AUC OPERATIONS COMMITTEE AGENDA

2:00 p.m. – 4:00 p.m., Tuesday, June 14, 2016

TIES Event Center, Hamline Room

1644 Larpenteur Avenue West, Falcon Heights, MN 55108

Note: The TIES Event Center is on the western end of the TIES complex on the corner of Larpenteur and Snelling avenues, close to the state fair grounds and the St. Paul campus of the University of Minnesota. Free parking is available in the lot immediately adjacent to the event center, on the south side of Larpenteur, about ½ block west of the Snelling/Larpenteur intersection.

Teleconference line: 1-712-832-8300 Participant passcode: 337213

Note: Please place your phone on mute you do not wish to be heard. (Press the mute button on your phone or press *6 to mute/unmute your line.) Please do not place your phone on hold.

WebEx instructions:

1. To start the WebEx session, go to: https://health-state-mn-ustraining.webex.com

2. Under "Attend a Session," click "Live Sessions"

3. Click on the session for "AUC Operations"

4. Provide your name, email address, and the following password: Ops2010! (Note: The exclamation mark at the end is part of the password.)

5. Click "Join now"

Key Meeting Objectives:

- Education and discussion – EOB/Remit TAG Draft Best Practice – Using the 835 transaction for overpayment recovery
- Review, discussion – Claims companion guides
- TAG/SBAR updates

Please see agenda on the next page

AUC OPERATIONS COMMITTEE AGENDA

2:00 p.m. – 4:00 p.m., Tuesday, June 14, 2016

TIES Event Center, Hamline Room

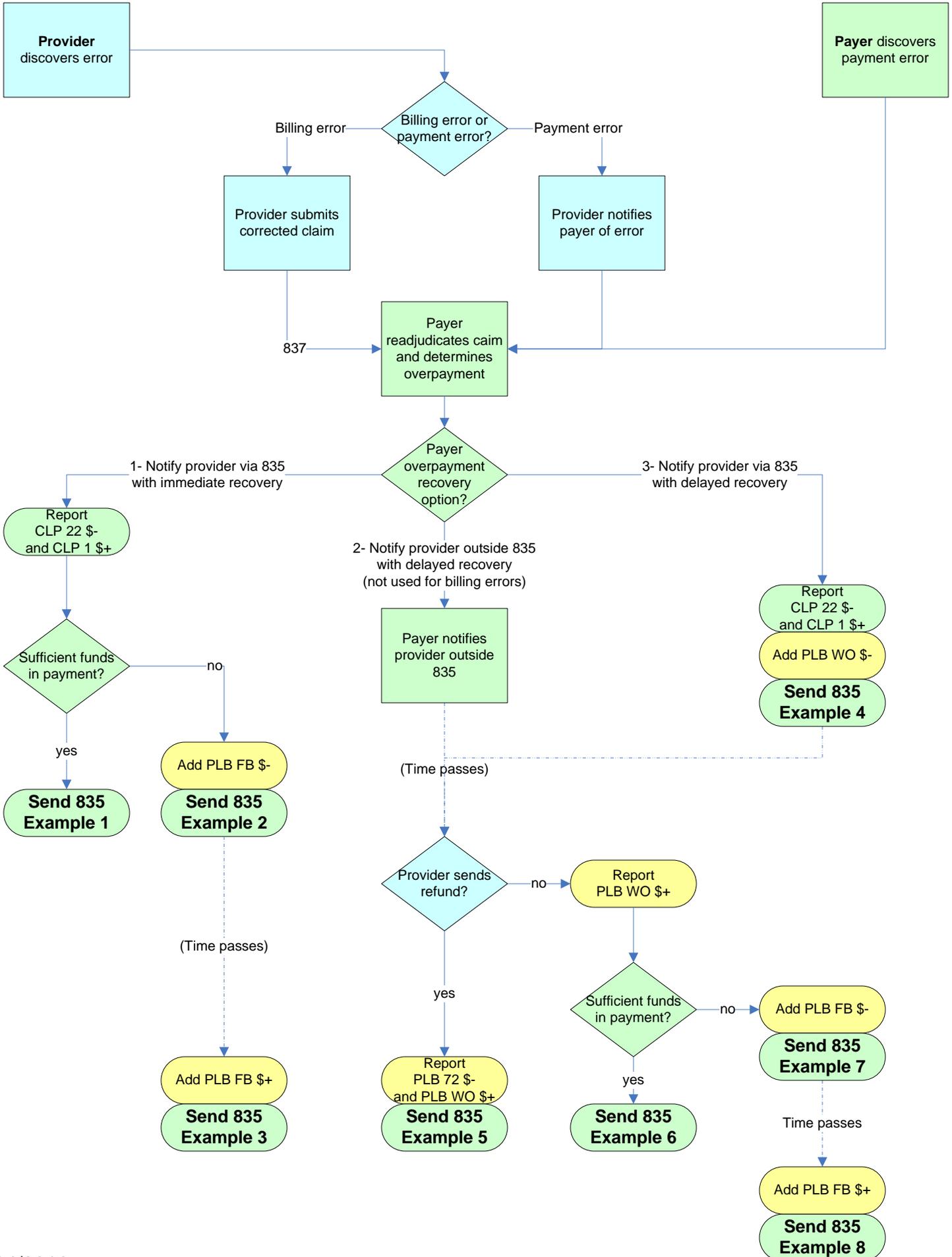**1644 Larpenteur Avenue West, Falcon Heights, MN 55108**

