Division of National Standards

Daniel Kalwa, Policy Advisor, Division of National Standards

Health Information Technology Advisory Committee Meeting

March 20, 2019

Division of National Standards

What We Do…

- Clarify policy related to the transaction standards and operating rules required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and Affordable Care Act (ACA);

- Educate and provide technical assistance about the adopted standards and operating rules to support the affected stakeholders, using collaboration and outreach;

- Enforce HIPAA policies through complaint investigations, corrective action plans, and compliance reviews.

National Committee on Vital Health Statistics

From their website, ncvhs.org:

"The NCVHS serves as the statutory [42 U.S.C. 242k(k)] public advisory body to the Secretary of Health and Human Services (HHS) for health data, statistics, privacy, and national health information policy and the Health Insurance Portability and Accountability Act (HIPAA). The Committee advises the HHS Secretary, reports regularly to Congress on HIPAA implementation, and serves as a forum for interaction between HHS and interested private sector groups on a range of health data issues."

42 U.S. Code § 1320d–1(f) requires that the Secretary "shall rely on the recommendations of the National Committee on Vital and Health Statistics established under section [242k(k) of this title] and shall consult with appropriate Federal and State agencies and private organizations."

Standards for Information Transactions

42 U.S. Code § 1320d–2(a)(2) lists the transactions for which the Secretary must adopt standards:

(A) Health claims or equivalent encounter information.
(B) Health claims attachments.
(C) Enrollment and disenrollment in a health plan.
(D) Eligibility for a health plan.
(E) Health care payment and remittance advice.
(F) Health plan premium payments.
(G) First report of injury.
(H) Health claim status.
(I) Referral certification and authorization.
(J) Electronic funds transfers.

NCVHS is responsible for making recommendations on standards HHS considers adopting for the above transactions.

The DNS, which has been delegated the authority to administer HIPAA Administrative Simplification, considers NCVHS recommendations in adopting standards.

Steps of Prior Authorization in Health Care

The Health Care Prior Authorization process includes many steps. The broadest process would include the following steps:

1. The Healthcare Provider checks patient's eligibility to receive a health care service with the patient's Health Plan.
2. The Health Care Provider checks that a proposed service is covered by the Health Plan.
3. The Health Care Provider checks the Health Plan’s prior authorization requirements for the proposed service.
4. After collecting the information the health plan requires for a prior authorization, the Health Care Provider submits that information to the Health Plan.
5. The Health Plan replies to the Provider’s request.

HIPAA Administrative Simplification Impact on Prior Authorization

HIPAA Administrative Simplification has a direct impact on conducting prior authorizations in three of the steps described above:

- Step One is adopted in 45 CFR Subpart L - Eligibility for a Health Plan.
- Steps Four and Five:
  - The Prior Authorization transaction is adopted in 45 CFR Subpart M - Referral Certification and Authorization.
  - The Health Claims Attachment standard and operating rules have not been adopted.

Requirement for Operating Rules

What are Operating Rules?

Operating rules, which are required by the ACA, are defined as “the necessary business rules and guidelines for the electronic exchange of information that are not defined by a standard or its implementation specifications.”

Operating rules set certain requirements for transactions that are covered by HIPAA. They specify, for example, the information that must be included when conducting standard transactions, making it easier for providers to use electronic means to handle administrative transactions.

They are intended to offer additional guidance on how to implement and utilize adopted standards. In the context of adopted HIPAA standards they often include requirements around transport, security, and processing time.

Considerations for Future Prior Authorization Standards

Both this committee, and the NCVHS, are considering standards related to Prior Authorization for recommendation. We suggest that each committee consider the following as it formulates recommendations:

- Do standards proposed for a particular step in the Prior Authorization process align well with standards adopted for other steps? What guidance is necessary to support implementation of the proposed standard in an environment with existing implementations of prior authorization standards?
- Are the current adopted standards for a step being replaced? Modified? Used in conjunction depending upon business case?
- Where the standards being proposed interact with HIPAA standards, have the interactions with Operating Rules been considered?

Division of National Standards

Thank you for the opportunity to comment!