

AUC Update

September 2, 2014

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](#).

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On again, off again ICD-10 is back for October 1, 2015

A long and winding road to ICD-10

Until April this year, a federal regulation had required the health care industry to transition from the current ICD-9 diagnoses and procedure coding system now in use to a newer version, ICD-10, on October 1, 2014. However, on April 1 the federal Protecting Access to Medicare Act of 2014 (PAMA) (Pub. L. 113-93) was enacted with provisions to delay the changeover to ICD-10 by at least one year to an undetermined future date. On August 4, 2014 the federal Centers for Medicare and Medicaid Services (CMS) published a [final rule](#) announcing

that the new conversion date to ICD-10 is October 1, 2015.



ICD-10 ICD-10

Applicability of the rule

The rule applies to both ICD-10 diagnoses and procedure codes, and specified that the current ICD-9 codes must continue to be used through September 30, 2015.

All entities subject to federal Health Insurance Portability and Accountability Act (HIPAA) must comply with the rule. In addition, all health care group purchasers (payers) not subject to HIPAA but who are subject to [Minnesota's requirements for the standard, electronic exchange of health care administrative transactions](#) must also comply with the move to ICD-10.

Rationale for minimizing further delays

In its August 4 rule, CMS noted that the industry had made significant progress toward ICD-10 and that a delay of longer than one year would slow or even stop this progress. CMS adopted the shortest delay permitted by law "to preserve this momentum and encourage continued compliance efforts."

The rule also states that it is "important to require implementation of ICD-10 as soon as the law permits because it will allow the industry to begin reaping the benefits of ICD-10 as soon as possible." In particular, the rule notes that ICD-10 provides:

- “greater specificity of diagnosis-related groups;
- improves quality measurement and reporting capabilities;
- improves tracking of illnesses; and
- reflects greater accuracy of reimbursement for medical services.”

Perhaps even more significantly, the rule also noted that “ICD–10’s granularity will improve data capture and analytics of public health surveillance and reporting, national quality reporting, research and data analysis, and provide detailed data to inform health care delivery and health policy decisions.”

ICD-10 resources

CMS has published a number of resources to assist the transition to ICD-10 on its [ICD-10 page](#), including a special set of tools and information for small practice physicians, called the [Road to ICD-10](#).

The AUC also supports the efforts of the Minnesota ICD-10 Collaborative and has posted additional information and resources on the [AUC ICD-10 webpage](#).

Please watch this newsletter and the [AUC website](#) for additional ICD-10 news and resources.

Save the date: AUC Operations (“Ops”) Meeting September 16



The AUC Operations Committee next regular quarterly meeting is scheduled for 2:00 p.m. – 4:00 p.m. Tuesday, September 16, 2014 at the Hamline Room of the [TIES Event Center](#) 1640 Larpenteur Avenue West, St. Paul. (Note: The meeting was previously announced for September 9 but was

postponed to September 16 to avoid a potential scheduling conflict.)

The “Ops” meeting is being planned in two parts. Because the AUC is a working organization engaged in a number of ongoing and less frequent activities and projects, the first part of the meeting will be to conduct the regular business of the AUC, including updates on planned or recently conducted email votes, and other updates and reviews.

The second part of the meeting takes into account that for some time the AUC has been undergoing a period of transition, both in terms of new faces coming and going, as well as in responding to a rapidly changing health care environment. The second part of the meeting is intended for:

- Getting better acquainted with one another and for discussion, brainstorming, and planning; and
- Discussing the work of the AUC and how to best organize and support that work through the TAGs and related activities, including discussions of tips, lessons learned, and feedback to the AUC Executive Committee.

Look for the meeting agenda and additional information in the near future.

Recent AUC website postings

The [AUC website](#) has been updated with links to two new postings:

- “*Health Insurance Exchange (HIX) Grace Period Notification Best Practices*” provides instructions to meet requirements for Health Insurance Exchange Grace Period Notifications per 45 CFR 156.270(d)(2). The best practices apply to the 5010 versions of the Acknowledgment (277CA), Eligibility Response (270), and Payment/Advice (835) standard transactions.
- “*Minnesota Companion Guide Version 1.1 for the Implementation of NCPDP Electronic Prior Authorization (ePA) Transactions [NCPDP SCRIPT Standard version 2013101]*” is an updated version, to align the Guide with the

applicable national transaction standard, the NCPDP SCRIPT Standard version 2013101.

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(s).

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>).

Executive Committee

The Executive Committee met August 4. The meeting highlights included:

- Review of AUC policies. MDH staff reviewed AUC policies with the Exec Committee and suggested revisions to ensure they remained accurate and up to date. The Committee agreed to submit the proposed policy updates and clarifications to Operations for an email vote.
- Planning for the September 16 Operations meeting. The Exec Committee and MDH staff agreed to the two part meeting format as described in the article above and started preliminary planning for the meeting.
- Planning outreach regarding ICD-10 challenges and needs. The Exec Committee and MDH staff also agreed to contact AUC members to learn more about their ICD-10 related challenges and needs at this time in order to better meet them.
- Discussion of inquiries or discussion items that have been submitted to the AUC and the TAGs via a standard AUC form known as the "SBAR"

and their status. It was agreed that SBARs that have been recently addressed by the TAGs will be forwarded to the Operations Committee for review and votes. An important part of this step will be to summarize and communicate the SBARs so they are clear to readers with a variety of subject matter expertise and differing levels of awareness/knowledge of the issues being addressed.

