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:

Combined TAG meeting to explore best practices for reporting grace period for premium nonpayment

Providers needed at meeting

The AUC Eligibility TAG will hold a joint meeting with the EOB/Remit TAG from 2:00 – 4:00 pm, March 26, 2014 to share information and to coordinate on best practices to notify health care providers when Health Insurance Exchange ("HIX") enrollees have entered a "grace period" for nonpayment of premiums.

The joint effort is in response to federal requirements (45 CFR 156.270) that must be followed for terminating the coverage of HIX enrollees receiving advance payments premium tax credits. The requirements include allowing the enrollee a minimum three month grace period before terminating coverage due to nonpayment of premiums.

In addition, issuers of qualified health plans (insurers) must notify providers that may be affected by the enrollee's premium payment grace period that an enrollee has lapsed in his

or her payment of premiums. The notice may be exchanged via automated electronic processes, and must indicate that there is a possibility that the issuer may deny payment of claims incurred during the second and third months of the grace period if the enrollee exhausts the grace period without paying the premiums in full. Issuers are encouraged to notify all potentially affected providers as soon as is practicable when an enrollee enters the grace period, since the risk and burden are greatest on the provider.

Developing a best practice for a standard notification to providers is important because there is no current ASC X12 technical report specifically for the required grace period notification. Both TAGs have met independently previously to review a draft notification best practice developed by ASC X12, with the Eligibility TAG focusing on provisions related to use of the ASC X12/005010X279A1 Health Care Eligibility Benefit Inquiry and Response (270/271) transaction, and the EOB/Remit TAG focusing on the ASC X12N/005010X221 Health Care Claim Remittance/Advice (835) transaction.

Both TAGs have developed preliminary examples of possible notifications based on their respective transactions, and will be sharing their suggestions and other information for broader discussion at the March 26 meeting. <u>Given that the notifications are directed to inform providers, as well as the potential impact on providers of any claims denials resulting from nonpayment of insurance premiums, it is important that AUC provider members participate in the meeting</u>.

Additional meeting information and materials can be found on the [Eligibility TAG website](http://www.health.state.mn.us/auc/elighome.htm) (http://www.health.state.mn.us/auc/elighome.htm).

AUC submits comments to HHS regarding Health Plan Certification

The US Department of Health and Human Services (HHS) published a notice of proposed rulemaking (NPRM) on January 2, 2014 announcing proposed rules for certification of health plans' compliance with operating rules for: eligibility for a health plan; health care claim status; and health care electronic funds transfers (EFT) and remittance advice. The proposed rules describe the information and documentation that must be submitted by health plans to certify their compliance with the operating rules, and also establish and clarify penalty fees for failure to comply. The NPRM also announced an opportunity for submitting public comments regarding the proposed rules by March 3, 2014.

The AUC met on January 14 and February 6, 2014 to review the NPRM and to develop a response to submit to HHS. The AUC completed its work in late February and submitted its response on February 28, with questions, comments, and recommendations regarding:

- The scope and applicability of the proposed rule, especially with regard to: the extent of testing requirements; applicability of the proposed rule to controlling health plans (CHPs) that have contracted with third party administrators (TPA); and limiting certification requirements to health plans.

- Clarification of proposed testing requirements for a "HIPAA Credential;"

- Clearer definition of terms, including the term "major medical policy;"

- Clarity regarding the relationship and interplay of the NPRM to the Health Plan Identifier (HPID) rule;

- The role of the Committee on Operating Rules for Information Exchange (CORE) as part of health plan certification;

- The certification process, penalty fees, and costs and benefits of the NPRM.

The AUC's comments can be viewed in the meeting minutes for the February 6 meeting at AUC Operations meeting archive (http://www.health.state.mn.us/auc/archops.htm).

Please also note: HHS recently extended the public comment period to April 3 because the proposed rule affects a larger number of entities than previous HIPAA rules, and to allow entities that are new to HIPAA administrative simplification more time to review and comment on the NPRM.

