

DSMOs Shed Light on Future Coding Systems, Data Sets

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The future of coding systems in healthcare transactions is brighter than many might think. Because of the rapid changes in healthcare services, technology, and the industry as a whole, there are more coding systems emerging that may affect the work of clinical coding professionals in the future.

Where should coding professionals look to find information about which coding systems or data sets will be adopted for future use? The answer is from the work of the Designated Standard Maintenance Organizations (DSMOs). DSMOs are standards-creating organizations for electronic data transfer.

Defining the Systems

If you mention clinical coding in most healthcare settings today, two systems come to mind—one for reporting services provided and a companion coding system used to reflect why services were done. DSMOs take a much broader view of healthcare reporting. They embrace not only diagnosis and procedure codes but also all coded data elements in a healthcare transaction.

Clinical coding has many names beyond ICD-9-CM and HCPCS/CPT that are part of the consolidation of clinical data management. Some of these coding systems may eventually emerge through the adoption of standards or be incorporated within the named standards.

The Organizations

The HIPAA provisions for standards for electronic transactions establish a new category of organization that is expected to drive the adoption and use of coding systems used to capture, transmit, and store health service-related information.¹ DSMOs are comprised of the following entities:

- Accredited Standards Committee X12 (www.x12.org)
- Dental Content Committee of the American Dental Association (www.ada.org)
- Health Level 7 (www.hl7.org)
- National Council for Prescription Drug Programs (www.ncpdp.org)
- National Uniform Billing Committee (www.nubc.org)
- National Uniform Claim Committee (www.nucc.org)

The Accredited Standards Committee (ASC) X12

The Accredited Standards Committee (ASC) X12 was chartered by the American National Standards Institute (ANSI) to develop standards for cross-industry electronic exchange of business information. During the past 20 years, the use of ASC X12 made the first generation of e-commerce standards a reality.

According to this DSMO, more than 300,000 companies have saved billions of dollars and expanded their market reach by incorporating electronic data interchange (EDI) into their business operations and trading partner relationships. Healthcare organizations have not yet fully embraced these benefits. The full implementation of the HIPAA standards is expected to change this.

According to its Web site, ASC X12's members include companies shaping the new global economy and pioneering the next generation of cross-industry, interoperable e-commerce standards. They are leveraging X12's more than 20 years of standards

and semantics development to incorporate XML business syntax, actively participate in key international standards development initiatives, and model key business processes within an Internet-based e-commerce environment.

Dental Content Committee of the American Dental Association

Codes on dental procedures and nomenclature, as maintained and distributed by the American Dental Association, are used to report dental procedures. CDT-3 (current dental terminology)/Version 2000 is the name of the procedure coding system used by most dental practices for reporting services. Dental procedures currently provided in healthcare organizations may be captured using ICD-9-CM Volume III, CPT, or HCPCS Level II codes.

Health Level 7

HL7 is one of several ANSI-accredited standards developing organizations. It provides standards for patient care as well as healthcare services. In addition, the HL7 language will likely be part of the future transactions standards requirements. This group is working on a standard transaction for attachments to health insurance claims that will facilitate transmission of clinical reports. This has the potential to eliminate copying of medical records and resulting delay of payment when clinical data to support a claim is required by the payer.

The HL7 process involves a number of coding systems, including the current exploration of coding alternative healthcare services using the AlternativeLink (ABC) coding system (for more information on this coding system, see "Update on Standardized Nursing Data Sets and Terminologies" *Journal of AHIMA*, July-August 2002). This is a patented coding system designed to facilitate reporting of complimentary and alternative medicine (CAM) services.²

National Council for Prescription Drug Programs

This ANSI-accredited standards development organization provides standards and monitors for information technology in healthcare. The NCPDP retail pharmacy claim has been identified as one of the HIPAA standards for reporting drugs. Its standards are used billions of times each year to enable electronic transmissions for pharmacies.

