# AUC Update

The AUC Update is published monthly and provides news and updates regarding the Minnesota Administrative Uniformity Committee (AUC) and Minnesota's health care administrative simplification initiative pursuant to Minnesota Statutes, section 62J.536 and related federal and state regulations. The Minnesota Department of Health (MDH) administers MS §62J.536 and publishes this newsletter in association with the AUC.

More information about the AUC is available at: AUC home page.
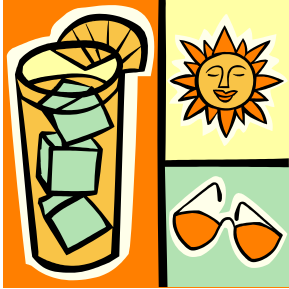
### Inside this issue:

## AUC Operations approves provider notification best practices, other items

The AUC Operations Committee recently completed an email vote to approve eight items that were reviewed and discussed at the Committee's meeting on Tuesday, June 10, 2014. The following items were unanimously approved, with one abstention:

1. AUC membership for Ridgeview Medical Center (Hello Ridgeview and welcome to the AUC!);
2. Revised, updated AUC mission statement;
3. Best practice for notifying providers when health insurance exchange enrollees are in a 90-day grace period for nonpayment of premium, using the eligibility inquiry and response transaction (270/271);
4. Best practice for notifying providers when health insurance exchange enrollees are in a 90-day grace period for nonpayment of premium, using the remittance advice transaction (835);
5. Updates to the Prescription Drug electronic Prior Authorization companion guide;
6. Updated claims attachment cover sheet instructions;
7. Updated claims attachments best practice; and
8. Updated NTE and PWK usage best practice.

Items 1-4 and 6-8 will be posted on the appropriate webpages of the AUC website. The AUC-approved recommendation for updates to the companion guide for electronic prescription drug prior authorizations (#5 above) will be reviewed by the Commissioner of Health. If approved, the updated version of the companion guide will be announced in the Minnesota State Register and also posted on the AUC website. Additional information regarding the items above is available in the "meeting materials" entry on the meeting information webpage of the Operations Committee.

## Administrative simplification summer "safety tips"

Newsletters are rife this time of year with tips to make the most of the summer while staying safe and healthy – keep your potato salad cool; use sunscreen; stay hydrated; get out of the water if you hear the "Jaws" theme; etc.

In order to keep our official status as a newsletter, we thought we'd offer a few administrative simplification tips for the summer too:

- There is a great deal of free information on the AUC website, from rules that you may be required to follow, to best practices to make routine business easier and less burdensome, to AUC calendar and meeting information.  Please check it out and bookmark or add it to your favorites.  Please also let us know if you have any questions about the website or information on the site, as well as any suggestions for improvements.

- The administrative simplification provisions of the federal Accountable Care Act (ACA) require the development and adoption of national operating rules to provide additional specificity for connectivity and data content in the exchange of electronic health care business transactions.

  Minnesota's administrative simplification rules require conformance with several adopted operating rules.  In some cases the operating rules are updated regularly, as in the case of operating rules listing Claims Adjustment Reason Codes (CARC) and Remittance Advice Remark Codes (RARC) codes available for communicating information in remittance advices. It is important to know and use the most recent versions of the operating rules.  To access the most recent list of CARC and RARC

codes, see the CAQH-CORE code combinations webpage.

- We often receive questions regarding Minnesota's requirements for the use of Electronic Funds Transfer (EFT).  As noted in previous communications, Minnesota's administrative simplification rules do not require that providers be reimbursed via EFT, but use of EFT is highly encouraged, as reflected in the AUC EFT best practice.

It is also important to note that because EFT has been adopted as a federally required HIPAA operating rule, as of January 1, 2014, all HIPAA-covered entities must be compliant with the EFT standard and operating rules. In addition, pursuant to federal regulations (42 CFR § 424.510), Medicare requires as a condition of receiving payment that providers must agree to receive EFT.  Finally, the Minnesota Department of Human Services (DHS), which administers the state's Medical Assistance (Medicaid) program and other publicly funded health care programs, uses EFT to pay providers and encourages providers to elect that form of payment.

