



AUC UPDATE

March 27, 2015

Volume 3, Number 3

INSIDE THIS ISSUE:

Reminder: January 1, 2016 Deadline Rapidly Approaching for Prescription Drug Electronic Prior Authorization .. p1.

Legislative proposal latest step in follow-up to improve workers' compensation e-transactions .. p1.

Payer ICD-10 Information for Providers .. p2

ICD-10 Update Profile – Park Nicollet .. p2.

CMS Announces Call for Volunteers for ICD-10 End-to-End Testing in July .. p3.

CAQH Reports \$8 Billion Potential Savings from Additional Use of E-transactions .. p3.

TAG Updates .. p4.

AUC April Meeting Calendar .. p5.

Reminder: January 1, 2016 Deadline Rapidly Approaching for Prescription Drug Electronic Prior Authorization

It has been estimated that nationally over 150 million prescriptions require a prior authorization (PA) each year.¹ In order to reduce the costs and burdens associated with non-standard, manual PAs, state laws were enacted requiring: the AUC to develop a single companion guide for the electronic exchange of prescription drug PAs; and health care providers and payers must exchange prescription drug prior authorization (PA) requests via secure electronic transmissions no later than January 1, 2016.

In 2014, the Minnesota Department of Health (MDH) consulted with the AUC and adopted and incorporated by reference the relevant parts of the National Council for Prescription Drug Plans (NCPDP) SCRIPT Standard version 2013101 as the basis for the state's required [prescription drug electronic PA companion guide](#). **By January 1, 2016, providers and payers must exchange any prescription drug PAs electronically, in conformance**

with the state's companion guide.

For additional background and other information, please see the [MDH Prescription Drug Prior Authorization \(PA\) Companion Guide webpage](#).

- 1) Source: National Adoption Scorecard: Electronic Prior Authorization (ePA). March 2015. [CoverMyMeds](https://epascorecard.covermymeds.com). (<https://epascorecard.covermymeds.com>)

Legislative proposal latest step in follow-up to improve workers' compensation e-transactions

As reported previously in this newsletter, the Minnesota Department of Health (MDH) and Department of Labor and Industry (DLI) co-hosted an industry-wide symposium on November 5, 2014 to identify and address challenges to the use of health care e-transactions associated with workers' compensation medical billing and payment.

As a result of the symposium, several steps have been taken and are planned to address key issues

and concerns raised at the event. In late 2014 MDH and DLI presented the symposium findings to national organizations representing health care clearinghouses and practice management systems, and to the national Workgroup on Electronic Data Interchange (WEDI). MDH and DLI will continue working with these groups to develop best practices and other resources to help improve the implementation of health care e-transactions in workers' compensation.

Most recently, on March 16, 2015, the Minnesota Department of Labor and Industry (DLI) introduced a bill in the Minnesota Legislature, Senate File 1822, to address key challenges discussed at the November 5 symposium.

The bill includes requirements for: payers to report certain information on their websites to facilitate electronic connectivity, correct medical bill routing, and reconciliation of medical bills and corresponding payments; use of electronic claims attachments; and monetary fines and penalties for noncompliance.

Additional information regarding SF 1822 is available at the [State Legislature website](https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1822&ssn=0&y=2015) (<https://www.revisor.mn.gov/bills/bill.php?b=Senate&f=SF1822&ssn=0&y=2015>).

Payer ICD-10 Information for Providers

As spotlighted occasionally in this newsletter, there are many sources of information and tips to help prepare for the required implementation of ICD-10 by the October 1, 2015. One of these sources is available on special [ICD-10 pages of the AUC Website](#), and includes a list of AUC and [Minnesota ICD-10 Collaborative payers with links to ICD-10 information](#) they have posted for providers. Providers are also encouraged to contact payers directly with questions or if they have more specific information needs, such as ICD-10 testing or other issues.

ICD-10 Update Profile – Park Nicollet



Illustration published by AMS on February 19, 2014

In a recent email, AUC Operations Committee members were asked for any updates regarding the status of their organization's transition to ICD-10 for this newsletter, as well as any lessons learned.

We received a reply from Park Nicollet, who reported that its ICD-10 preparation has focused on: clinician, clinical staff, coder, and revenue cycle readiness; testing with major payers; preparation for possible transition issues on October 1, 2015, including prior authorizations, pre-registration, future orders, services ordered pre-October and performed post- October 1; and technical readiness.

In addition, Park Nicollet also reported that:

- Each physician has been provided with specialty specific information on the changes required in his/her documentation and workflow. A team approach with coders and Epic trainers was used to communicate not only coding changes, but the tools in the EMR that will help physicians do their work.
- A clinical GO-live was scheduled for March 23, with physicians and clinical staff working in an ICD-10 environment while still billing in ICD-9;
- Clinical staff have been identified will be impacted with ICD-10 and they have been provided readiness training and tools;
- It is in various stages of testing with payers, but it has not yet received

remittance advices to understand the impact;

- It has built and tested its Epic electronic medical record with the focus of getting the right level of diagnosis specificity in the most efficient manner for its clinicians. It has also identified all systems that use diagnosis information and are updating for ICD-10.

We will continue to publish future AUC member ICD-10 updates, lessons, and suggestions as they become available. To submit an update, please email it to the [AUC inbox](mailto:health.auc@state.mn.us), at health.auc@state.mn.us.

CMS Announces Call for Volunteers for ICD-10 End-to-End Testing in July

The federal Centers for Medicare & Medicaid Services (CMS) recently announced that a third sample group of providers will have the opportunity to participate in ICD-10 end-to-end testing with Medicare Administrative Contractors (MACs) and the Common Electronic Data Interchange (CEDI) contractor during the week of July 20 through 24, 2015.

