysis Work

- Complete analysis work at January 2008 trimester meeting
  - What data elements are needed to handle real-time processing? HSA?
  - Are they present now?
  - Do they need to be added?
  - What happens to the current transaction in 5010?

*Assumption: Finalization of the business models required to complete analysis work

- Complete compilation work for June 2008 trimester meeting
  - Identify overlapping work, e.g., common data elements
  - Identify resources/expertise needed to complete work
  - Determine next version that changes can be made in
  - Address other needs identified
Phase II – Complete Work

- Complete the work as identified in Phase I
  - Data maintenance
  - Code maintenance
  - Technical Report 3
  - Other?
    - Waivers
    - White papers/tutorials
Analysis work on transactions continued during September trimester meeting
  – On hold until business process models are finalized
Reviewed the proposed procedure for X12 to review work products developed by the joint work groups
  – Procedure for SAC representatives to include their WG, TG, or Subcommittee in the review of the joint work products
Discussed ongoing work by the joint work groups
Began planning for the January Information Forum
Proposed X12 Review Procedure for Joint Work Group Products

◆ Need for review procedure
  – WEDI-X12 joint work groups developing various products
    • Examples of products
      – Business process models
      – Glossary of real time transaction terms
      – Recommendations for communications operating rules
  – Need procedure for X12 to review and provide feedback on draft products

◆ Status of review procedure
  – Okayed by TG2 and N
  – Awaiting responses from F and C
Overview of Proposed Review Procedure

◆ Step 1: Draft product forwarded to SAC from joint work group

◆ Step 2: SAC reviews product by specified deadline
  – SAC representatives include their WG, TG, or Subcommittee in review based on process they set

◆ Step 3: Each SAC representative responds with outcome of their WG’s, TG’s, or Subcommittee’s review
Proposed Review Procedure (cont.)

◆ Step 4: SAC comes to final disposition
  – Disposition options
    • Agree
    • Agree with comments
    • Disagree with comments
    • No comment

◆ Step 5: SAC reports final disposition to joint work group

◆ Once endorsed, X12 co-chair of joint work group will work with X12 on dissemination of product
X12 RTA Steering Committee Reps and Joint Work Group Co-chairs

- Having periodic calls with the X12 RTA Steering Committee representatives and the X12 joint work group co-chairs
- Opportunity for X12 representatives to discuss progress of joint work, coordination needs in X12’s work, X12 support needed for activities, general concerns, etc.
WEDI-X12 RTA Initiative

- RTA Initiative Steering Committee
- RTA Management Team
- Joint Work Groups
**RTA Initiative Steering Committee**

**X12**
- Lisa Miller
- Nancy Spector
- Byron Warren
- Margaret Weiker

**WEDI**
- Robert Barbour
- Jim Schuping
- Mike Ubl
- Jim Whicker

**Scope**
- Serve as the coordinating committee for activities related to RTA for the joint WEDI and X12 initiative.
- Provide oversight and guidance to the joint WEDI-X12 work groups identifying and coordinating work related to RTA and HSA.
Work since September trimester meeting
  – Addressed concerns from various joint work groups
  – Began discussion about a need for a review process for X12 and WEDI to review work products developed by the joint work groups
  – Developed the process for the joint work group co-chairs’ role in the review process for joint work products
  – Discussed proposed review processes by X12 and WEDI for reviewing joint work group products
RTA Management Team

◆ Members
  – RTA Initiative Steering Committee Members
  – Joint Work Group Co-chairs
◆ Officially formed in November 2007
◆ Work to date
  – Approved the process for the co-chairs’ role in the review process for joint work products
  – Discussed proposed review processes by X12 and WEDI for reviewing joint work group products
  – Discussed having joint work groups develop project plans for 2008, including expected deliverables
  – Discussing possible education sessions for 2008
  – Provided updates on work groups
Attended by over 130 people

Drafts of the RTA definition and business models were presented and the audience was given an opportunity to provide feedback on the work.

Presentations addressed:
- Interaction of RTA and HSA
- Need to move to an RTA environment and the potential to transform the claims system
- RTA perspectives from the pharmacy industry, physicians, and dental industry
- RTA work in progress
Updates from the WEDI-X12 Joint Work Groups

- Communications
- HIPAA Exception Requests
- RTA Glossary
- RTA Implementation
- Security & Privacy
- Transactions Business Process Modeling
Communications

◆ Co-chairs:
  – Jim Daley (WEDI)
  – Open (X12)

◆ Scope: Focus on telecommunications requirements to conduct real-time processing. Goal is to obtain consensus on communications protocols. Collaboration with the Security and Privacy Work Group will be required to work on incorporating security into communications protocols.
Activities to date

- Began having calls
- Reviewed scope of work, outlined approach to completing work, and identified end products to be developed
- Began discussions with CAQH CORE to learn about their work and how it relates to RTA communications
- Sent an exercise to the work group to develop a list of communication requirements needed to meet the business needs of RTA