## Legislation, customer satisfaction surveys, and more for the AUC

As noted above, the AUC Operations Committee met June 10, 2014. In addition to reviewing the items described in the article on page one of this newsletter, the Committee received several updates from the Minnesota Department of Health (MDH), regarding:

- ### 2014 Minnesota legislative session

The 2014 Minnesota legislative session concluded last month with the enactment of two laws of special interest to the AUC.

One of the laws, 2014 Session Laws, Chapt. 192, Article 1, updated the 20-year-old Health Care Administrative Simplification Act (ASA) of 1994,

which provides much of the statutory framework for the state's health care administrative simplification efforts and the AUC's work. The law removed outdated language, references, and concepts from the ASA, and was proposed by MDH after extensive review and consultation with the AUC in 2013.

The second law, Laws of Minnesota 2014,Chapter 291, Article 6, Section 1, delayed the implementation of state requirements to exchange electronic prescription drug prior authorization requests by one year, to January 1, 2016.

## • 2014 companion guide maintenance

Each year MDH consults with the AUC on changes to the Minnesota Uniform Companion Guides that may be needed to ensure that the Guides remain clear, current, and correct. The guide process typically requires 4-6 months, including:

o   a review of the Guides by the relevant AUC Technical Advisory Groups (TAGs);

o   publication of any proposed changes and announcement of a 30 day public comment period on the proposed changes;

o   review of any comments, and adoption of any final changes into state rules.

The TAGs will be completing their initial reviews this summer to recommend any possible revisions, to be followed with the remaining steps above in the fall and early winter of this year.

## • Compliance and enforcement

MDH is responsible for compliance and enforcement of the state's requirements for the standard, electronic exchange of health care business transactions pursuant to authorized MS §62J.536.

In carrying out this role, MDH provides information and technical assistance, but also investigates and follows up on reports and concerns of noncompliance. The state's requirements apply to all health care providers providing services for a fee in Minnesota, to all "group purchasers" (insurers/payers), including workers' compensation insurers, and in many cases to clearinghouses as well.

At this time, MDH is collaborating in particular with the Minnesota Department of Labor and Industry (DLI), which administers the states' workers' compensation system, to respond to needs for technical assistance and in addressing reports of noncompliance in the exchange workers' compensation health care administrative transactions. MDH and DLI have implemented and are monitoring "corrective action plans" with some organizations to address compliance deficiencies, and are following up on a recent survey of workers' compensation payers to learn more about any compliance issues or challenges.
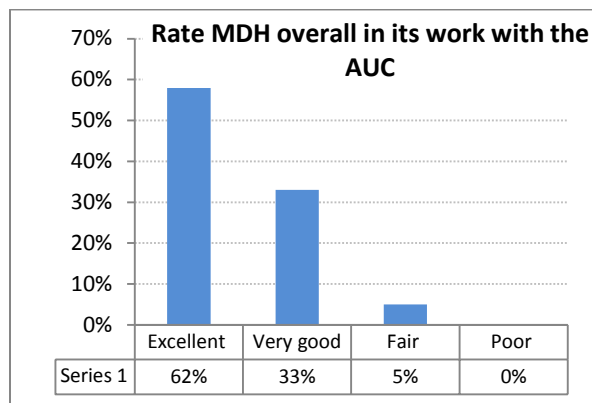
For more information regarding compliance with the state's administrative simplification requirements, please go to the MDH Implementation and Compliance webpages and/or contact MDH directly at health.asaguides@state.mn.us.
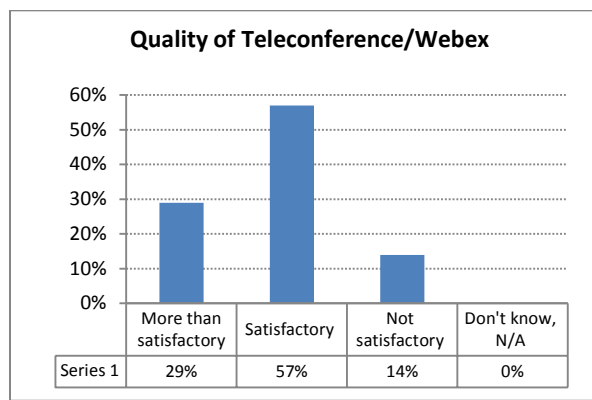
## • AUC customer satisfaction survey

