



# HB 10 1332 Colorado Medical Clean Claims Transparency and Uniformity Act Task Force

## Meeting Agenda

|                        |   |
|------------------------|---|
| <b>Meeting Date:</b>   | April 23, 2014, noon – 2 PM MDT   |
| <b>Call-In Number:</b> | 1-866-740-1260; ID 8586318#   |
| <b>Web Link:</b>       | <a href="https://cc.readytalk.com/r/l3bndekv3z8a&amp;eom">https://cc.readytalk.com/r/l3bndekv3z8a&amp;eom</a> |

### 12:00 PM WELCOMING REMARKS & ROLL CALL

**I. Housekeeping Items:**

- a. Approve March 2014 meeting minutes (Attachment A)
- b. Reminder about changes to meeting schedule:
  - o April 22-23 in-person Task Force meeting **is now a conference call on April 23 @ 12:00-2:00 p.m. (MST)**
  - o June 25 Task Force conference call **is now an in-person meeting on June 24-25 in Denver**
  - o Special in-person meeting for members of the Vendor Committee will be held in Denver on **May 13 & 14**

### 12:10 PM COMMITTEE REPORTS & OTHER DISCUSSION ITEMS:

**II. Edit Committee- Beth Wright/Wendi Healy**

**III. Rules Committee - Nancy Steinke/Beth Kujawski**

**IV. Specialty Society - Alice Bynum-Gardner**

- a. Letter to specialty societies (Attachment B)

**V. Continuing Enabling Legislation - Barry Keene, Legislative Liaison**

- a. Senate Bill 14-159, revisions to bill and fiscal note (Attachment C)
- b. Congressional letter (Attachment D)

**VI. Data Sustaining Repository - Mark Painter/Barry Keene**

- a. Data analytics vendor update
- b. Governance document (Attachment E)

**VII. Project Management - Vatsala Pathy**

- a. Task Force work plan (Attachment F)

**VIII. Finance - Barry Keene/Vatsala Pathy**

- a. Commonwealth Fund, declined
- b. TCHF

**IX. Other Business**

### 1:55 PM PUBLIC COMMENT

### 2:00 PM ADJOURNMENT

## UPCOMING TASK FORCE MEETINGS

| DATE(S)                 | TIME (MDT)   | MEETING TYPE                       |
|-------------------------|--|------------------------------------|
| May 28, 2014            | <b>Wed:</b> 12:00 p.m. – 2:00 p.m.                                   | Monthly Conference Call            |
| <b>June 24-25, 2014</b> | <b>Tue:</b> 7:30 a.m. – 7:30 p.m. <b>Wed:</b> 12:00 p.m. – 2:00 p.m. | <b>In-Person Quarterly Meeting</b> |
| July 23, 2014           | <b>Wed:</b> 12:00 p.m. – 2:00 p.m.                                   | Monthly Conference Call            |

**DRAFT**

**HB10\_1332 MEDICAL CLEAN CLAIMS TRANSPARENCY AND UNIFORMITY ACT TASK FORCE**

Meeting Minutes

March 26, 2014, 12:00–2:00 PM, MDT

Call-in Number: 1-866-740-1260

Conference ID: ID 8586318#

**Attendees:**

- Alice Bynum-Gardner
- Amy Hodges
- Anita Shabazz
- Barry Keene, CC
- Beth Kujawski
- Beth Provost
- Beth Wright
- Christine Yoder
- Dee Cole
- Doug Moeller
- James Borgstede, MD
- Lori Marden
- Marianne Finke
- Marilyn Rissmiller, CC
- Nancy Steinke
- Ruth Backlund
- Ryshell Schrader
- Terrence Cunningham
- Wendi Healy

**Staff :**

- Connor Holzkamp

**Public:**

- Diane Hayek (ACR)
- Julie Painter (STS)
- Regina McNally (MSSNY)
- Stephanie Stinchcomb (AUA)

**Meeting Objective (s):**

See Agenda

**Key:**

- TF = Task Force
- TFM = Task Force Member
- CC = Co-Chair



**March 26, 2014**

**WELCOMING REMARKS & ROLL CALL:**

**Housekeeping Items:**

- The Task Force formally welcomed new members Christine Yoder (KP) and Ruth Backlund (UHC) to the table.
- Minutes from February Task Force meeting were accepted with no changes
- Several changes were made to the MCCTF meeting schedule:
  - April 22-23 in-person Task Force meeting is **now a conference call on April 23 @ 12:00-2:00 p.m. (MST)**
  - June 25 Task Force conference call is **now an in-person meeting on June 24-25 in Denver**
  - “Vendor Committee” **now scheduled to have in-person meeting in Denver on May 13-14**

**EDIT COMMITTEE—Beth Wright and Wendi Healy**

- The Edit Committee reported that it had not met in March and will likely not meet again until the end of April after the Task Force receives the edits from suppliers.

**PAYMENT RULES COMMITTEE— Nancy Steinke**

- The Rules Committee also had not met in March and will likely not meet again until the end of April after the Task Force receives the edits from suppliers
- Nancy to meet with Beth over the next month to formulate a process for how the two committees (Edit & Rules) will work together to analyze the preliminary edits that are received from the suppliers. The workload is anticipated to be

heavy for the Rules/Edit Committees beginning this summer, and the two groups will need to systematically divide the work in a way that optimizes the available skill-sets of the committee members.

### **SPECIALTY SOCIETY OUTREACH COMMITTEE—Alice Bynum-Gardner**

- Alice reported that the AMA will be reaching out to the specialty societies over the next couple months to inform them that the task force will be seeking their input on the recommended set of edits later this year.
- The Specialty Society continues its charge to act as the “liaison between the task force and the AMA’s Federation of Medicine, which includes 122 national specialty societies and 50 state medical societies in order to assess if public code edit and payment policy libraries meet the needs of national medical societies and state medical associations by reaching out and obtaining feedback from these groups.”