Agenda

1. Meeting to order – Ann Hale, co-chair

2. Anti-trust statement: http://www.health.state.mn.us/auc/pdfs/antitrust.pdf

3. Introductions - Please e-mail your attendance to health.auc@state.mn.us

4. Approve minutes of previous meeting (minutes will be emailed under separate cover)

5. Education and discussion

    a. Draft Best Practice: Use of the 835 Transaction for Overpayment Recovery – Pete Anderson, co-chair, EOB/Remit TAG

6. Review, discussion
    a. Claims companion guides

7. Technical Advisory Group (TAG) and SBAR (questions/change requests) updates

8. Other Business

Next Meeting: 2:00 p.m. – 4:00 p.m., September 13, 2016 (In-person & Teleconference/WebEx)

TIES Event Center, 1644 Larpenteur Avenue West, Falcon Heights, MN 55108

835 Overpayment Recovery

Provider discovers error

Payer discovers payment error

Billing error or payment error?

Billing error → Provider submits corrected claim

Payment error → Provider notifies payer of error

837 → Payer readjudicates caim and determines overpayment

Payer overpayment recovery option?

1- Notify provider via 835 with immediate recovery

Report CLP 22 $- and CLP 1 $+

Sufficient funds in payment?

no → Add PLB FB $-

Send 835 Example 2

(Time passes)

Add PLB FB $+

Send 835 Example 3

yes → **Send 835 Example 1**

2- Notify provider outside 835 with delayed recovery (not used for billing errors)

Payer notifies provider outside 835

(Time passes)

Provider sends refund?

yes → Report PLB 72 $- and PLB WO $+

Send 835 Example 5

no → Report PLB WO $+

Sufficient funds in payment?

yes → **Send 835 Example 6**

no → Add PLB FB $-

Send 835 Example 7

Time passes

Add PLB FB $+

Send 835 Example 8

3- Notify provider via 835 with delayed recovery

Report CLP 22 $- and CLP 1 $+

Add PLB WO $-

Send 835 Example 4

X12 Content	Notes

ST*835   **Example 1**
BPR*I*60
TRN*x*chk#1

| | Payer |
| | Payee |
CLP*pan1*22*100-*50-*0*15*pcn1   Reversal
CLP*pan1*1*100*35*0*15*pcn1   Correction
CLP*pan2*1*200*75*0*15*pcn2   unrelated claim
SE*

ST*835   **Example 2**
BPR*H*0
TRN*x*chk#2

| | Payer |
| | Payee |
CLP*pan1*22*100-*50-*0*15*pcn1   Reversal
CLP*pan1*1*100*35*0*15*pcn1   Correction
CLP*pan3*1*50*10*0*15*pcn3   unrelated claim
PLB*npi*20161231*FB*chk#2*5-   Need a forward balance
SE*

