Diverse Local Group Collaborates on Compliance Issues: Workgroup Focuses on Code Sets, Transactions

by Joanne Becker, RHIT, CCS

Sometimes starting small can mean big results. A few months ago, I joined Iowa's regional HIPAA Strategic National Implementation Process (SNIP) workgroup. The goal of local and regional SNIP workgroups is to create as much collaboration as possible to ensure compliance by all covered entities.

Much of the committee's work is a "grassroots" effort. Through education and the efforts of other SNIP affiliates andhealthcare organizations, SNIP workgroups aim to facilitate changes to the HIPAA regulations. This presents windows of opportunities for developing policies and standards for improving data quality and creating efficient electronic claims transactions. This article will explore the work of this group and how getting involved at the local level can have an effect nationally.

The Task at Hand

The transactions and code set rules set national standards for the electronic transmission of healthcare transactions and designate the code sets that are used in the data fields. The code sets, which consist of medical (major) and nonmedical (minor) data elements, are intended to standardize data content and create efficiency in the electronic data exchange. Major code sets include ICD-9-CM, CPT, and HCPCS codes along with National Drug Codes (NDC) and The Code on Dental Procedures and Nomenclatures (The Code). Minor code sets include dozens of other data elements including revenue codes, insurance type codes, zip codes, provider codes, and race and ethnicity codes.

The effect of standardization of the transactions and code sets is not yet clear. Relatively little is certain at this time, other than the fact that all covered entities must accept the standardized codes within their electronic transactions. That does not mean that payers must reimburse for all services coded with the standard code sets, but that the covered entity must receive and process the standard codes.

The final rule defined elements that are required for a transaction to be processed. This is termed the "maximum defined data set concept" and includes elements that are required to process a transaction in every instance. It also includes "situational" data elements that may be required to process a particular type of transaction. Health plans may develop implementation guides or "companion" guides that define relevant situational data elements or provide additional information regarding the processing or adjudication of the transaction.

In defining the code set regulations, the Department of Health and Human Services (HHS) adopted the Official ICD-9-CM Guidelines for Coding and Reporting. However, it did not name guidelines for other code sets. This means that only HCPCS and CPT codes and modifiers are included in the defined code set, not the narrative descriptions, guidelines, and instructions applicable to those code sets.

A Collaborative Effort

The Iowa SNIP is composed of a steering committee and three subcommittees—privacy, security, and transactions and code sets. The transactions and code sets subcommittee is further divided into the code sets subgroup and the payer/provider/vendor/clearinghouse issues subgroup. When I joined the transactions and code sets workgroup, I was surprised to learn that there were few other HIM professionals on the committee. The committee was composed of a mix of providers and payers with varying experiences related to coding.

The workgroup's goal of ensuring compliance by all covered entities is accomplished through education and cooperation on projects such as formulating position papers. Suggestions and requests for changes are submitted to six organizations that have agreed to serve as designated standards maintenance organizations. They are the Accredited Standards Committee X12, the Dental Content Committee, Health Level Seven, National Council for Prescription Drug Programs, National Uniform Billing Committee, and the National Uniform Claim Committee. HHS may modify a standard in the regulations one year after the standard has been adopted but not more frequently than once every 12 months.

Work in Progress

Working on the code set subgroup has been both educational and challenging. I was surprised at the scope and range of coding topics the group was addressing. After just a few months, we have submitted requests to the American Medical Association recommending CPT coding changes, including deletion of modifiers -21, Prolonged E/M Services (there are existing applicable E/M codes), and -56, Preoperative Management Only. We created an educational brochure and presentations on the transactions and code set rules. Several position papers and documents have been created and posted on the group's Web site (www.iowasnip.org), including a statement on the use of M codes in transactions and a white paper regarding the collaboration and release dates of the major medical code sets.

Despite the productivity of our group, we don't always agree on every issue. For example, as noted above, the final rule named only the Official ICD-9-CM Guidelines for Coding and Reporting. Guidelines or instructions for other major code sets (CPT, HCPCS, NDC, and The Code) were not named. This leaves the instructions and existing guidelines for these other sets open to interpretation. Members of the group found this to be in conflict with the purposes of standardization, which are consistency, uniformity, and simplification.

I prepared a position paper on coding guidelines and conventions and felt confident that the group would concur that guidelines for the other code sets were essential. It was quickly apparent, however, that the group did not agree on even the basic terms. Some members of the group interpreted "guidelines" as similar to the correct coding initiative (CCI) edits. They see universal adaptation of CCI edits by all payers as financially detrimental to healthcare providers and incompatible with many payers' benefit plans. Others view the maintainers of these systems as unwilling to allow input into their coding developmental process. Still others view the code sets as "payment driven" and not true nomenclatures. Eventually I rewrote the position paper, beginning with issues and concerns with which each member of the group can agree.

The opportunity to meet with a diverse group of providers and payers has provided valuable insight into recognizing the challenges all covered entities face meeting HIPAA compliance. Additionally, working on the code sets subgroup has provided a unique opportunity to share knowledge and information with others in the healthcare industry—professionals with whom I might not normally have the chance to collaborate. Further, beyond healthcare privacy and security protection, HIM professionals can play an important role in achieving standardization of coding systems and improving data quality.

Reference

"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.

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