Testimony to the National Committee on Vital and Health Statistics; Subcommittee on Standards and Security

Overview of Benefits for adopting the newest versions of HIPAA transaction standards

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Quick Overview…SDO process

- X12, NCPDP and HL7 continue to develop and ballot standards, based on business needs brought forward by the industry. The business need, and the standard(s) developed may or may not be intended for HIPAA use.

- Processes are in place, described by each SDO in their policies and procedures and are made available to the healthcare industry

Quick Overview…SDO process

- In order to serve the industry for timeliness and predictability, the SDOs perform these procedures according to schedules, which are made known to the industry

  - The adoption of standards related to HIPAA need to be more predictable and timely. **See "streamlining" proposal put forth by the three SDOs mentioned here*

SDOs continue to support industry needs

- The SDOs and HHS need to continue working closely to further improve the HIPAA standards adoption process
- SDOs, supporting the needs of the industry, will continue:
  - Meeting industry demand to accommodate new / different business needs
  - Consider improved technologies as they become available
    - Important for allowing industry stakeholders to conduct their business in the most efficient, effective manner
    - Important for allowing some sectors of the industry to remain competitive

SDOs continue to support industry needs

- – Support members in their endeavor to continually improve and deploy the standards (adopted under HIPAA or not)
- – Generally be able to support business needs as they are identified and have the standards represent the changes <u>in an acceptable timeframe</u>
- – And, in some cases like HIPAA, attempt to do these things while working within the framework of a rulemaking process
  - *This has proven to be a monumental task for both the SDO's and our counterparts in the government working side-by-side with us over the years*

Benefit to the Industry for moving to new version

- Through the established SDO processes (including industry-wide access via the DSMO) changes have been requested to the current "HIPAA versions" of X12 and NCPDP standards. The process includes, at a minimum:
  - <u>Significant deliberation</u>:   Requests are discussed via SDO teleconference, list servers, in person meetings, public comment/ballot processes and through the DSMO process. Changes are discussed early and timely.
  - SDO process is open and consensus based
  - Surveys conducted by WEDI
  - End result - **improvements reflected in new version** that is widely vetted and approved prior to adoption

Benefit to the Industry for moving to new version

- New versions are expected to provide some or many of the following benefits:
  - New & or different data capture / exchange required to stay current with changing business needs
  - Keeping up with updated technology capabilities
  - Clarifications and further explanations
  - Correcting unintended errors in current version
  - Creating a more efficient transaction

In Summary…

- Bottom line…
    - This isn't just about the current versions being addressed today, it's about a timely and predictable approach to the adoption of "new versions" of any HIPAA standard once the industry declares its readiness.

    - Business needs and overall Standards Development continue to proceed. We need to keep the HIPAA adoption process in sync