ST*835   **Example 3**
BPR*I*70
TRN*x*chk#3

| | Payer |
| | Payee |
CLP*pan4*1*200*75*0*15*pcn4   unrelated claim
PLB*npi*20161231*FB*chk#2*5   forward balance from chk#1
SE*

ST*835   **Example 4**
BPR*I*75
TRN*x*chk#4

| | Payer |
| | Payee |
CLP*pan1*22*100-*50-*0*15*pcn1   Reversal
CLP*pan1*1*100*35*0*15*pcn1   Correction
CLP*pan5*1*200*75*0*15*pcn5   unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15-   delay the recoupment
SE

```
ST*835                                                             Example 5
BPR*I*75
TRN*x*chk#5
                                           Payer
                                           Payee
CLP*pan6*1*200*75*0*15*pcn6                unrelated claim
PLB*npi*20161231*72*provchk#*15-*WO*pan1 DOS*15   provider sends refund of $15
SE*
```

```
ST*835                                                             Example 6
BPR*I*60
TRN*x*chk#6
                                           Payer
                                           Payee
CLP*pan7*1*200*75*0*15*pcn7                unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15            take the delayed recoupment
SE*
```

```
ST*835                                                             Example 7
BPR*H*0
TRN*x*chk#7
                                           Payer
                                           Payee
CLP*pan8*1*50*10*0*15*pcn8                 unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15*FB*chk#7*5-   take the delayed recoupment; need a forward balance
SE
```

```
ST*835                                                             Example 8
BPR*I*70
TRN*x*chk#8
                                           Payer
                                           Payee
CLP*pan9*1*200*75*0*15*pcn9                unrelated claim
PLB*npi*20161231*FB*chk#7*5                forward balance from chk#7
SE*
```

X12 Content	Notes

ST*835   **Example 1**

X12 Content	Notes
ST*835	**Example 1**
BPR*I*60	
TRN*x*chk#1	
	Payer
	Payee
CLP*pan1*22*100-*50-*0*15*pcn1	Reversal
CLP*pan1*1*100*35*0*15*pcn1	Correction
CLP*pan2*1*200*75*0*15*pcn2	unrelated claim
SE*	

X12 Content	Notes
ST*835	**Example 2**
BPR*H*0	
TRN*x*chk#2	
	Payer
	Payee
CLP*pan1*22*100-*50-*0*15*pcn1	Reversal
CLP*pan1*1*100*35*0*15*pcn1	Correction
CLP*pan3*1*50*10*0*15*pcn3	unrelated claim
PLB*npi*20161231*FB*chk#2*5-	Need a forward balance
SE*	

X12 Content	Notes
ST*835	**Example 3**
BPR*I*70	
TRN*x*chk#3	
	Payer
	Payee
CLP*pan4*1*200*75*0*15*pcn4	unrelated claim
PLB*npi*20161231*FB*chk#2*5	forward balance from chk#1
SE*	

