



Oregon and Southwest Washington Healthcare, Privacy and Security Forum

August 7, 2010

Eric Parsons, Chair
Oregon Health Policy Board
500 Summer St NE
Salem, OR 97301

RE: Administrative Simplification Recommendations Questions
Formal Written Testimony

Dear Chair Parsons and Member of the Board:

The primary purpose of my testimony is to question why the State of Oregon is recommending modification of the Minnesota health care administrative transactions (X12N 5010 transactions) companion documents. Companion documents have been developed by the Oregon healthcare industry (including the, at the time, Department of Human Services) for the Oregon healthcare industry and have been available since 2002-2003 for free to anyone interested in accessing and downloading the companion documents.

I question the following time line for mandated companion document adoption. By federal rule, the healthcare industry must be prepared to exchange HIPAA covered healthcare administrative transactions by no later than January 1, 2012. The proposal put forth by the state indicates the final mandated companion documents for the claims transaction, as an example, will not be available for broad industry review until likely late 2011 with mandated adoption just three months prior to the mandated conversion date to the new transaction versions. Please see the following table that was extracted from the State of Oregon's health information technology final draft strategic plan. This is late in the process to convert to the new version of the transactions and will likely be costly and disruptive for health plans and providers alike given the conversion process is lengthy and requires multiple iterations of testing between payers, providers and healthcare clearinghouses.

I fully support the adoption of common mandated companion documents. I question the ultimate source of the companion documents to be modified to fit Oregon's needs and the time line given the federally mandated deadline to convert to the new version of the HIPAA healthcare administrative transactions. As an aside, the 5010 conversion does not address all mandated HIPAA transactions. It omits Web based transactions and it omits pharmacy mandated transactions.

10730 Southwest 62nd Place | Portland, Oregon 97219
503-977-9432 | 503-245-2626 Fax | www.ApgarAndAssoc.com

Table 11. Proposed Oregon timeline for standardizing HIPAA electronic transactions and going all-electronic

	ELIGIBILITY INQUIRY AND RESPONSE (270/271)	CLAIMS (837)	REMITTANCE ADVICE (835)	ELECTRONIC FUNDS TRANSFER
Period for industry review of Minnesota companion guides ends	1/1/2011 (end of Q4 2010)	7/1/2011 (end of Q2 2011)	1/1/2012 (end of Q4, 2011)	Not applicable
DCBS rule-making to adopt uniform companion guide completed	4/1/2011 (end of Q1 2011)	10/1/2011 (end of Q3 2011)	7/1/2012 (end of Q2 2012)	Not applicable
Date that uniform guide standards must be followed for electronic transaction	1/1/2012 (end of Q4 2011)	10/1/2012 (end of Q3 2012)	7/1/2013 (end of Q2 2013)	Not applicable
Date when all transactions must be processed electronically	7/1/2012 (end of Q2 2012)	1/1/2013 (end of Q4 2012)	10/1/2013 (end of Q3 2013)	1/1/2014 (end of Q4 2013)

Also, I understand use of the Minnesota companion documents as a basis for an Oregon mandated standard set of companion documents is not a “done deal” until this Board votes to adopt the recommendations presented by the state. Unfortunately, a fair amount of communication has been sent out, primarily via email, and the impression of many is this is a done deal even though this Board has not taken action. I did request OHPR announce in writing that the Board needed to take action prior to officially moving along the path recommended by the state. As of the date of this written testimony, the only written communication that has been sent out to participants in the companion document conversion effort that has already kicked off this is not a done deal until the Board takes formal action is from me as the chair of the Forum.

A bit of history... The X12 4010A1 Oregon companion documents (drafted in 2002/2003) can be found at <http://www.oregonhipaaforum.org/Page.asp?NavID=70>. The Oregon and SW Washington Healthcare, Privacy and Security Forum’s home page is <http://www.oregonhipaaforum.org>. The state was informed about these companion documents shortly after the close of the 2009 session. Specifically Lynn-Marie Crider, Office for Health Policy and Research (OHPR) Administrative Simplification Project manager requested a meeting with me very shortly after she was hired to manage the Administrative Simplification Project. I informed Ms. Crider of the Forum and the existing free companion documents at that time. Tina Edlund, OHA Deputy Director; Jeanene Smith, OHPR Administrator; and Sean Kolmer, OHPR Deputy Administrator were also informed (as were some of the Administrative Simplification Project workgroup members) at a later date.

As of today, I have been left with the impression that the state has no intention of considering any other option than the Minnesota option. What the Oregon industry created for Oregon appears to be something that has never been considered even though it is an option that is worth considering and the state was aware of the Oregon developed free companion documents. These guides were developed by DHS, ODS, Regence, Providence, Legacy, Payer Connection, Peace Health, Family Care, LIPA, OHSU, PerSe, NDC, PacificSource, etc. If you are interested in more history related to the guides, I would suggest contacting the co-chair of the newly launched effort to convert the Minnesota companion documents to meet the needs of the Oregon healthcare industry, Pat Van Dyke from ODS. Ms. Van Dyke was instrumental in moving the 2002 project along.

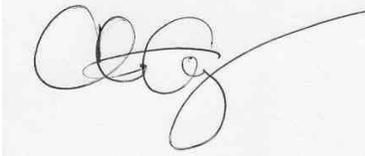
Besides chairing the Forum, I also chair the Forum’s Transaction and Code Sets (TCS)/National Identifier workgroup. The Forum purchased a complete set of 5010 implementation guides and access to those guides is free to Forum members through a secure web site. There is no cost to join the Forum. We

were in the process of updating the 4010A1 companion documents until it became rather clear the state was intent on moving forward with the Minnesota guides. The Forum update of the Oregon companion documents is on hold at this time.

I have informed all members of the Forum of what is occurring at the state level and passed along contact information so those who have been involved with the Forum's efforts can make sure they are at the table as the state moves forward with development of mandated companion documents. I do find the whole thing frustrating and interesting at the same time. Interesting given one of the strongest contributors to the Forum's workgroups, including TCS, has been DHS (now OHA). In fact one of the documents posted with the companion documents is DHS' instructions to providers converting to HIPAA transactions.

I would hope that this Board takes into account what has already been adopted by Oregon for Oregon and the adverse impact to Oregon's payers and providers if mandated companion documents are not available and mandates do not occur until just prior to the federally mandated conversion date to the new version of the HIPAA healthcare administrative transactions. If you have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'CA', with a long horizontal line extending to the right.

Chris Apgar, CISSP
Chair

Cc: Senator Alan Bates
Oregon Senate

Representative Mitch Greenlich
Oregon House of Representatives

Tina Edlund, Deputy Director
Oregon Health Authority

Pat Van Dyke, Director, Privacy, Security and EDI
ODS Companies