Projected plans for 2008

- Identify communication requirements for RTA
- Make recommendations for communication operating rules
- Coordinate with Security & Privacy work group as needed
- Develop and conduct education
Co-chairs:
- Stanley Nachimson (WEDI)
- Mary Kay McDaniel (X12)

Scope: Research if exemptions are needed to conduct modified HIPAA transactions to conduct real-time processing. Determine process to request a waiver, if necessary, from HHS/CMS. Develop a sample waiver request, if necessary.
HIPAA Exception Requests

◆ Activities to date
  – Conference call in December
  – Monitoring the BPM activities

◆ Projected plans for 2008
  – Review final recommendations
  – Layout out standards to be used in pilot test
  – Develop proposed pilot test parameters
  – Exception request to allow versions other than the 4010/4010A1
  – Prototype
  – Work with pilot test participants
  – Report/share pilot experience
Co-chairs:
- Annette Gabel (WEDI)
- Lisa Miller (X12)

Scope: Develop and maintain a common glossary of RTT terms that will serve as a reference for the various work groups and work products as developed, as well as the industry. The RTT glossary will incorporate and align with HSA terms and definitions in the WEDI HSA glossary.
RTT Glossary

◆ Activities to date
  – Created task group
  – Bi-weekly conference calls
  – Reviewed terms for inclusion in glossary
  – Reviewing definitions
  – Changed work group name from “RTA” to “RTT”

◆ Projected plans for 2008
  – Continue with activities
  – Create Glossary
    • Anticipate completion by May 2008
  – Participate in educational programs
Co-chairs:
  - Robert Barbour (WEDI)
  - Ken Willman (X12)

Scope: Promote the value of RTA to providers, clearinghouses, and payers. Ensure appropriate stakeholders contribute to standards development and other processes necessary to drive adoption. Explore funding opportunities for conducting pilot testing of real-time processing. Set up pilot testing. Document results of pilot projects.
Activities to date
- Awaiting finalization of the business models
- Robert and Ken having been doing presentations marketing RTA in various venues

Projected plans for 2008
- Continue to market need for RTA
Security & Privacy

◆ Co-chairs:
  – Sue Miller (WEDI)
  – Ginger Wright (X12)

◆ Scope: Identify security and privacy elements, including how to authenticate the submitter and how to securely transmit ePHI and other sensitive transaction messages using HTTPS and other security safeguards. Ensure that personal health information transferred between entities remains protected and that all appropriate safeguards are in place.
Activities to date

- 3 Co-Chair planning and strategy meetings
- 1 Workgroup call
- Established a monthly call schedule: Beginning February 5, 2008, and the first Tuesday of each month thereafter at 11 AM, ET.

Projected plans for 2008

- **Scope:**
  - Outline the privacy and security issues in real time transactions
  - Review best practices; including from other industries
  - Outline a baseline of best practices for healthcare
- **Work Products:**
  - White paper outlining the privacy and security areas and issues and the best practices baseline
  - Participation in WEDI and X12 education when asked
Projected plans for 2008 (cont.)

- **Work Plan:**
  - Review business models, respond with comments, and
  - Use to outline privacy and security areas and issues for white paper
  - White paper outline for WEDI May 2008 meeting
  - Best practices touch points for WEDI May 2008 meeting
  - Draft white paper including best practices recommendations for WEDI November 2008 meeting
  - Publish first draft of white paper by the end of December 2008
Transaction Business Process Modeling

◆ Co-chairs:
  – Laurie Darst (WEDI)
  – Tom Drinkard (X12)

◆ Scope: Focus on real-time processing and developing the outline by phases of the required actors, processes, and functions. The results of the outline (models) will be used to identify existing or new administrative transactions and the necessary data to support the models. The RTA business process models will incorporate and align with the HSA business process models that have been developed by the WEDI HSA Sub-workgroup.
Background

- Working Definition of Real-Time Claims Adjudication (RTCA)
- Weekly Conference Calls
- Industry Outreach
  - Providers
  - Repricers
- Presentations and Feedback
  - Joint X12-WEDI Conference (October 2007)
  - WEDI Fall Conference (November 2007)
The process of a single claim being submitted by a Provider to a Payer. The Payer fully adjudicates the claim to its final disposition. The Payer responds to the Provider advising of denial reason(s), amount to be paid, patient responsibility, adjustments and explanations. The whole process is completed in a single communications session that is established and remains open and active until the adjudicated transaction is received by the entity initiating the communication session.
Workgroup Scope

◆ **Include:**
  – Post Service Activity - claim submission and response

◆ **Excluded for Phase I**
  – Pre-Service Activity – eligibility, pre-determinations and prior authorizations
  – HSA considerations

◆ **Other Exclusions**
  – Real-time payment
  – Repriced claims
  – Secondary (Tertiary) or COB claims
  – Claims requiring additional information
  – Claims containing by-report procedures
Workgroup Deliverables

- Current workflow model
- RTCA workflow model
- Transaction recommendations and best practices
- Coordinate with other workgroups in the Joint X12-WEDI effort
Existing Business Flow Examples

