



**New Mexico HIPAA Conference, October 22-23, 2001**

**Session Results**

**Session Name:** Transactions & Code Sets: Transactions Testing & Certification: What kinds of testing & what does certification signify?

**Session Number:** 121

| TOPIC  | DISCUSSION   | SUGGESTED ACTION   |
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| 1. Welcome & introductions   | Keith Rivera, session moderator, introduced session speaker, Kepa Zubeldia. Introductions around the room.   |  |
| 2. Presentation by Kepa Zubeldia: "HIPAA X12 Transactions Testing & Certification" | Topics:<br>- HIPAA compliance testing<br>- Transaction testing: incoming & outgoing<br>- Certification, what is it?<br>- Challenges  |  |
| 3. HIPAA Compliance Testing  | a) Important to address the following levels of testing in order to reach compliance:<br>- Level 1: Developmental testing.<br>- Level 2: Validation testing (sample transactions).<br>- Level 3: Production testing (testing transactions from sender through receiver's system).<br>- "Pilot Production" projects are recommended but not mandatory.<br><br>b) Who certifies the "compliance tester?"<br>HHS / CMS declined to certify the certifier.<br>- The industry is expected to "certify" itself during interactions between trading partners and <u>who</u> is considered to be HIPAA compliant. Trading partners can require different things of each other within the HIPAA rules, but many individual requirements are actually business issues, not HIPAA issues. As long as HIPAA rules are met, trading partners can also require more of one another.<br>- Example: Medicaid will have to accept | - Begin testing ASAP.<br>- Be aware of who your trading partners are; become aware of additional requirements each of them may have beyond HIPAA guidelines.<br>- Test with both synthetic and "live" data.<br>- Be aware of multiple types of code sets that require testing.<br>- Check your system set-up to be sure it will work compatibly with others. |

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|  | <p>a transaction that meets HIPAA requirements, but may not <u>pay</u> a transaction unless it also includes Medicaid-specific requirements beyond those of HIPAA.</p> <ul style="list-style-type: none"><li>- It is very important to test and be sure you are testing <u>correctly</u>.</li></ul> <p>c) Be sure to remember other testing considerations:</p> <ul style="list-style-type: none"><li>- Important to test synthetic &amp; “live” data. Testing using a subset of data applicable to specific provider/plan will be very significant for your organization.</li><li>- Multiple simultaneous versions if HIPAA guides. Addendum should be out soon, and your organization will probably be testing two versions at all times.</li><li>- Test results must be readable.</li></ul> <p>d) HIPAA code sets:</p> <ul style="list-style-type: none"><li>- Multiple code sets to consider when testing such as: HCPCS Level II (600 new codes anticipated soon – will need to test for them); ICD-10 codes in 2-3 years (will be different ICD-9 codes &amp; could cause many changes); NDC codes (change constantly – need to be able to test constantly).</li><li>- Need to figure out how your organization will test for code sets.</li></ul> <p>e) Telecommunications:<br/>No HIPAA standards for telecommunications. Be sure your system will work compatibly with the following:</p> <ul style="list-style-type: none"><li>- Dial up with Kermit, X/Y/Z modem (some transmissions do not easily accommodate the X/Y/Z modem).</li><li>- TCP/IP with FTP for direct submitters.</li><li>- SSL connectivity over Internet for real time or fast batch transactions.</li><li>- Other Internet (EDIINT, PGP+FTP?) with encryption.</li></ul> |  |
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|  | <p>f) Industry business relationships:</p> <ul style="list-style-type: none"> <li>- Multiple relationships between trading partners; all will need to be tested. Trading partner examples: physicians, hospitals, pharmacies, payers, HMOs, HCFA.</li> <li>- Relationships to be tested over the next 12 months. Might want to test 15-20 depending on who the trading partners are.</li> <li>- Every trading partner is responsible for individual compliance, so testing is VERY important.</li> <li>- Need to be able to respect the data of every participant all the way through the system.</li> <li>- Takes 3-6 months to bring transactions live depending on format organization uses, and the 15-20 each need to be tested for functions such as eligibility verification &amp; enrollment; claims status inquiries &amp; adjudication; accounts receivable &amp; accounts payable; etc., etc.</li> </ul> <p>g) Certification under HIPAA:</p> <ul style="list-style-type: none"> <li>- Third party certification very important; can save time in the testing process.</li> <li>- Be sure the certifier is qualified to actually do certifications.</li> </ul> <p>h) Being prepared for testing:</p> <ul style="list-style-type: none"> <li>- Start testing ASAP!!</li> <li>- Any third party involved should be completely independent from all trading partners involved.</li> <li>- Your organization needs to be ready to interface with minimal testing.</li> </ul> |  |
| <p>4. Transaction testing: incoming &amp; outgoing</p> | <p>a) Six levels of testing recommended by SNIP:</p> <ul style="list-style-type: none"> <li>- Be sure to meet the requirements of all levels, even those <u>not</u> listed in implementation guides.</li> <li>- Need to be able to accommodate additional requirements of trading partners.</li> </ul>  | <ul style="list-style-type: none"> <li>- Be prepared to meet all testing requirements.</li> <li>- Start testing ASAP.</li> <li>- Test incoming transactions with information specific to your organization in order to determine actual success of testing.</li> </ul> |