MDH provides staff and other support to the AUC as part of their work together on health care administrative simplification. In order to gauge its performance and to determine whether there may be needs or opportunities for improvement, MDH conducted a customer satisfaction survey of the AUC Operations Committee in May of this year.

The survey asked questions about MDH's contributions to the AUC's goals, about resources

such as the AUC website maintained by MDH, and other topics.  A total of 21 responses were received from the 49 potential survey respondents. Responses were generally positive, with 96% rating MDH's work with the AUC as "excellent" or "very good," and 71% reporting that a website maintained by MDH on behalf of the AUC as "very useful.

**Rate MDH overall in its work with the AUC**

| | Excellent | Very good | Fair | Poor |
|---|---|---|---|---|
| Series 1 | 62% | 33% | 5% | 0% |

However, the survey also identified some additional possible areas for improvement, with only one-third or fewer of respondents rating MDH as excellent in: "Providing timely, responsive answers to questions and follow-up on AUC issues;" "Resolving issues and concerns;" or in "Helping achieve consensus."  In addition, most of the respondents (57%) thought that the quality of Teleconference/Webex capabilities provided by MDH was only "satisfactory," and 14% thought it was "not satisfactory."

**Quality of Teleconference/Webex**

| | More than satisfactory | Satisfactory | Not satisfactory | Don't know, N/A |
|---|---|---|---|---|
| Series 1 | 29% | 57% | 14% | 0% |

MDH will continue to review the survey results with the AUC Executive Committee and explore steps to address any opportunities for improvement.

- **2014 WEDI national conference**

As noted in last month's newsletter, MDH was selected to present on "*Advancing Administrative Simplification:  Minnesota's Lessons, Challenges & Opportunities*" at the annual conference of the national Workgroup on Electronic Data Interchange (WEDI) in Hollywood, California, in May. Dave Haugen of MDH provided a summary version of the presentation at the Operations Committee meeting on June 10.

The presentation discussed the rationale for health care administrative simplification and the important role played by Minnesota and the AUC.  In addition, it also described a rapidly changing health care environment that many have suggested will lead to a "convergence" of administrative and clinical health care data in the future.  While this convergence creates opportunities for improved patient care and health system performance, it is also relatively recent, and there are many questions about how it will continue to evolve and its impacts in practice.

# AUC Technical Advisory Group (TAG) Updates

Information about AUC committees and TAGs and their activities can be accessed from the AUC TAG page and by clicking on the TAG or committee name in the following article.

With the exception of the Medical Code TAG, all TAG meetings are generally conducted via teleconference rather than in-person.  All AUC meetings are open, public meetings. Meeting agendas and other materials are posted on the AUC website in advance of meetings.  TAG meeting schedules and information are also available on the AUC calendar page. (http://www.health.state.mn.us/auc/calendar.htm).

## Operations Committee

The Operations Committee met on June 10, 2014. (See related articles, page 1 and page 2, for a summary of the meeting.)

## Executive Committee

The AUC Executive Committee met on June 2 and completed reviews and planning for the AUC Operations Committee meeting on June 10, 2014.

## Claims DD TAG

The Claims DD TAG held its first meeting in 2014 on June 4. Since the resignation of Tamara Lewis as co-chair in March, the TAG has been under the leadership of Susan Lee of Allina.

At its meeting on June 4, the Claims DD TAG revised two of the claims best practices: Claims Attachments and Examples of NTE and PWK. The TAG also revised the Attachment Cover Sheet. Sue solicited a volunteer(s) from the TAG with CAQH CORE membership to join the CORE workgroup for attachments.