### **CONTINUING ENABLING LEGISLATION – Barry Keene, Legislative Liaison**

- As reported in February, the Task Force had received a memo from the Division of Insurance:
  - The memo outlines how the DOI would propose to implement the work of the task force after its sun has set.
  - The “governance process” described in the memo does not take into account any of the task force’s recommendations for governance, and essentially removes all power from the stakeholders.
- Barry and Marilyn met with Senator Irene Aguilar and Marguerite Salazar to write a response to the DOI.
  - This response communicated that the process described in the memo does not align with the processes that have been recommended by the task force; and that the group would not be able to support it.
- Having resolved that the Task Force could not support the path that was prescribed by the DOI, it was concluded that the Task Force would go back under HCPF’s oversight (which the group had never formally left) and attempt to ease the Department’s original concerns in the form of legislation for the 2014 session (SB14-159).
- Senate Bill 14-159:
  1. Expressly excludes the ERISA plans from the work of the Task Force;
  2. Extends the timeline for the Task Force and allows for all of 2015 to accommodate for a thorough edit review process, and 2016 to apply updates to the edit set and further refine the governance model if needed.
    - ✓ Barry noted that one thing the bill does **not** address is rule promulgating authority:
      1. The Task Force recognizes that the Attorney General’s office has ruled that the workgroup does not have this authority.
      2. The Task Force is hopeful that the extra time allotted may act as a mechanism for testing/demonstrating the governance model, and increase the overall credibility of the process.
      3. Additionally, the Task Force will eagerly wait for a response from HHS regarding its potential role as a national pilot.
- One thing that was realized through the memo was the importance of the Federal Department of Health and Human Services recognizing the work of the task force as a National pilot
  - It has been a goal and hope of the Task Force since day one to be recognized as a national pilot;
  - Formal proposal to be recognized as a national pilot is currently in the works with HHS; Barry will update the Task Force as more information becomes available
- Parallel to the Task Force’s proposal with HHS, Barry reported that he and Marilyn had briefed a delegation of physicians who lobbied on behalf of the Task Force in Washington.
- One TFM posed the question, “What will the impact be from losing the ERISA plans?”
  - While the group agreed that this is an important consideration, it was theorized by several payers that the impact may not be very great. Several payers stated that the ERISA plans may actually be inclined to utilize the edit set due to the payer not carrying two separate sets of edits. The question will be tabled for later discussion.

### **DATA SUSTAINING REPOSITORY COMMITTEE – Mark Painter and Barry Keene**

- Mark reported that the contract with Bishop Enterprises had been executed and the “Vendor Committee” met with Dave and Patsy Bishop March 13-14 at the Colorado Medical Society to kick off the project. In addition to the two-day meeting, the group has been meeting weekly via teleconference with the Bishops to complete the user interface mockup for the data analytics engine.
  - The Task Force was presented with a copy of the project work plan that was provided by Bishop. To view this project plan please click on the following link: [www.hb101332taskforce.org/images/bishopprojectplan2014.pdf](http://www.hb101332taskforce.org/images/bishopprojectplan2014.pdf)

- The group was also presented with a document that highlights the different “user classes” that were created by the vendor committee during the on-site meeting with Bishop. The Task Force agreed to the user classes in principle.
- The Task Force is on the cusp of releasing a letter soliciting edits from suppliers to be considered for inclusion in the standardized set. This letter can be viewed on the Task Force website using the link below:  
[http://hb101332taskforce.org/images/mcctf\\_solicitation\\_letter\\_32714.pdf](http://hb101332taskforce.org/images/mcctf_solicitation_letter_32714.pdf)
- The Task Force agreed to add the deadline for submission (APRIL 30, 2014) at the top of the solicitation letter. It was acknowledged that the deadline may be tight for this initial submission. However, the deadline is needed in order to stay on schedule, as well as to test the Task Force’s process to apply supplier updates.

**Action Item:** The Task Force agreed to add the deadline for submission (APRIL 30, 2014) at the top of the solicitation letter to encourage suppliers to submit their edits on time.

- The DSR Committee has been working to lay out recommendations regarding the “business model” (i.e. “governance proposal”) that will sustain the work of the TF. The committee presented this updated governance proposal to the task force for discussion. This document can be viewed by copying and pasting the following link into your browser:  
[http://www.hb101332taskforce.org/phocadownload/dsr\\_governance\\_32614.pdf](http://www.hb101332taskforce.org/phocadownload/dsr_governance_32614.pdf)
- The Task Force reviewed this document which focuses on the processes for:
  - Rule Development
    - ✓ Describes in detail the process that was used by the Task Force to create the rules.
  - Development of Edit Set
    - ✓ Attempts to lay out the process to develop the edit sets: 1) Call to general public for submission of edits; 2) Population of proposed edit data set; 3) MCCTF analysis of accepted edit sets; 4) Final notice of edit set proposed online; 5) Evaluation of Comments; and 6) Final edit set is published and posted online
  - New Rules and Updates to Edit Sets
    - ✓ Proposes that a similar process to the edit/rule development be used to handle new rules and update edit sets.
  - Dispute Resolution Processes
    - ✓ Recommends a three level process: 1) MCCTF Resolution; 2) Challenge submitted; 3) Upon resolution of edit by MCCTF, decision of MCCTF can be challenged through mediated resolution.
  - Ongoing
    - ✓ As the MCCTF is scheduled to be dissolved at the end of 2014 a new, permanent entity will need to be created to assume the role of the task force. It is recommended that a similar group be created, and all meetings should be open to the interested public. Further, it is recommended that any sub-committee created have balanced representation to maintain the spirit of cooperation and integrity the MCCTF has been able to create. It is recommended that members of the group be technically qualified to analyze the issues presented to the group and that the membership be approved by the state. Further it is recommended that the body be made up of volunteers with compensation only for travel and expenses for required meetings of the group.