ICD-10 DEADLINE OCT 1, 2014

ICD-10 updates

AUC/ICD-10 Collaborative "ICD-10 Readiness Webinar" held March 11; recordings will be available

The AUC Operations Committee and Minnesota ICD-10 Collaborative presented a free, joint "ICD-10 Readiness" webinar at the Operations Committee's regular quarterly meeting on March 11. The webinar was open to anyone

wishing to attend and featured speakers from the Minnesota Departments of Health (MDH) and Human Services (DHS), Blue Cross and Blue Shield of Minnesota, UCare, and Children's Hospitals and Clinics on a range of issues and related topics, including:

- Federal and state requirements to be ICD-10 compliant on October 1, 2014;

- Denials of claims that are not using the appropriate ICD code;

- Key steps and timelines to come into compliance;

- The essentials of ICD-10 coding;

- Information and lessons learned regarding testing and further planning, and

- A Question and Answer session.

The webinar was recorded and the recording will be available soon. The slide deck used during the presentation is available at the AUC Operations meeting archive (http://www.health.state.mn.us/auc/archops.htm) for the March 11, 2014 meeting.

CMS seeks volunteers for end-end ICD-10 testing

Deadline to submit volunteer forms: March 24

Reprinted from MLN Connects Weekly Provider eNews

During the week of July 21 through 25, a sample group of providers will have the opportunity to participate in end-to-end testing with Medicare Administrative Contractors (MACs) and the Common Electronic Data Interchange (CEDI) contractor to demonstrate that CMS and provider systems are ready for ICD-10 implementation on October 1, 2014. The goal of this testing is to demonstrate that:

- Providers and submitters are able to successfully submit claims containing ICD-

10 codes to the Medicare Fee-For Service (FFS) claims systems

- CMS software changes made to support ICD-10 result in appropriately adjudicated claims

- Accurate Remittance Advices are produced using 2014 payment rates

Over 500 volunteer submitters will be selected to participate in end-to-end testing. This statistically meaningful, nationwide sample will represent a broad cross-section of provider, claim, and submitter types, including claims clearinghouses, which represent large numbers of providers.

To volunteer as a testing submitter:

- Volunteer forms are available on your MAC website;

- Completed volunteer forms are due March 24;

- CMS will review applications and select the group of testing submitters;

- By April 14, the MACs and CEDI will notify the volunteers selected to test and provide them with the information needed for the testing .

Any issues identified during end-to-end testing will be addressed prior to ICD-10 implementation. Additional educational materials will be developed for providers and submitters based on the testing results.

For more information, see:

- MLN Matters® Article MM8602, "ICD-10 Limited End-to-End Testing with Submitters" (http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8602.pdf)

- MLN Matters® Special Edition Article #SE1409, "Medicare FFS ICD-10 Testing Approach" (http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1409.pdf)

CMS announces "eHealth University"

On February 28 CMS announced the "eHealth University," a new, free, public "education portal designed to give providers information vital for understanding, implementing, and successfully participating in a range of CMS eHealth programs. The curriculum offers resources organized by level, from beginner to advanced, in a variety of formats, including fact sheets, guides, videos, checklists, webinar recordings, and more."

The University site (http://www.cms.gov/eHealth/eHealthUniversity.html) includes information and resources regarding ICD-10, as well as EHRs, Administrative Simplification, and Quality.

Administrative simplification transaction testing checklist

Reprinted from CMSlists@subscriptions.cms.hhs.gov, 2/21/14.

The Centers for Medicare & Medicaid Services (CMS) and contractor National Government

Services, Inc. have released the final version of the Administrative Simplification Transaction Testing Checklist.

These checklists were developed by industry stakeholders for the industry as tools for supporting industry segments (Small Provider, Large Provider, Payer, Vendor to Provider, and Vendor to Payer) in performing multiple levels of testing, including end-to-end testing [for ICD-10 testing and implementation]. The project goal was to develop an industry-wide "best practice" for testing that lays the groundwork for a more efficient and consistent method for health care testing of future standards.

More information is available on the CMS website for end-end testing (http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Affordable-Care-Act/End-to-End-Testing.html).