The Claims DD TAG will review and update the remaining eight claims best practice and begin its annual maintenance of the Claims companion guide at its next meeting, which is scheduled for August 6. The meeting will be in-person.

## Eligibility TAG

The Eligibility TAG convened June 25 and completed a preliminary review of the Minnesota Uniform Companion Guide for the eligibility inquiry and response (*ASC X12/005010X279A1Health Care Eligibility Benefit Inquiry and Response (270/271*) for possible changes or updates needed at this time as part of annual companion guide maintenance (see related article, page 3). The TAG plans to complete its review and make any recommendations for revisions at their next meeting, July 23.

## Medical Code TAG

The Medical Code TAG (MCT) met on June 12 and June 24 at HealthPartners. At its June 12 meeting the MCT finalized their review and recommendations for the coding issues submitted on SBARs from the May 8 meeting agenda. The MCT conducted an e-vote to approve the codes recommended by DHS to replace the current codes for the Moving Home Minnesota (MHM) – health club membership in the Coding Recommendation

Grid. The voting ended June 23 and the results were to approve the recommended changes. The Medical Code TAG decision tree and the AUC SBAR form were examined during the meeting with few changes to both forms suggested.

At its June 24 meeting, the MCT discussed outstanding agenda items from the June 12 meeting. The primary focus of the meeting were review and updates for coding (Appendix A) in the 837P and 837I Minnesota Uniform Companion Guides and revisions to the Coding Recommendation Grid.

The next MCT meeting is July 22, 2014 from 9:00 a.m. – Noon at HealthPartners. Meeting details can be accessed from the MCT meeting page of the AUC website (http://www.health.state.mn.us/auc/infomedcode.htm).

## Prescription Drug electronic Prior Authorization (RX ePA) TAG

The Rx ePA TAG reviewed and approved updates needed for the Rx ePA companion guide *via email* in early May 2014.

## Upcoming TAG meetings, July 2014

| July 7<br>8:30 am - 10:30 am | Executive Committee |
|---|---|
| July 21<br>1:00 pm - 2:30 pm | EOB/Remit TAG |
| July 22<br>9:00 am - 12:00 pm | Medical Code TAG |
| July 23<br>2:00 pm - 4:00 pm | Eligibility TAG |

## National Industry News



### ICD-10 Proposed Rules Being Prepared for Publication

Following the most recent delay in ICD-10 implementation in April of this year, the federal Centers for Medicare & Medicaid Services (CMS) is readying proposed rules to clarify that the new ICD-10 implementation date is October 1, 2015. Prior to publication of the proposed rule in the Federal Register it must be reviewed by the federal Office of Management and Budget (OMB). According to recent industry reports, the ICD-10 proposed rule was recently submitted to the federal Office of Management and Budget (OMB) for its review, marking another milestone to establishing a new date certain for ICD-10.

## Operating Rules – What's Next?

*Note: In April we started a new feature to provide regular information and updates regarding a group of federal operating rules that are to be developed and required for use beginning January 1, 2016. The coming rules include:*

- *Health claims or equivalent encounter information;*
- *Enrollment and disenrollment in a health plan;*

- *Health plan premium payments;*
- *Referral certification and authorization; and*
- *Health care claim attachments.*

*The designated operating rules author is the national Committee on Operating Rules for Information Exchange (CORE)* (http://www.caqh.org/benefits.php)*, which is already planning and undertaking work on the rules. Our goal with this series of articles is to help keep the AUC informed of operating rule-related developments so that it can be aware of and participate in the operating rule process as effectively as possible.*

*In the following article below, we summarize a recent CORE Town Hall meeting and discussion of CORE's plans for the next set of operating rules (above). For more information about the Town Hall, go to the CORE Education Events webpage (http://www.caqh.org/CORE_Education_Events.php).*

### CORE Town Hall Describes Plans for Next Set of Operating Rules

CORE hosted a regular monthly "Town Hall" forum on June 24, 2014 and provided a series of updates, including progress and plans on the development and implementation of the "next set" of operating rules above. At the meeting, CORE stated that its intent is to complete a draft of the rules by the end of 2014, focusing on infrastructure requirements that will apply across transactions.