**Action Item:** The committee will continue to flesh out the document in greater detail and bring back to the task force in April for an update. Connor to incorporate notes from discussion into the governance document for the committee to review in April.

### **ENABLING LEGISLATION – Barry Keene, Legislative Liaison**

- The current legislation has the task force scheduled to be dissolved at the end of 2014.
  - New legislation (SB 14-159) would change this, extending the task force through 2016.
  - Barry is hopeful that it will pass in May of this year; more updates to come next month.
- As previously reported, the task force received memo from the Division of Insurance:
  - The memo outlines how the DOI would implement the work of the task force after its sun has set.
  - The “governance process” described in the memo does not take into account any of the task force’s recommendations for governance, and essentially removes all power from the stakeholders.
- Barry and Marilyn met with Senator Irene Aguilar and Marguerite Salazar to write a response to the DOI.
  - This response communicated that the process described in the memo does not align with the processes that have been recommended by the task force; and that the group would not be able to support it.
- One thing that was realized through the memo was the importance of the Federal Department of Health and Human Services recognizing the work of the task force as a National pilot
  - Proposal submitted to HHS; draft proposal was presented to the task force.

- It was noted that there are several other state initiatives that are similar to the MCCTF.
  - Barry reported that he has been in contact with the Vermont initiative to join the MCCTF.

#### **PROJECT MANAGEMENT AND FINANCE COMMITTEE – Barry Keene and Vatsala Pathy**

- The Task Force was presented with an updated work plan for the 2014-2015 timeframe.
- The Task Force grant proposal is still under review by the Commonwealth Fund. (Proposal was submitted in October 2013)
- The Task Force is still looking for funding for the remainder of 2014 and will continue to turn to stakeholders at the table for contributions

#### **PUBLIC COMMENT:**

<none>

**The meeting was adjourned at approximately 1:50 PM MDT.**

DRAFT



## HB10-1332 MEDICAL CLEAN CLAIMS TRANSPARENCY AND UNIFORMITY ACT TASK FORCE

XXX, 2014

Dear :

As a leader of your specialty society, we would like to both provide you with an update on our state's progress in the arena of administrative simplification and extend a personal invitation for you and your colleagues to attend our forthcoming Taskforce meeting in Denver, Colorado on June 24-25, 2014.

Colorado enacted the Medical Clean Claims Transparency and Uniformity Act in 2010 as part of the State's efforts to streamline administration in the healthcare system. The act established a task force of industry and government representatives to identify and adopt a standardized set of health care claim edits and payment rules to process medical claims by the end of 2014. Over the past three years the task force has steadily gained momentum, working collaboratively to find creative solutions to complex problems and bring about transformative change to the way medical claims are processed. The Colorado Medical Clean Claims Task Force leads the nation in efforts to standardize claim edits and payment rules across private payers, and has had more success getting and keeping key stakeholders at the table and achieving consensus on difficult issues than any other state or national initiative.

The task force is made-up of 28 industry experts representing a variety of stakeholders including: health care providers from a diverse group of settings, persons or entities that pay for health care services, practice management system vendors, billing and revenue cycle management service companies, and government payers. Each task force member was selected through an application process and formally seated by the Executive Director of the Colorado Department of Health Care Policy and Financing. Additionally,

Over the past three years, the task force has made tremendous progress toward achieving its goals. Key accomplishments include:

- ✓ Compiling definitions and associated payment rules from several different sources for 32 payment rule modifiers;
- ✓ Achieving consensus on a list of 24 payment rules;
- ✓ Completing the rule development process for all payment rules. (First consensus, public comment, response to comment/revisions and final consensus);
- ✓ Drafting the governance for a transitional entity to maintain the edits;
- ✓ Procuring a vendor to perform data analytics functions during the 2014 period; and,
- ✓ Making substantial progress in creating a model for sustaining the output of the taskforce into the future.

As you may be aware, the Colorado Medical Clean Claims Task force has pro-actively reached out to a number of different medical specialty societies through the American Medical Association (AMA) to ensure full engagement is maintained throughout the entire process. We hope that communication from the AMA has kept you apprised of our progress; we have wholeheartedly welcomed the input and active engagement of many of you throughout our consensus-building work.

We very much hope that you can join us in Denver on June 24-25. The input of you and your specialty

society colleagues is vital to making our process meaningful and relevant. In that spirit, we would request that you pass this invitation along to others in your organization that might be interested in attending. This meeting will be an important opportunity for you to meet current Taskforce members and inform our deliberations regarding the data analytics database for the project.

The meeting will be held at the Colorado Medical Society, 7351 E. Lowry Blvd., Denver, Colorado, 80230 and take place between noon and 6:00 pm on June 24<sup>th</sup> and 7:30 am – 2:00 pm on June 25<sup>th</sup>. We will make a teleconference and web link available should you not be able to attend in person. The agenda for the meeting will be provided closer to the meeting date.

Please feel free to be in touch with our staff, Vatsala Pathy and Connor Holzkamp, to learn more about the meeting. They can be reached at: [vatsala.pathy@rootstocksolutions.com](mailto:vatsala.pathy@rootstocksolutions.com) and [connor.holzcamp@rootstocksolutions.com](mailto:connor.holzcamp@rootstocksolutions.com).