AUC Technical Advisory Group (TAG) Updates

For additional information about AUC TAGs and their activities, please see the AUC TAG page (http://www.health.state.mn.us/auc/activity.htm) or click on the TAG headings below for information regarding that TAG. TAG meetings are open, public meetings, and are generally conducted via teleconference rather than in-person. Meeting agendas and other materials are posted on the AUC website in advance of meetings. Information about upcoming TAG meetings is available on the AUC calendar page at: AUC Calendar (http://www.health.state.mn.us/auc/calendar.htm).

Executive Committee

The AUC Executive Committee met March 3 and planned the March 11 Operations Committee meeting. It also reviewed TAG activity and discussed a "customer satisfaction" survey being planned by MDH to help it assess and improve its services and capabilities available to the AUC.

Operations Committee

The AUC Operations Committee met for its regularly scheduled quarterly meeting on March 11. The majority of the meeting was devoted to an ICD-10 webinar in conjunction with the Minnesota ICD-10 Collaborative (see related article in this newsletter, page 3), followed by a brief business meeting.

During the business part of the meeting several AUC members discussed challenges in meeting state requirements to implement electronic prior authorization for prescription drugs by January 1, 2015, and concerns about meeting the implementation deadline. Ann Hale of HealthPartners volunteered to meet with interested parties in a separate venue to discuss the issue and any possible options to address it in more detail.

Mary Myslajek of Hennepin County Medical Center also reported that the Minnesota State Uniform Billing Committee (SUBC) will meet 2:00-4:00 p.m. on April 23, 2014 at the Minnesota Hospital Association conference room C, Suite 350-South 3rd Floor South, 2550 University Avenue W., St. Paul, MN 55414.

Eligibility & EOB/Remit TAGs

Please note the lead story on page one of this newsletter for an update on recent and upcoming EOB/Remit and Eligibility TAG activity.

Medical Code TAG

The Medical Code TAG met on March 13. At the meeting it discussed several coding issues, including: mental health-related consultations,

Doula services, and services provided in birthing centers. The TAG also briefly discussed an indexing system for easier access to topics that have been discussed by the TAG.

Upcoming TAG meetings

- **March 26**, 2:00 p.m. - 4:00 p.m. -- **Eligibility TAG** (Teleconference & WebEx only)

- **April 2**, 9:00 a.m. – 10:30 a.m. -- **Claims Data Definition TAG** (Teleconference & WebEx only)

- **April 7**, 8:30 a.m. – 10:00 a.m. – **Executive Committee** (Teleconference & WebEx only)

- **April 10**, 9:00 a.m. – 12:00 p.m. – **Medical Code TAG** (HealthPartners, Bloomington)

- **April 21**, 1:00 p.m. – 2:30 p.m. – **EOB/Remit TAG** (Teleconference & WebEx only)

- **April 23**, 2:00 p.m. – 4:00 p.m. – **Eligibility TAG** (Teleconference & WebEx only)

National Industry News

NCVHS Hearings

The National Committee on Vital and Health Statistics, a formal, public advisory body to the Secretary of Health and Human Services met in mid-February this year. At its February 19,

2014 meeting, the NCVHS Subcommittee on Standards took testimony from a range of national organizations regarding a number of topics of ongoing interest to the AUC, including:

- The status of development of Operating Rules for all remaining HIPAA transactions (Claims, Enrollment, Premium Payment, Prior Authorization, Claims Attachments);

- The status of initial implementation of Operating Rules for EFT/ERA, which began January 1, 2014;

- ICD-10 transition and implementation

- Use of ICD-10 in Workers' Compensation, Property/Casualty and other non-covered entities;

- Plans for enumerating and use of Health Plan ID; and,

- Recommendations regarding a Pharmacy Prior Authorization Standard.

Meeting materials, including presentations and handouts from the presenters are available at the NCVHS Subcommittee on Standards meeting agenda page (http://www.ncvhs.hhs.gov/140219ag.htm). A complete transcript of the meeting is available at the NCVHS Subcommittee on Standards transcript page (http://www.ncvhs.hhs.gov/140219tr.htm).