X12 Content	Notes
ST*835	**Example 4**
BPR*I*75	
TRN*x*chk#4	
	Payer
	Payee
CLP*pan1*22*100-*50-*0*15*pcn1	Reversal
CLP*pan1*1*100*35*0*15*pcn1	Correction
CLP*pan5*1*200*75*0*15*pcn5	unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15-	delay the recoupment
SE	

```
ST*835                                                              Example 5
BPR*I*75
TRN*x*chk#5
                                            Payer
                                            Payee
CLP*pan6*1*200*75*0*15*pcn6                 unrelated claim
PLB*npi*20161231*72*provchk#*15-*WO*pan1 DOS*15   provider sends refund of $15
SE*
```
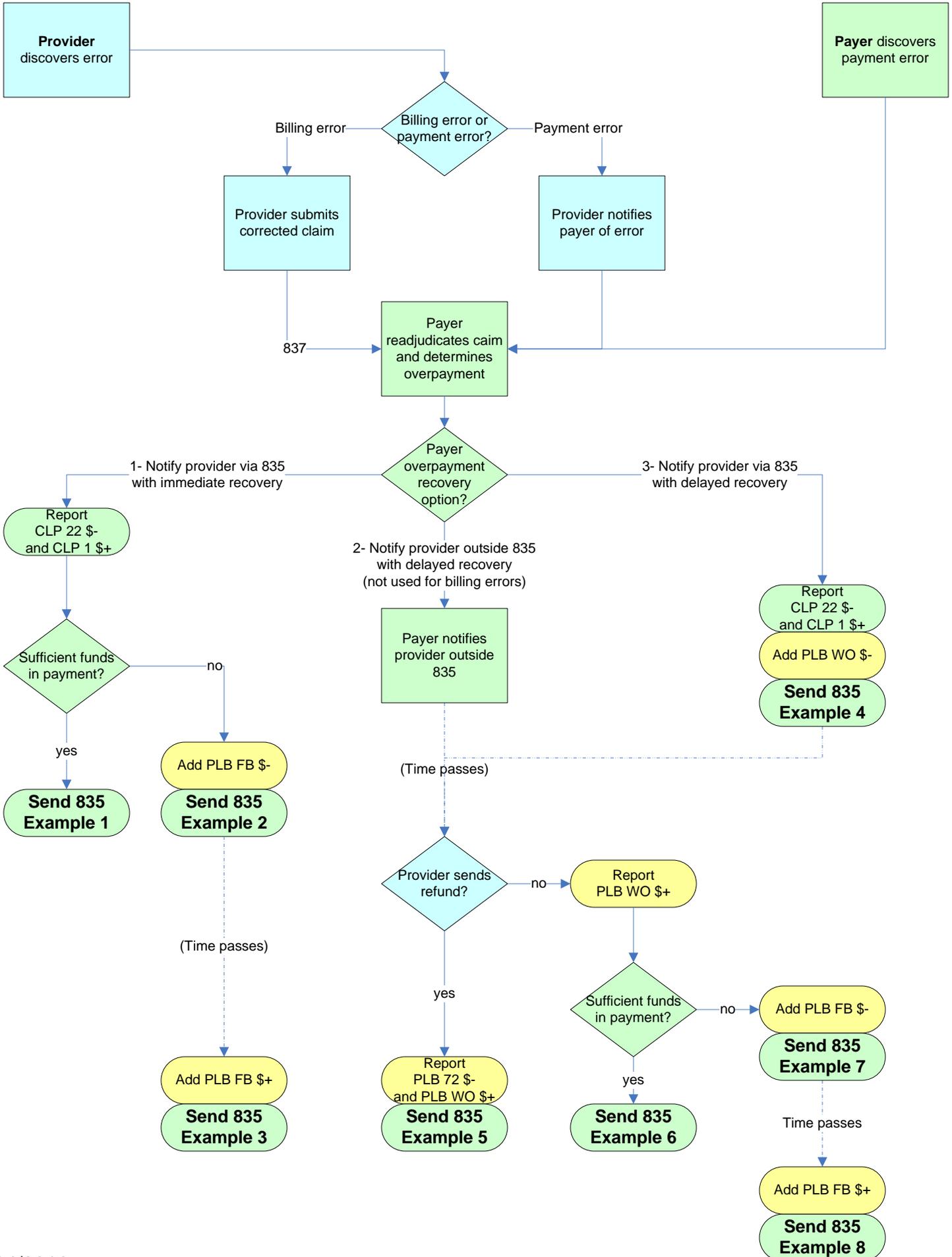
```
ST*835                                                              Example 6
BPR*I*60
TRN*x*chk#6
                                            Payer
                                            Payee
CLP*pan7*1*200*75*0*15*pcn7                 unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15             take the delayed recoupment
SE*
```

```
ST*835                                                              Example 7
BPR*H*0
TRN*x*chk#7
                                            Payer
                                            Payee
CLP*pan8*1*50*10*0*15*pcn8                  unrelated claim
PLB*npi*20161231*WO*pan1 DOS*15*FB*chk#7*5-  take the delayed recoupment; need a forward balance
SE
```

```
ST*835                                                              Example 8
BPR*I*70
TRN*x*chk#8
                                            Payer
                                            Payee
CLP*pan9*1*200*75*0*15*pcn9                 unrelated claim
PLB*npi*20161231*FB*chk#7*5                 forward balance from chk#7
SE*
```

835 Overpayment Recovery

Provider discovers error

Payer discovers payment error

Billing error or payment error?