*Please send your RSVP regarding your attendance either in-person or by phone to [connor.holzcamp@rootstocksolutions.com](mailto:connor.holzcamp@rootstocksolutions.com) by May 30, 2014.*

Respectfully,



Mark Painter, Co-Chair MCCTF  
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**Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 14-0388.02 Christy Chase x2008

**SENATE BILL 14-159**

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**SENATE SPONSORSHIP**

**Aguilar**, Kefalas

**HOUSE SPONSORSHIP**

**Primavera**,

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**Senate Committees**  
Health & Human Services

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING IMPLEMENTATION OF STANDARDIZED RULES FOR USE IN**  
102                    **PROCESSING MEDICAL CLAIMS, AND, IN CONNECTION**  
103                    **THEREWITH, MAKING AN APPROPRIATION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Under current law, the medical clean claims task force in the department of health care policy and financing (department) is tasked with developing a standardized set of payment rules and claim edits for use by payers in processing medical claims for which coverage is

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

*Capital letters indicate new material to be added to existing statute.*

*Dashes through the words indicate deletions from existing statute.*

undisputed. Carriers in the state are required to use the standardized payment rules and claim edits developed by the task force by January 1, 2014, for commercial health plans, and by January 1, 2015, for domestic, nonprofit health plans.

Since the clean claims task force is still developing the standardized set of payment rules and claim edits, the bill delays implementation until January 1, 2017, and requires all carriers to implement and use the standardized payment rules and claim edits by that date when processing medical claims under health plans issued in this state, other than those plans governed by federal law superseding state authority. The clean claims task force is to develop the complete set by December 31, 2014, and submit a report to the executive director of the department and to specified committees of the general assembly concerning the complete set.

The task force is to make the complete set of payment rules and claim edits available for public review and comment throughout 2015 and to modify the complete set as necessary based on public feedback. By January 31, 2016, the clean claims task force is to submit a final report to the executive director of the department and to specified committees of the general assembly and, throughout 2016, is to provide assistance to users preparing to implement the standardized payment rules and claim edits by January 1, 2017.

Additionally, the bill requires the executive director of the department to work with the United States department of health and human services to facilitate the use of the standardized payment rules and claim edits adopted in Colorado as the model for use nationally.

\$128,188 is appropriated from the general fund to the task force for use in the 2014-15 fiscal year in developing and assisting with implementation of the standardized payment rules and claim edits.

The bill repeals the medical clean claims task force on December 31, 2016.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1.** In Colorado Revised Statutes, 25-37-106, **amend**  
3 (2) (b) introductory portion, (2) (c) (II), (2) (d) (III) (B), and (2) (d) (V);  
4 **repeal** (2) (c) (I), (2) (d) (I), (2) (d) (II), (2) (d) (III) introductory portion,  
5 and (2) (d) (III) (A); and **add** (2) (d) (III) (C), (2) (d) (III) (D), (2) (d)  
6 (IV.5), (8), and (9) as follows:

7           **25-37-106. Clean claims - development of standardized**

1 **payment rules and code edits - task force to develop - legislative**  
2 **recommendations - short title - applicability - repeal.** (2) (b) ~~Within~~  
3 ~~two years after the task force is established~~ BY DECEMBER 31, 2014, the  
4 task force shall develop a ~~base~~ COMPLETE set of UNIFORM, standardized  
5 payment rules and claim edits to be used by payers and health care  
6 providers in the processing of medical claims that can be implemented  
7 into computerized medical claims processing systems. The ~~base~~  
8 COMPLETE set of rules and edits ~~shall~~ MUST be identified through existing  
9 national industry sources that are represented by the following:

10 (c) (I) ~~As the base set of rules and edits developed pursuant to~~  
11 ~~paragraph (b) of this subsection (2) may not address every type of health~~  
12 ~~care service involved in a medical claim, the task force shall work to~~  
13 ~~develop a complete set of uniform, standardized payment rules and claim~~  
14 ~~edits to cover all types of professional services. In working to develop a~~  
15 ~~complete set of rules and edits, the task force shall request to participate~~  
16 ~~in the national initiative or work with national experts to identify any~~  
17 ~~rules and edits that are not encompassed by the national industry sources~~  
18 ~~identified in paragraph (b) of this subsection (2) or that potentially~~  
19 ~~conflict with each other. Additionally, the task force shall consider the~~  
20 ~~CMS medically unlikely edits and commercial claims editing systems that~~  
21 ~~source their edits to national industry sources on a code and code edit pair~~  
22 ~~level in order to create a complete set of payment rules and claim edits.~~

23 (II) In developing a complete set of uniform, standardized  
24 payment rules and claim edits, the task force shall consider standardizing  
25 the following types of edits, without limitation:

26 (A) ~~Unbundle~~ PROCEDURE TO PROCEDURE;

27 (B) ~~Mutually exclusive~~ ADD-ON;

- 1 (C) Multiple procedure reduction;
- 2 (D) Age;
- 3 (E) Gender;
- 4 (F) ~~Maximum~~ Frequency; ~~per day~~;
- 5 (G) ~~Global surgery days~~ PROCEDURE DAYS/PACKAGE;
- 6 (H) Place of service;
- 7 (I) ~~Type of service~~ NEW PATIENT;
- 8 (J) Assistant at surgery;
- 9 (K) ~~Co-surgeon~~ CO-SURGERY;
- 10 (L) ~~Team surgeons~~ SURGERY;
- 11 (M) ~~Total~~, Professional ~~or~~ AND technical ~~splits~~ COMPONENT;
- 12 (N) Bilateral procedures;
- 13 (O) Anesthesia; ~~services~~; and
- 14 (P) The effect of CPT and HCPCS modifiers on ~~these~~ edits; as
- 15 applicable:
- 16 (Q) GLOBAL MATERNITY;
- 17 (R) LABORATORY REBUNDLING;
- 18 (S) MULTIPLE ENDOSCOPY REDUCTION;
- 19 (T) MULTIPLE E/MS ON THE SAME DAY;
- 20 (U) PROCEDURE TO MODIFIER VALIDATION;
- 21 (V) REBUNDLED; AND
- 22 (W) BUNDLED.