Medical Code TAG

The Medical Code TAG met August 14 and 26 for additional review of the coding appendix for the Minnesota Uniform Companion Guides (MUCGs) for professional and institutional claims (837P, 837I) as part of "annual companion guide maintenance." The TAG will be voting on proposed guide maintenance updates via email in the near future. If approved, they will then be sent to the AUC Operations Committee for its review and vote.

The TAG also reviewed a new index of previously addressed coding questions and continued its review of and recommendations regarding several coding questions (SBARs) that had been recently submitted. As also noted above, several SBARs are being readied to forward to Operations for its review and votes.

Claims Data Definition (DD) TAG

The Claims DD TAG met August 6 to discuss the sections of the 837P and 837I MUCGs that were not reviewed as part of annual companion guide maintenance by the Medical Code TAG as described above. A TAG vote on the proposed guide changes at this time is pending additional information and discussion of possible updates to other appendices in the guides regarding reporting in the SV segment and use of the K3 segment to report "Jurisdiction state."

EOB/Remit TAG

The TAG met August 18 and completed its annual maintenance review of the MUCG for the Health Care Claim Payment/Advice (835) transaction. The TAG received a copy of the MUCG with proposed updates on August 19 for its approval via an email vote by September 3. If the TAG approves the

proposed changes, the revised guide will be submitted to AUC Operations in the near future for its consideration and a vote.

Health Plan ID (HPID) TAG

The HPID TAG met on August 14. They were reminded by the chair, Dave Anderson, of two important upcoming deadlines:

- November 5, 2014 – Controlling Health Plans (CHP) must obtain an HPID; and
- November 5, 2016 – All covered entities are required to use HPIDs by Nov. 5, 2016.

The majority of the meeting was spent reviewing and discussing key information related to preparations and implementation to meet the above deadlines, including:

- Presentations and discussions at a national conference of the Workgroup on Electronic Data Interchange (WEDI) held in Minneapolis in July and part of which was devoted to HPID;
- A draft WEDI issue brief on the distinctions and uses of the terms “payer” and “health plan.” The issue brief was created to help inform the discussion regarding HPID, which has become confused by multiple, sometimes overlapping, uses of the terms. In particular, while the HPID regulation applies to health plans as defined by HIPAA, the industry has generally used the related, but not always identical term of “payer,” which has created confusion in understanding how health plans should enumerate and how HPID should be used in standard transactions; and
- Becoming aware of opportunities to participate in additional WEDI HPID information gathering and analysis. WEDI is preparing a longer, more detailed white paper on HPID implementation issues, and is undertaking a survey of providers and payers regarding their experience and perspectives on HPID.

Upcoming TAG meetings, September 2014

(For additional information, see the [AUC Calendar](#))

September 2	Executive Committee Meeting
September 11	Medical Code TAG Meeting
September 15	EOB Remit TAG Meeting
September 16	Operations Committee Meeting
September 24	Eligibility TAG Meeting

National Industry News



WEDI news ...

HPID survey – respond by September 5, 2014

The Workgroup on Electronic Data Interchange (WEDI) recently announced the start of a survey to gather industry information relative to the potential use of the unique Health Plan Identifier (HPID) within electronic transactions adopted under the Health Insurance Portability and Accountability Act (HIPAA).

Providers, health plans, self-insured plans, vendors and clearinghouses are invited to participate in the survey. The final submission deadline is 5 p.m. Central Time, Friday, September 5, 2014.

This survey is limited to questions on transaction use and does not address aspects of HPID such as enumeration, communication, or dissemination of HPIDs. For access to the survey, go to the [survey site](#).

New WEDI sub workgroups to follow up on 2013 report

As described below, WEDI has recently created four sub workgroups to follow up on key “megatrend” topics and issues explored as part of its [2013 WEDI Report](#).

The 2013 report was undertaken to:

- “Attain more efficient and effective healthcare system exchange of administrative and financial information using electronic transaction standards;
- Realize increased protection of such information and patients’ health records;
- Reduce costs of healthcare transactions.”

The report identified the four “megatrends” and related objectives below.




- *Patient Engagement* -- enabling consumer (patient) engagement through improved access to pertinent healthcare information;
- *Payment Models* -- identifying requisite business, information, and data exchange requirements that will help enable payment models as they emerge.

- *Data Harmonization and Exchange* -- identifying ways to better align administrative and clinical information capture, linkage, and exchange.
- *Innovative Encounter Models* -- identifying business cases for innovative encounter models that use existing and emergent technologies.

In follow-up to the report, WEDI has announced the formation of four sub workgroups to address each of the megatrends areas above. Each of the workgroups is open to WEDI members. For more information regarding the charge of the workgroups and participation, please see [2013 WEDI Report Workgroups page](#).

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