The NCPDP retail pharmacy claim has always used National Drug Codes (NDCs) for reporting drugs and biologicals. According to the medical data code sets, the NDCs are maintained and distributed by the Department of Health and Human Services (HHS). The most recent information available, however, indicates that this system may not be implemented and the HCPCS Level II "J" codes will remain the standard methodology for reporting pharmaceuticals used by healthcare providers.

National Uniform Billing Committee

This is the organization behind the current format for reporting healthcare services provided by facilities such as hospitals, skilled nursing providers, home health agencies, and others.

The American Hospital Association brought the National Uniform Billing Committee (NUBC) together in 1975 and it includes the participation of all the major national provider and payer organizations. The NUBC was formed to develop a single billing form and standard data set that could be used nationwide by institutional providers and payers for handling healthcare claims. It took seven years to fully implement this format, which was affectionately referred to as a UB-82 form. In determining the data to be included on a claim form, this organization strives to balance the need for the information against the burden of providing that information.

When the NUBC established the UB-82 data set design and specifications, it also imposed an eight-year moratorium on changes to the structure of the data set design. As healthcare delivery systems evolved, this committee continued to implement improvements to the UB-82 design. Consequently, the UB-92 was created, incorporating the best of the UB-82 along with other changes that further improve on the previous data set design.

These improvements further reduced the need for attachments. According to NUBC, more than 98 percent of hospital claims are submitted electronically to the Medicare program. Overall, more than 80 percent of all institutional claims are now submitted electronically.

This DSMO is currently responsible for maintaining the integrity of the UB-92 data set and guiding the adoption of HIPAA standards. The NUBC serves as the forum for discussions that lead to mutually agreed-upon data elements for the claim format as well as the data elements for other claim related transactions.

Because billing systems are a significant portion of clinical data storage, the NUBC now realizes what coding professionals have always known—that the UB data set has become more than a billing instrument and is often the core data structure for capture and maintenance of clinical data for other purposes. The NUBC will be instrumental in developing policy related to institutional healthcare claims using the ASC X12N 837 format.

National Uniform Claim Committee

The National Uniform Claim Committee (NUCC) was created to develop a standardized data set for use by the non-institutional healthcare community to transmit claim and encounter information to and from all third-party payers. Coding professionals know this as a CMS-1500 form (formerly a HCFA-1500) used for reporting professional services.

This DSMO is chaired by the American Medical Association, with the Centers for Medicare and Medicaid as a critical partner. The committee also includes representation from key provider and payer organizations, as well as standards-setting organizations, state and federal regulators, and the NUBC.

The recommendations made by this organization are explicitly designed to complement and expedite the work of the Accredited Standards Committee Electronic Data Interchange (ASC X12N) in complying with HIPAA mandates for professional healthcare claims.

Preparing for the Future

One of the overall objectives of the HIPAA legislation was to establish administrative simplification provisions. For clinical coding professionals, this ideally should mean consistent reporting standards across payer lines and healthcare settings. Utopia for coding professionals would be a universal set of guidelines and rules for all patient services regardless of which health plan is paying for the services.

It is hoped that clear reporting definitions and consistent use of coding systems, whether used as a data set or claims filing, will evolve through this process. This makes it important for coders to understand the roles of DSMOs and be ready to provide input and embrace new clinical coding systems or expanded versions of current coding systems.

Visit the DSMO Web sites listed in this article for links to additional organizations and the developers of code sets currently in existence. Exploration of these sites provides an expanded knowledge of the broader sense of clinical coding that will add to skill sets needed for success in the future.

AHIMA continues to work diligently with these organizations with both volunteer and staff support. Keep up to date with AHIMA's actions by visiting our Web site at www.ahima.org.

Notes

1. "Health Insurance Reform: Standards for Electronic Transactions." 45 CFR Parts 160 and 162. Federal Register 65, no. 160 (August 17, 2000). Available at www.access.gpo.gov/su_docs/fedreg/a000817c.html.
2. More information about the coding system AlternativeLink is available at www.alternativelink.com.

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