23 (d) (I) ~~The task force shall submit a report and recommendations~~  
 24 ~~concerning the set of uniform, standardized payment rules and claim edits~~  
 25 ~~to the executive director of the department of health care policy and~~  
 26 ~~financing and the health and human services committees of the senate and~~  
 27 ~~house of representatives, or their successor committees, by November 30,~~

1 2012, and shall present its report and recommendations to a joint meeting  
2 of the said health and human services committees by January 31, 2013:

3 (II) ~~If, at the time the task force submits its report, the national  
4 initiative has reached consensus on a complete or partial set of  
5 standardized payment rules and claim edits that the task force determines  
6 to be in the best interests of Colorado, the task force shall recommend that  
7 standardized set of payment rules and claim edits for use by all payers  
8 doing business in Colorado, which shall be implemented by payers as  
9 follows:~~

10 (A) ~~Payers that are commercial health plans shall implement the  
11 standardized set of payment rules and claim edits within their claims  
12 processing systems according to a schedule outlined under the national  
13 initiative or by January 1, 2014, whichever occurs first; and~~

14 (B) ~~Payers that are domestic, nonprofit health plans shall  
15 implement the standardized set of payment rules and claim edits within  
16 their claims processing systems by January 1, 2015.~~

17 (III) ~~If, at the time the task force submits its report, the national  
18 initiative work group has not reached consensus on a complete or partial  
19 set of standardized payment rules and claim edits:~~

20 (A) ~~The base set of standardized payment rules and claim edits  
21 developed pursuant to paragraph (b) of this subsection (2) shall become  
22 the standards used in Colorado by payers and health care providers; and~~

23 (B) ~~The task force shall continue working to develop a complete  
24 set of uniform, standardized payment rules and claim edits and, by  
25 December 31, 2014, shall submit a report TO THE EXECUTIVE DIRECTOR  
26 OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, THE  
27 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, AND THE~~

1 HEALTH, INSURANCE, AND ENVIRONMENT COMMITTEE OF THE HOUSE OF  
2 REPRESENTATIVES and may recommend implementation of a set of  
3 uniform, standardized payment rules and claim edits to be used by payers  
4 and health care providers.

5 (C) STARTING JANUARY 1, 2015, THROUGH DECEMBER 31, 2015,  
6 THE TASK FORCE SHALL MAKE THE SET OF UNIFORM, STANDARDIZED  
7 PAYMENT RULES AND CLAIM EDITS AVAILABLE FOR PUBLIC REVIEW AND  
8 COMMENT. THE TASK FORCE SHALL CONSIDER ANY PUBLIC COMMENT IT  
9 RECEIVES ON THE SET OF UNIFORM, STANDARDIZED PAYMENT RULES AND  
10 CLAIM EDITS AND SHALL REVISE THE SET AS NECESSARY BASED ON THE  
11 PUBLIC COMMENTS.

12 (D) BY JANUARY 31, 2016, THE TASK FORCE SHALL SUBMIT A  
13 FINAL REPORT AND RECOMMENDATIONS REGARDING THE COMPLETE SET  
14 OF UNIFORM, STANDARDIZED PAYMENT RULES AND CLAIM EDITS TO THE  
15 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND  
16 FINANCING, THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE  
17 SENATE, AND THE HEALTH, INSURANCE, AND ENVIRONMENT AND PUBLIC  
18 HEALTH CARE AND HUMAN SERVICES COMMITTEES OF THE HOUSE OF  
19 REPRESENTATIVES.

20 (IV.5) DURING THE 2016 CALENDAR YEAR, THE TASK FORCE SHALL  
21 ASSIST USERS WITH QUESTIONS REGARDING THE SET OF UNIFORM,  
22 STANDARDIZED PAYMENT RULES AND CLAIM EDITS.

23 (V) (A) BY JANUARY 1, 2017, EXCEPT AS PROVIDED IN  
24 SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (V), ALL payers shall  
25 implement the standardized payment rules and claim edits developed  
26 pursuant to subparagraph (III) of this paragraph (d) ~~as follows:~~ IN  
27 PROCESSING MEDICAL CLAIMS.

1           ~~(A) For payers that are commercial health plans, according to a~~  
2 ~~schedule outlined in the task force recommendations or by January 1,~~  
3 ~~2016, whichever occurs first, and~~

4           ~~(B) For payers that are domestic, nonprofit health plans, by~~  
5 ~~January 1, 2017~~ UNLESS AUTHORIZED UNDER FEDERAL LAWS OR  
6 REGULATIONS, PLANS SUBJECT TO THE FEDERAL "EMPLOYEE RETIREMENT  
7 INCOME SECURITY ACT OF 1974", AS AMENDED, 29 U.S.C. SEC. 1001 ET  
8 SEQ., ARE NOT SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

9           (8) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH  
10 CARE POLICY AND FINANCING SHALL WORK WITH THE FEDERAL  
11 DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ENCOURAGE AND  
12 FACILITATE THE USE OF THE UNIFORM, STANDARDIZED PAYMENT RULES  
13 AND CLAIM EDITS ADOPTED IN THIS STATE AS THE MODEL FOR USE AND  
14 IMPLEMENTATION NATIONALLY.