CORE also reported that it has been gathering information and conducting market assessment to help guide a vision for claims attachments operating rules. The assessment is designed to help identify business needs, data content and format requirements, technical infrastructure, and priorities for claims attachments/other additional information.

CORE is exploring in particular at this time an "incremental, flexible roadmap approach" to claims attachments operating rules suggested by the National Committee on Vital and Health Statistics (NCVHS) in 2013. Under this approach, the industry would move through a series of steps to transition from paper to electronic documents. At the same

time, the approach would facilitate ongoing education regarding anticipated, emerging standards for attachments such as HL7 (http://www.hl7.org/index.cfm?ref=nav).
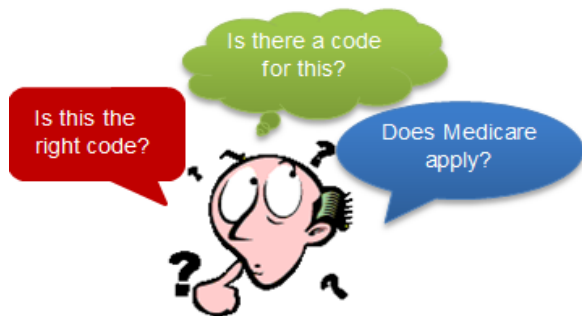
CORE has created a "CORE Connectivity and Security Subgroup" for drafting the connectivity and related infrastructure options for next set of the ACA-mandated operating rules to be effective January 1, 2016.  The Subgroup is open to any CORE member organization; to participate on the Subgroup, email CORE at:  CORE@caqh.org.

## Test Your AdminSimp IQ

*Note:  In April we started a new feature entitled: "Test Your AdminSimp IQ."  This month we use the feature to profile the AUC Medical Code TAG, an important community coding resource.  We plan to profile other AUC TAGs in the future.*

### Spread the Word – AUC Medical Code TAG Facts



The AUC Medical Code TAG (MCT) is a group of professional medical coding experts with more than 130 years of combined coding experience.

The MCT was formerly the HCPCS Committee and has been working together since 1992 to bring about uniformity and agreement among payers and providers on coding issues.

The MCT became an AUC workgroup in 2007 and developed the Minnesota rules for uniform coding, also referred to as Appendix A of the Minnesota 837I and 837P claims companion guides.

*The MCT is a key coding resource for Minnesota providers and payers.*

*The MCT open, monthly meetings have been approved by the American Academy of Professional Coders to award meeting participants 2.0 units of coding Continuing Education Credits for 2014 and 2015.*

*The MCT provides clarification and current codes, modifiers, and code usage; answers frequently asked questions about recommended ways to code health and medical services on the 837I and 837P electronic claim.*

*The MCT addresses new code standards pertaining to administrative simplification uniformity in Minnesota.*

*The MCT work is accomplished formally though the SBAR process. (http://www.health.state.mn.us/auc/busneedprocess.docx.)*

*The SBAR process for the MCT begins with the completion of the AUC SBAR form and the MCT decision tree. The process ends when the MCT coding decision recommendations has been approved by the AUC.*



Have coding questions or need clarification? Not sure if Medicare applies? Follow these simple steps to get help from the AUC Medical Code TAG:

1. Click on this link to access the Forms page (http://www.health.state.mn.us/auc/forms.htm) on the AUC website.

2. Download and complete the MCT Decision Tree.

3. Download and complete the AUC SBAR form.

4. Submit the completed forms to the AUC inbox at auc.health@state.mn.us.

*Best wishes for a safe and enjoyable Fourth of July!*

## AUC Newsletter Subscription

Interested in signing up to receive this newsletter and other AUC updates and information?  Please sign up using the [image] Subscribe feature on the right hand side of the AUC homepage under the "Most Viewed" navigation frame at: (http://www.health.state.mn.us/auc/index.html).

Comments or questions about this newsletter? Please contact us at:  health.auc@state.mn.us.