Billing error → Provider submits corrected claim

Payment error → Provider notifies payer of error

837 → Payer readjudicates caim and determines overpayment

Payer overpayment recovery option?

1- Notify provider via 835 with immediate recovery

Report CLP 22 $- and CLP 1 $+

Sufficient funds in payment?

no

yes

Add PLB FB $-

Send 835 Example 1

Send 835 Example 2

(Time passes)

Add PLB FB $+

Send 835 Example 3

2- Notify provider outside 835 with delayed recovery (not used for billing errors)

Payer notifies provider outside 835

(Time passes)

Provider sends refund?

no → Report PLB WO $+

yes

Report PLB 72 $- and PLB WO $+

Send 835 Example 5

Sufficient funds in payment?

no → Add PLB FB $-

yes

Send 835 Example 6

Send 835 Example 7

Time passes

Add PLB FB $+

Send 835 Example 8

3- Notify provider via 835 with delayed recovery

Report CLP 22 $- and CLP 1 $+

Add PLB WO $-

Send 835 Example 4

Claims guides (837P, 837I) Updates

Current status: Revised 837P, 837I guides (v12.0) were approved via Ops email vote, pending adoption into rule

Additional changes/clarifications following vote:

- *Cover page*:
  - o Include dates

- *Section 3.2.5 – Claim Attachments and Notes:*
  - o Update the effective date of requirement to send electronic attachments (275 transaction for Workers Compensation claims) to January 1, 2017.

- *Section A.3.4.2. - Units (basis for measurement)* and *Table A.5.1 Minnesota Coding Specifications: When to use codes different from Medicare*
  - o V12.0 included corrections and clarifications regarding reporting of units for timed therapy codes – essentially "Follow HCPCS/CPT rounding rules"
    - ■ No change to guides needed, but the clarification/corrections above do not apply to billing to Medicare

Draft NCVHS letter re. Phase IV Operating Rules

Prepared for AUC Operations Committee meeting

6/14/16

National Committee on Vital and Health Statistics (NCVHS)

- The Committee shall assist and advise the Secretary on health data, statistics, privacy, national health information policy, and the Department's strategy to best address those issues.

- The Committee also shall assist and advise the Department in the implementation of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act, and shall inform decision making about data policy by HHS, states, local governments and the private sector.

Background -- Operating rules

- ACA requires development of Operating Rules
- CAQH-CORE – designated author of operating rules
- Previous operating rules adopted under HIPAA (following previous "phases" of rule development)
    1) Eligibility;
    2) Claim Status;
    3) Electronic Remittance Advice; and
    4) Electronic Fund Transfer.

Proposed new operating rules ("phase IV")

1) Health Plan Enrollment and Disenrollment;

2) Health Plan Premium Payment;

3) Prior Authorization; and

4) Health Care Claim or Equivalent Encounter Information.

NCVHS draft letter re. "Phase IV" Operating Rules

http://www.ncvhs.hhs.gov/wp-content/uploads/2016/04/Action-Item-Phase-IV-ORs_060316_NCVHSfullcomm.pdf

- Letter follows public hearing and testimony February 16, 2016

- NCVHS recommends that the Secretary consider the following actions:

  - **Support the voluntary adoption and use of the Phase IV operating rules by the industry.**

  - **Do not adopt the Phase IV operating rules via federal regulations at this time.**

- NCVHS does not believe that the proposed operating rules provide sufficient benefits and value to the health care industry to be adopted and mandated for implementation by all HIPAA covered entities.

NCVHS – 3 main issues with phase IV rules

1. Two of the proposed operating rules -- <u>acknowledgments, as well as the X.509 digital certificate for submitter authentication*</u> -- call for the adoption and use of electronic <u>transaction standards not yet named</u> or defined by the Secretary in federal regulations

2. The <u>remaining Phase IV operating rules</u> (those not related to acknowledgments and digital certificates) <u>offer limited administrative simplification and efficiency benefits</u> to the industry to warrant the cost and resources necessary for its adoption and implementation.

3. Third, <u>three of the four transactions</u> for which the proposed Phase IV Operating Rules apply have been <u>implemented in a very limited basis</u> across the industry.

* - proposed as the only allowed authentication for all 4 transactions in the phase IV rules