15           (9) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2016.

16           **SECTION 2. Appropriation.** In addition to any other  
17 appropriation, there is hereby appropriated, out of any moneys in the  
18 general fund not otherwise appropriated, to the department of health care  
19 policy and financing, for the fiscal year beginning July 1, 2014, the sum  
20 of \$128,188, or so much thereof as may be necessary, for allocation to the  
21 task force established pursuant to section 25-37-106 (2), Colorado  
22 Revised Statutes, for use in developing a standardized set of payment  
23 rules and claim edits related to the implementation of this act.

24           **SECTION 3. Act subject to petition - effective date.** This act  
25 takes effect at 12:01 a.m. on the day following the expiration of the  
26 ninety-day period after final adjournment of the general assembly (August  
27 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a

1 referendum petition is filed pursuant to section 1 (3) of article V of the  
2 state constitution against this act or an item, section, or part of this act  
3 within such period, then the act, item, section, or part will not take effect  
4 unless approved by the people at the general election to be held in  
5 November 2014 and, in such case, will take effect on the date of the  
6 official declaration of the vote thereon by the governor.

SB159\_L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Human Services.

SB14-159 be amended as follows:

- 1 Amend printed bill, page 2, line 5, after "(D)," insert "(2) (d) (III) (E),".
- 2 Page 3, line 2, strike "**applicability - repeal.**" and substitute
- 3 "**applicability.**".
- 4 Page 6, after line 19 insert:
  - 5 "(E) ON AND AFTER JANUARY 1, 2017, THE TASK FORCE OR ITS
  - 6 SUCCESSOR SHALL REVIEW AND UPDATE THE STANDARDIZED SET OF
  - 7 PAYMENT RULES AND CLAIM EDITS AND THE RECOMMENDATIONS
  - 8 SUBMITTED PURSUANT TO THIS PARAGRAPH (d) AT LEAST QUARTERLY AND
  - 9 BY DECEMBER 31, 2017, AND BY EACH DECEMBER 31 THEREAFTER, SHALL
  - 10 SUBMIT AN ANNUAL REPORT TO THE EXECUTIVE DIRECTOR OF THE
  - 11 DEPARTMENT OF HEALTH CARE POLICY AND FINANCING OR TO THE AGENCY
  - 12 RESPONSIBLE FOR OVERSEEING THE TASK FORCE OR ITS SUCCESSOR."
- 13 Page 6, line 27, strike "CLAIMS." and substitute "CLAIMS AND SHALL
- 14 IMPLEMENT UPDATED STANDARDIZED PAYMENT RULES AND CLAIM EDITS
- 15 AT LEAST TWICE A YEAR."
- 16 Page 7, strike line 15.

\*\* \*\* \*\* \*\* \*\*



**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 14-0388 **Date:** March 26, 2014  
**Prime Sponsor(s):** Sen. Aguilar **Bill Status:** Senate Health & Human Services  
 Rep. Primavera **Fiscal Analyst:** Clare Pramuk (303-866-2677)

**SHORT TITLE:** IMPLEMENT MED CLEAN CLAIMS RECOMMENDATIONS

| Fiscal Impact Summary*   | FY 2014-2015            | FY 2015-2016          |
|--|-------------------------|-----------------------|
| <b>State Revenue</b>   |                         |                       |
| <b>State Expenditures</b>  | <b><u>\$128,688</u></b> | <b><u>128,688</u></b> |
| General Fund   | 128,688                 | 128,688               |
| <b>FTE Position Change</b>   |                         |                       |
| <b>Appropriation Required:</b> \$128,688 - Health Care Policy and Financing (FY 2014-15) |                         |                       |

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

The Medical Clean Claims Task Force (task force) was created under House Bill 10-1332 to develop a standardized set of payment rules and claim edits to be used by payers and health care providers in Colorado when claims are undisputed (clean claims). This bill modifies the deadlines for developing and implementing the standard payment rules and claim edits and adds a year-long public review period to test the long-term governance process for the rules and edits. The new deadlines are as follows:

- **December 31, 2014** - task force reports to the executive director of the HCPF and the House and Senate health committees on a set of recommended rules and edits;
- **January 1, 2015 - December 31, 2015** - task force makes rules and edits available for public review and comment;
- **January 31, 2016** - task force submits final rules and edits to the executive director of the Department of Health Care Policy and Financing (HCPF) and the House and Senate health committees;
- **January 1, 2016 - December 31, 2016** - task force assists users with questions on rules and edits; and
- **January 1, 2017** - all payers except insurance plans subject to the "Employee Retirement Income Security Act of 1974" implement and use rules and edits.

The executive director of the HCPF is directed to work with the federal Department of Health and Human Services to encourage and facilitate the use of the rules and edits nationally. The task force is repealed on December 31, 2016.

**Background**

There are 25 members of the task force who are appointed by the executive director of HCPF. Members include representatives from health plans, software vendors, and health care providers. The task force is now approximately 39 months into a 4-year project to develop a

uniform set of medical claim edits and payment rules with the goal of reducing claims processing time. The Colorado Medical Society Foundation serves as custodian of funds for the task force and is authorized to solicit and collect monetary and in-kind gifts, grants, and donations to fund the task force.