CMS reported that it intends to select volunteers representing a broad cross-section of provider, claim, and submitter types, including claims clearinghouses that submit claims for large numbers of providers. In all, about 850 volunteer submitters will be selected to participate in the testing.

To volunteer as a testing submitter:

- Volunteer forms are available on your MAC website and are due April 17;
- CMS will review applications and select the group of testing submitters;
- By May 8, 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 testing will be addressed prior to ICD-10 implementation and educational materials will be developed for providers and submitters based on the testing results.

For more information please see the following resources:

[MLN Matters® Article #MM8867](#), “ICD-10 Limited End-to-End Testing with Submitters for 2015”

[MLN Matters Special Edition Article #SE1435](#), “FAQs – ICD-10 End-to-End Testing”

[MLN Matters Special Edition Article #SE1409](#), “Medicare FFS ICD-10 Testing Approach”

CAQH Reports \$8 Billion Potential Savings from Additional Use of E-transactions



Illustration source: freepixels.com

The national Council for Affordable Quality Healthcare (CAQH) announced on March 17 that the US could save a potential \$8 billion annually if six common health care business transactions were exchanged electronically instead of manually. The announcement is based on the second annual CAQH Index report, which monitors rates of electronic health care business transactions as well as estimates of the differences in costs between manual and automated, electronic transactions.

According to the report, national rates of electronic transactions vary widely, with a high of 92% electronic for health care claims, and a low of 7% for prior authorization, with claims payments and remittance advices about equally split at nearly half manual, half electronic.

Savings from increasing the rates of electronic transactions accrue because health plan manual transactions were found to be on average as much as twenty times more expensive than electronic transactions, while manual transactions averaged about three times as expensive for providers.

More information is available at the [CAQH website](http://www.caqh.org/EfficiencyIndex.php), at <http://www.caqh.org/EfficiencyIndex.php>.

TAG Updates

Information about AUC committees and Technical Advisory Groups (TAGs) and their activities, including meeting minutes, can be accessed from the [AUC TAG page](#). 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](#).

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.

EXECUTIVE COMMITTEE

The AUC Executive Committee met on March 2, 2015 to review recent work of the TAGs and to plan the Operations Committee meeting scheduled for March 10 (see article below).

OPERATIONS COMMITTEE

The AUC Operations Committee met in its regular quarterly meeting March 10, 2015. The Committee reviewed and discussed:

- Recent work of the AUC TAGs, including discussions with the Department of

Human Services (DHS) regarding coding on eligibility responses and remittance advices to report an enrollee's proper Prepaid Medical Assistance Program (PMAP) designation;

- Initial findings and recommendations of a separate "Data Analytics subgroup," to identify and standardize key data analytic elements needed as part of health care delivery transformations being undertaken through the State Innovation Model (SIM) grant from the federal Centers for Medicare and Medicaid Services (CMS);
- A draft DLI legislative proposal to address issues and concerns identified at a previous industry-wide symposium regarding challenges and obstacles to implementing health care e-transactions in workers' compensation (see related article, above);
- Planned outreach efforts to promote ICD-10 readiness; and
- Readiness for complying with state requirements for exchanging prescription drug prior authorizations electronically no later than January 1, 2016 (see related article above).

MEDICAL CODE TAG

The Medical Code TAG met on March 12, 2015 and reviewed several coding clarification issues which remained open following the meeting pending additional information.

The TAG also recently voted to approve revisions of claims companion guides (837 Professional, Institutional, and Dental companion guides) undertaken as part of annual maintenance of the guides. However, questions were raised about the clarity and accuracy of two items in the guides. As a result, the TAG agreed to an email vote on suggested changes to one item, and to additional discussion and review of the second.

The subsequent email vote was completed March 20, with the TAG recommending

removal of the item because it was unclear and not needed in the guide. Additional discussion and resolution of the second item is still pending. When the TAG has completed and approved its final revisions they will be sent to the Operations Committee for its review and vote before being submitted to MDH as recommendations to be adopted into rule.

EOB/REMIT TAG

The EOB/Remit TAG met on March 16, 2015 and discussed coding on remittance advices to report an enrollee’s proper Prepaid Medical Assistance Program (PMAP) designation. Further discussion or action of the issue is pending additional discussions between DHS and representatives of hospitals, and posting of any updated codes to be reported. In addition, the TAG received information regarding a DLI legislative proposal (see related article on page 1 above).

ELIGIBILITY TAG


The Eligibility TAG met March 25, 2015. Prior to the meeting, TAG members submitted suggestions of key issues, concerns, and questions regarding the eligibility transaction to be addressed by the TAG. The TAG reviewed and discussed the submissions at the meeting, and began prioritizing them for additional brainstorming of possible best practices and other resources to help address the issues.

AUC April Meeting Calendar

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

Date/Time	Event
April 6, 2015	Executive Committee Meeting
April 8, 2015	Claims Data Definition TAG Meeting
April 9, 2015	Medical Code TAG Meeting
April 20, 2015	EOB Remit TAG Meeting
April 22, 2015	Eligibility TAG Meeting

AUC Newsletter Subscription

Interested in signing up to receive this newsletter and other AUC updates and information? Please sign up using the [Subscribe](#) feature on the right hand side of the [AUC homepage](#)  (http://www.health.state.mn.us/auc/index.html) under the “Most Viewed” navigation frame.

Comments or questions about this newsletter? Please contact us at: health.auc@state.mn.us.