

**Oregon Health Policy Board
Administrative Simplification Initiative
DRAFT Work Plan**

Presented to OHPB on January 12, 2010

I. Reform Initiative Overview

HB 2009 directed the Office for Oregon Health Policy and Research to convene a stakeholder workgroup to develop uniform standards for health insurers "including but not limited to standards for (a) eligibility verification, (b) health care claims processes, [and] (c) payment and remittance advice." The bill authorized the Department of Consumer and Business Services to adopt rules incorporating the standards.

The goal of this provision in HB 2009 is to reduce health insurance administrative cost by streamlining insurer-provider transactions through use of increased electronic exchange of administrative data. This activity is intended to help achieve the aim of reasonable per capita costs for health care coverage. By substantially reducing the cost of insurer-provider transactions (which have been estimated to consume approximately 13% of the health care dollar), aggregate administrative costs will be reduced.

II. Context

Federally, both the House and Senate health care reform bills include requirements for the U.S. Department of Health & Human Services to adopt uniform standards for electronic eligibility verification, claims, payment remittance admittance advice and other administrative transactions between insurers and providers. Within Oregon, the Oregon Business Council's Health Leadership Task Force has convened a workgroup on administrative simplification and is likely to make recommendations for improvement of web-based eligibility verification and claims status inquiries as well as provider credentialing processes.

III. Timeline and Deliverables

- OHPR has:
 - Gathered information on the problem and federal and state initiatives to address it.
 - Developed an *annotated list of simplification options*.
- OHPR will:
 - Survey providers and large insurers to gather baseline data and input on priorities and compile the *survey results* for the Board by March 2010.
 - Assemble a workgroup to recommend priorities for state administrative simplification work in February 2010.
 - Conduct 4-5 meetings from February to June 2010 to consider staff reports and input from experts, private workgroups, stakeholders, and the public concerning prioritized administrative simplification options.
 - Prepare *placeholder legislative concepts* for the Oregon Health Authority, the Oregon Health Policy Board, the Department of Consumer & Business Services, and the Governor if it appears that additional legislative authority may be necessary to achieve the initiative's objectives by March 2010.
 - Prepare *recommendations for the Department of Consumer & Business Services* on initial recommendations in June 2010.

IV. Dependencies

- OHPR will monitor to ensure that state administrative simplification work does not duplicate or conflict with other administrative simplification activities:
 - U.S. Department of Health & Human Services [uniform companion guides or operating rules required by both House and Senate health care reform bills]
 - Health Information Technology Oversight Council [health information exchange strategic plan]
- OHPR will seek information from:
 - Health Information Technology Oversight Council [timing and architecture of health information exchange for the state]
 - Private entities working on administrative simplification, including the Oregon Business Council's Health Leadership Task Force and the Council for Affordable Quality Care's Committee on Operating Rules for Information Exchange [recommendations, best practices, uniform operating rules]
 - Other states, including Minnesota, Massachusetts, Utah, and Washington [best practices, uniform operating rules and companion guides]
 - Workgroup including providers, insurers, purchasers, consumers, and representatives from the Health Information Technology Oversight Commission [recommended priorities and standards]
- OHPR will provide information to:
 - Health Information Technology Oversight Commission [recommended uniform standards and timelines]
- OHPR will make recommendations to:
 - Oregon Health Authority [recommended statutory changes]
 - Department of Consumer & Business Services [recommended uniform standards]

V. Stakeholder Input Process

OHPR will survey providers and insurers before convening the workgroup. OHPR will plan to post the simplification options to be considered by the workgroup on the web, open workgroup meetings to the public, and share public comment with the workgroup.

VI. Opportunities for Board Input

OHPR will provide the summary of its provider and insurer surveys (March 2010) and a report of recommendations (June 2010).

VII. Staff Resources: Jeanene Smith and Lynn-Marie Crider, Office for Oregon Health Policy and Research