### **State Expenditures**

This bill is expected to increase General Fund expenditures by **\$128,688 in FY 2014-15 and FY 2015-16** for the HCPF. Costs are shown in Table 1 and described below.

| <b>Table 1. Expenditures Under SB14-159*</b> |                   |                   |
|--|-------------------|-------------------|
| <b>Cost Components</b>                       | <b>FY 2014-15</b> | <b>FY 2015-16</b> |
| Computer Programming                         | \$50,000          | \$50,000          |
| Project Management                           | 47,400            | 47,400            |
| Legal Services                               | 5,000             | 5,000             |
| Communications                               | 12,500            | 12,500            |
| Other Operating Expenses                     | 13,788            | 13,788            |
| <b>TOTAL</b>                                 | <b>\$128,688</b>  | <b>\$128,688</b>  |

*\*Costs are for calendar year 2015, so one-half of costs are shown in each fiscal year.*

The task force is expected to continue contracting with a vendor to maintain and update the edit library at a cost of \$50,000 per fiscal year. Project management staff will oversee the project, ensure project milestones are met, and solicit funds at a cost of \$47,400 per fiscal year. Ten hours of attorney fees at \$500 per hour are included in each year (\$5,000) for contract review and the resolution of governance issues. Costs of \$12,500 per year are required to maintain and update the project website and for development of communication materials. Finally, the task force requires \$13,788 in operating expenses, which includes software updates, travel, and teleconference and webinar expenses.

### **Effective Date**

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

### **State Appropriations**

For FY 2014-15, the HCPF requires a General Fund appropriation of \$128,688. Currently, the bill includes a General Fund appropriation of \$128,188.

### **State and Local Government Contacts**

Health Care Policy and Financing

**Congress of the United States**

Washington, DC 20515

April 7, 2014

The Honorable Kathleen Sebelius,  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC. 20201

Dear Secretary Sebelius,

We are writing to you today to make you aware of an effort by the state of Colorado to streamline healthcare processes that will result in significant cost savings. We are encouraged by the potential for significant financial savings associated with the work of Colorado's Clean Claims Task Force. This Task Force was created to establish uniform claim edits that would be adopted and used by all private health insurance payers having contracts with providers in Colorado. This effort is estimated to save \$80 million dollars for Coloradans. If this administrative simplification effort was deployed nationwide it could possibly save billions for American taxpayers. At least one other state, Vermont, has expressed interest in a similar effort, and we believe other states will follow suit.

The scope of the problem being addressed by the Colorado's Task Force cannot be overstated. The Health Billing Management Association (HBMA) testified to Congress in 2011 that "61% of all denied claims are associated with idiosyncratic payer edits" (claim edits unique to the payer). Their testimony pointed out "when written appeals disputing these denials were sent we were successful in 86% of the cases." According to HBMA, this covered 2 million claims in less than one year. When taken in the context of the American Medical Association's estimate that the administrative cost to contest a claim is \$100-\$250, the scope of the problem is a multi-billion dollar loss nationally.

The Colorado Clean Claims Task Force is composed of approximately 25 experts, including national representatives from multiple health plans, software vendors, and providers. They are now 38 months into the 4-year project, are approaching the completion of a uniform claim edit library, and will soon start discussions regarding implementation and ongoing maintenance.

Please review the attached letter from the Colorado Task Force to Mr. Jeff Hinson, Regional Administrator, Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services, in Denver, Colorado. The letter provides more detail on the background and work of the Colorado Task Force. We urge CMS to examine these documents as a part of the Administrative Simplification Section 10109 of the Patient Protection and Affordable Care Act (PPACA), "Consistency of Claim Coding Edits." Additionally, we understand that, per the requirements in the aforementioned section, the National Committee on Vital and Health Statistics (NCVHS) has submitted a report with recommendations on similar simplification efforts. To our knowledge no further action has been taken by the Administration.

As such, we, the undersigned members of the Colorado congressional delegation, respectfully request that HHS collaborate with the Colorado Task Force moving forward regarding a possible expansion of their efforts into other states and request an update on the Administration's plans related to the NCVHS recommendations. We would be pleased to coordinate a meeting with your office and the Colorado Task Force co-chairs to discuss this matter in greater detail. We thank you in advance for your consideration of our request and would like to make ourselves available to speak with you or a member of your staff should you have any further questions.

Sincerely,



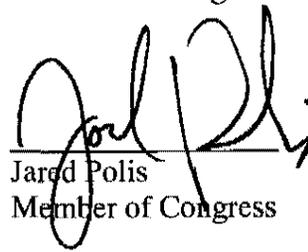
Mike Coffman  
Member of Congress



Diana DeGette  
Member of Congress



Ed Perlmutter  
Member of Congress



Jared Polis  
Member of Congress

## Colorado Medical Clean Claims Governance & Dispute Resolution Process

### Section I:

#### I. Background & Context:

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During the 2010 legislative session Colorado's lawmakers passed, by a wide bipartisan margin, HB10-1332 which instructed that a Task Force of a broad based set of stakeholders be formed to develop a uniform set of claim edits that would subsequently be adopted by all payers having contracts with providers in Colorado.

To this end a group of approximately 25 experts including national representatives from many health plans, vendors of software and providers came together voluntarily to deliberate. This group is now approximately 38 months into a 4 year project. This fully transparent process has solicited input from all stake holders, works by consensus and continues to add members.

There are currently five committees that are undertaking the work of the taskforce on behalf of the full MCCTF. All of these committees "touch" the process described below at various points. They are tasked with the following:

1. Edit Committee: To examine the edits and associated rules, concepts and methodologies contained in national sources and national source guidelines; assessing their applicability to private health plan claims processing; and making recommendations to the task force on the claims edits to be included in the standardized set.
2. Rules Committee: To develop and make recommendations to the task force concerning coding scenarios that is unique and eligible for differentiated payment.
3. External Engagement Committee: To liaison between the task force and the AMA's Federation of Medicine, which includes 122 national specialty societies and 50 state medical societies in order to assess if public ode edit and payment policy libraries meet the needs of national medical societies and state medical associations by reaching out and obtaining feedback from these groups.
4. Data Sustaining Repository Committee: To recommend to the task force how the standardized set will be maintained, updated and sustained.