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|                                       | <p>b) Outgoing testing:</p> <ul style="list-style-type: none"> <li>- Time matters; organizations need to be tested and ready in the very near future.</li> <li>- Test systems must be able to follow syntax in order to track errors.</li> <li>- Gave example of data errors / discrepancies.</li> </ul> <p>c) Incoming testing:</p> <ul style="list-style-type: none"> <li>- Be sure to test boundaries / limits of your organization’s system before trading partners begin sending actual information to your organization.</li> <li>- Test using incoming data that contains your organization’s particular information in order to know if the information / testing is “good.”</li> <li>- Can download test data from sources such as Claredi to test your organization’s translator functionality. Gave example of testing.</li> </ul> <p>d) Testing challenges:</p> <ul style="list-style-type: none"> <li>- Testing with trading partners within compliance dates.</li> <li>- Testing without disputes, without disrupting production, without becoming someone else’s “EDI trainer.”</li> <li>- Testing small payers with whom your organization exchanges minimal transactions on annual basis.</li> <li>- Figuring out exactly how much “free testing” will actually cost.</li> </ul> |  |
| <p>5. Certification – what is it?</p> | <p>Certification vs. testing:</p> <ul style="list-style-type: none"> <li>- Testing is between your organization &amp; trading partners; certification is by third parties.</li> <li>- Certify once &amp; certification can be used in multiple trading partner relationships.</li> <li>- Certification must be done by a neutral third party.</li> <li>- Certification process must be disclosed, verifiable, &amp; accepted by</li> </ul>  | <ul style="list-style-type: none"> <li>- Join / work with NM CHILI in order to “be on the same page” with other entities.</li> <li>- Be sure the certifier is qualified to provide certification.</li> </ul> |

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|                              | <p>industry.</p> <ul style="list-style-type: none"> <li>- Be sure your organization is tested &amp; compliant and don't rely on vendors; it is the provider's responsibility to be compliant.</li> <li>- Different users can use different guidelines. Can your organization deal with all compatibility possibilities? Your organization's subset needs to be certified as "HIPAA compliant."</li> <li>- Gave example of different compliance levels.</li> </ul>   |  |
| 6. Challenges                | <p>a) Challenge #1:</p> <ul style="list-style-type: none"> <li>- Each entity has unique requirements; "generic" certification is meaningless.</li> <li>- Certification is important to prove your organization has met HIPAA requirements.</li> </ul> <p>b) Challenge #2:</p> <ul style="list-style-type: none"> <li>- Certification of capability to receive incoming transactions.</li> <li>- Self-reporting is not enough.</li> <li>- Must be able to prove the capability of your organization as well as being third party certified.</li> </ul> |  |
| 7. Transaction demonstration | <p>Demonstration given using Claredi "de-identification utility" site testing tools.</p> <ul style="list-style-type: none"> <li>- Walked attendees through process of accessing testing information to be used on individual systems.</li> <li>- Showed attendees what to look for regarding error messages.</li> <li>- Discussed free sites to access for information needed, such as the USPS site to obtain state codes.</li> </ul>  |  |
| 8. Questions & answers       | <p>a) How do errors show up when testing transactions?</p> <ul style="list-style-type: none"> <li>- As business errors, warning errors, or adverse errors.</li> </ul> <p>b) How many certifiers are available?</p> <ul style="list-style-type: none"> <li>- Several testing services are available for levels 1 &amp; 2, but no certifiers are available; many testers do not want the liability of certifying.</li> <li>- Claredi is the only actual certifier at this time.</li> </ul>  |  |

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|  | <p>c) Is there a national certifier?</p> <ul style="list-style-type: none"><li>- Only Claredi is currently a certifier.</li><li>- ENHAC &amp; STFCS are testing entities.</li><li>- Industry is expected to “certify” itself through testing and exchange of transactions with trading partners.</li></ul> <p>d) Where does an organization draw the line with testing?</p> <ul style="list-style-type: none"><li>- Testing will vary depending on the entity doing the testing. For example, providers are different than HMOs, payers, etc.</li><li>- The more testing completed the better!</li></ul> <p>e) What are the time frames for testing?</p> <ul style="list-style-type: none"><li>- Expect 3-6 months for those with no EDI experience.</li><li>- Perhaps 1 month for those with EDI experience AND resources to devote.</li><li>- Starting early is the key.</li><li>- Using a clearinghouse can save time regarding testing.</li></ul> <p>f) What happens if there is a problem in transactions between two certified entities?</p> <ul style="list-style-type: none"><li>- Try to resubmit transactions.</li><li>- Use third party to test the transaction and determine if actually compliant (this option good way to resolve disputes).</li></ul> <p>g) Content discussion.</p> <ul style="list-style-type: none"><li>- Difference between syntactical vs. data contents.</li><li>- Transactions need to be considered within the scope of an organization’s specialty.</li><li>- Each organization must do an individual gap analysis – cannot depend on other entities to do the work.</li></ul> |  |
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