

HBMA ICD-10 Work Group
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Clearinghouse Prospective

Report Prepared By:

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General Findings:

From the prospective of The SSI Group, Inc., the anticipated efforts associated with the 5010 delivery will be somewhere in the neighborhood of twenty to thirty (20 – 30) hours of effort for each direct payer connection supported by SSI's clearinghouse. This includes the programming for any situational criteria mandated by the payers as well as the telecommunication programming to ensure connectivity.

Assuming the costs for this level of programming resources is \$50.00 per hour, the anticipated cost to develop and deploy the 5010 format for the payers will be \$1,000 - \$1,500 per payer. This fee could be significantly higher if enrollment and testing is required.

Being that SSI supports over 1,000 direct connections, we anticipate our cost to be between \$1.5 and \$2 million dollars. These are estimates only and do not reflect absolutes.

Following are a list of Pro's and Con's from SSI's perspective.

Pros:

1. Payers will embrace the 5010 format as it addresses the deficiencies inherent with the current format version.
2. While there are costs associated with this, the fact that we have a couple of years to implement will enable the industry to thoroughly test prior to implementation.
3. All of the healthcare EDI transaction sets are contemplated.
 - a. 270/271 – Eligibility
 - b. 278 – Treatment Authorization
 - c. 276/277 – Claim Status
 - d. 837I, 837P, and 837D – Claims
 - e. 835 – Remittances
4. Reduces and/or removes ambiguity of situational requirements.
5. Improved inter-operability.
6. Supports ICD-10.

Cons:

1. Integration challenges between provider systems, vendors, and payers.
2. Industry readiness, IE, will the Hospital Information, Practice Management, EDI, Payer Adjudication, and RIS/PACS vendors be ready for the change.
3. Timeline for implementation.

4. Testing. While testing can be of significant benefit, for those payers that do not provide a fluid and complete testing mechanism, the cost for this and the cost of poor quality testing processes could be quite profound.
5. Timeline for all transaction sets.
6. The 5010 format version does not address reporting and content deficiencies.
7. Contracting processes is required.
8. Expense
 - a. Payers
 - b. Providers
 - c. Vendors

Cooperative Exchange Feedback:

From Bob with a member company:

The 5010 standard was adopted in October 2003. By the time it is implemented it will be seven years old. While v5010 implementation guides removed some of the more ambiguous language from v4010A1, I don't see a significant improvement in the basic transaction over v4010A1. Regardless of the cost of change, there is a cost of change and I don't see any corresponding benefit.

The primary impetus to moving to v5010 appears to be an accommodation of ICD-10 codes. Subsequent versions of the standard also accommodate ICD-10 codes and significantly improve the transactions. At a minimum, I think we should consider moving to v5050 which was approved in October 2007. It represents twelve more improvement cycles and promises some benefits.

Even more important than the version, however, is the need for testing. X-12 standards are published as Draft Standards for Trial Use. I hope we don't repeat the mistakes we made with v4010 and adopt another untested standard.

From another member company:

I agree with Bob. The 5010 standard and the 5050 standard are both equally untested, but the 5050 has had the advantage of the experience gained with the implementation of 4010A1. The 5010 version did not have that benefit, as it was being prepared before the 4010A1 implementation was complete.

We need to raise this issue and the awareness that we should be moving to 5050 instead of 5010, and that in either case, these standards must be tested before they are adopted.

If the issue is the ICD-10 qualifier, nothing prevents the Secretary of HHS to say "thou shalt use the ICD-10 qualifier in the version 4010A1 until the next version is adopted."

Gateway EDI has stated that they would be willing to participate on the committee. They are members of HBMA.