- Provider ► Payer ► Provider
- Provider ► CH ► Payer ► CH ► Provider
- Provider ► CH ► CH ► Payer ► CH ► CH ► Provider
- Provider ► Repricer ► Payer ► Provider
- Provider ► Repricer ► CH ► Payer ► Provider
- Provider ► CH ► Repricer ► CH ► Payer ► CH ► Provider
- Provider ► CH ► Payer ► CH ► Repricer ► CH ► Payer ► CH ► Provider
- Provider ► CH ► CH ► Payer ► CH ► Repricer ► CH ► Payer ► CH ► Provider
Connector Legend

1. Co-Pay Collection
2. Claim Submission
3. Front End Rejection
4. Passes Front End (Gateway) but Fails Adjudication System
5. Request for Additional Information
6. Returned Answer/attachment from Provider
7. Posting of Results of Adjudicated Claim
8. Payment to Provider
Use Case 2A: Real-Time Flow

Real-Time Billing

Real-Time Adjudication

Payment Process

Provider

Billing Service (optional - may perform all or part on behalf of provider)
- Health Care Services
- Payment Tests
- Pre Claim Tests (Pre-Finance RT)
- Consent
- Coding
- Payment Tests
- Provider Tests
- Post-Finance Tests
- Final Payment
- Claims Submitted
- Final Payment
- Final Payment

NC-Organization
- Consolidated Bills
- Next Practice RT
- (1-9 days)
- Claims Submitted
- Final Payment
- Final Payment

Clearinghouses
- (optional)
- Real-Time Claims
- Submitted
- Validation Results
- Sorts
- Translates
- Deliver

Health Plan / PPA
- Submission RT
- Reference RT
- Validation Results
- Sorts
- Translates
- Deliver

Real-Time Information Sources

Claims Submitted
- Validation Results
- Sorts
- Translates
- Deliver

Claims Submitted
- Validation Results
- Sorts
- Translates
- Deliver
Proposed Transactions for RTCA

- **Real-Time Claims**
  - Use existing 837x transactions

- **Claim responses**
  - Acknowledgments
  - Rejections and Denials
  - Requests for Information
  - Remittance Advices
Claim responses

- Acknowledgments
  - Returned only if there is a negative response (error) or the claim can not be processed in real time
  - The 999 is preferred over the 997, but is only available in X12 version 5010 and later.
  - The 824 should not be used.
  - The 277 X214 5010 version recommended for Claim Acknowledgments.
  - In case of a timeout, the entity recognizing the timeout must send a 277 Claim Acknowledgment to its submitter.
Claim responses

Rejections

- Claim failed due to error(s) identified in pre-adjudication system such as in the (gateway) edit process
- Use 277 transaction to communicate rejections
Proposed Transactions for RTCA

Claim responses

- Denials
  - Claim failed due to error(s) identified in adjudication system edit process
  - Use 835 transaction to communicate denials.
Request for Information (RFI)

- RFI will close out real time session
  - Use 277 transaction to communicate claim sent to batch process
- Payers vary on their approach to deal with RFI
  - Some payers pend the claim and request additional information using the 277 transaction.
  - Others will simply deny the claim and communicate this back to the provider on the 835.
  - Recommending a standard approach for payers to deal with RFI is outside this workgroup’s scope.
Proposed Transactions for RTCA

Claim responses

- Remittance Advice
  - Use an informational 835 transaction to report payment
  - When payment is not real-time, send financial 835 with payment when payment is made
  - Use existing 835 only when payment is also real-time
Next Steps

- Obtain X12 and WEDI approvals
- Revise models and transactions as needed
- HSA implications for RTA
- Pre-Service implications for RTA
RTA Questions and Dialogue
“Ground Rules” for Discussion

◆ Not all questions may be answered
  – If question isn’t answered, we will capture it and respond at a later point

◆ Suggestions for changes to the business models will not be taken by the co-chairs now
  – X12 will provide its official feedback on the models through its review procedure
Questions to Prompt Discussion

1. What do you think about the draft business models? Do you think the business models adequately represent a best practice for conducting RTA?
2. What do you think about the transactions being recommended for use in RTA? Do you think the recommended transactions are the best transactions for use in RTA? Are there transactions that were not recommended that should be reconsidered?
3. After hearing the reports from the joint work groups, is there any work that you think is missing from what they are doing? Is there any work that you think needs more specific focus?
Questions to Prompt Discussion (cont.)

4. Is there work that your Work Group or Subcommittee will be doing that you see overlapping with another Work Group or Subcommittee?

5. The plan is to also address HSAs and how to accommodate their needs in the transactions. Are there resources that you need to better understand HSAs?
Next Steps

- X12 WGs to complete analyses of transactions
- Coordinate work with WEDI-X12 RTA Joint Work Groups
Wrap Up and Milestones

- 2/08 – 6/08 X12 Meeting: X12 WGs complete transaction analysis work
- 6/08 – 9/08 X12 Meeting: SAC complete compilation work of WGs’ analyses
- 9/08 – ?: X12 WGs complete transaction work
Other Questions or Discussion?