As technology and the nomenclature required under HIPAA for health care transactions evolves the edits sets created will need to be maintained. Additional rules may be desired with changes in the system and medical technology. The description below describes the process for and oversight of edits and rules in the near term -- while the MCCTF is still providing the oversight for the process. The following description of the processes used by the task force is intended as a template for the continued development and maintenance of this Rule set designed to simplify the payment of medical claims as directed by section 10109 of the Affordable Care Act. However, it is anticipated that a separate final document recommending long term development and dispute resolution will be produced and provided to the Colorado Legislature.

The MCCTF emphatically believes that a permanent entity similar to the existing task force representing all parties affected by the rule set function as the core decision-making body should be created with respect both rules and edits. This recommendation reflects that belief.

44

45 **II. Definition of terms/glossary:**

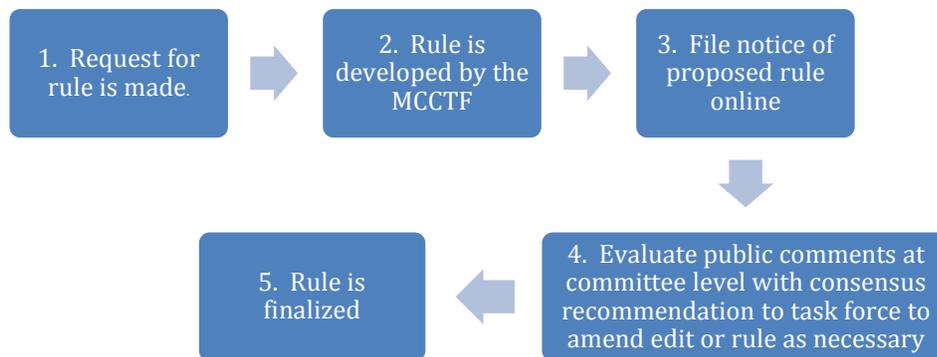
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46 Please see attached Glossary of terms

47 **III. Development of Rules:**

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48 The MCCTF has created rules sets based on the Act to be applied to claims submitted in the state of  
49 Colorado. The rules have been initially developed with input from the members of the task force.  
50 Rules have been released for public comment in four separate bundles. Public comment has been  
51 received and responded to under the following format and guidance. It is recommended that a  
52 similar format be used to address new rule requests.  
53



54

55

56 **1. Rule is requested:**

57

A. Rules may be requested by affected parties.

58

B. Rules must be requested 120 days prior to the end of a quarter for potential inclusion in the following Quarter update request for edit tables. New rules developed through this process will then be required to follow the Edit Development Guideline that follows.

59

60

61

62

**2. Proposed rule is developed and/or reviewed by the MCCTF:**

63

A. Requests for a rule will be vetted by the MCCTF Rules Committee and either determined to be actionable or rejected for inclusion in the rule set based on the following:

64

i. The rule is within the scope of the legislation

65

ii. The rule can be defined and sources are available to develop effective edits in accordance with the acceptable data sets.

66

iii. The rule is not in conflict with or covered by existing rules.

67

68

B. If the request for the rule is determined to actionable by the MCCTF, the MCCTF will develop the rule through attempted consensus among the members in accordance with the rules template. In lieu of consensus a simple majority vote of the members will serve as adequate for publication of the final rule.

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C. No requested rule by a stakeholder may be arbitrarily rejected without due consideration if it is deemed within the scope of the Act.

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75

76

**3. File notice of the proposed rule online:**

- 77 A. The notice will be posted on the MCCTF website and electronic notification will be sent to  
78 the interested parties alerting them.
- 79 B. Initially identify “interested” parties by utilizing the communication networks of the  
80 Colorado Association of Health Plans, Colorado Medical Society, American Medical  
81 Association, and vendor organizations. Additionally notification will be sent to Health &  
82 Human Services, the Colorado Division of Insurance, Colorado Division of Workers  
83 Compensation, and Colorado Health Care Policy and Finance. Need to have an official  
84 method of notifying Payers Division of Insurance, Insurance commissioner ( we have the  
85 big players on the committee but ..) in the list.
- 86 C. A sign up place will be added to the MCCTF website for interested parties to  
87 request/receive direct notification of future proposed rules.
- 88 i. Notification should include enough information for the public to understand the  
89 proposed rule, its potential impact, and the decision making process the MCCTF  
90 used to arrive at the recommendation:
- 91 a. Edit/payment rule name and definition;  
92 b. Associated modifiers;  
93 c. Rule logic description (including a payment rule hierarchy where there are  
94 multiple sources as well as date tracking);  
95 d. Rationale for the rule;  
96 e. Administrative guidelines for handling special billing situations;  
97 f. Specialty Society comments as available;  
98 g. Initial Edit set; and,  
99 h. A summary of the Task Force workgroup recommendation/decision.
- 100 ii. Provide information on how to submit comments and by when:
- 101 a. Take comments only by electronic submission to the MCCTF e-mail address,  
102 provide an automatic acknowledgement receipt with an indication of the  
103 next steps/timeframe.  
104 b. Identify what format the comments should be in and the type of  
105 rationale/information necessary for a complete evaluation.  
106 c. Commenter should provide a contact person in case more information is  
107 needed. *For the initial review process a 30-day comment period is deemed*  
108 *sufficient; a second review opportunity for input occurs before the final*  
109 *implementation date.*
- 110 **4. Evaluation of comments:**
- 111 A. *Initial process review by Staff, which will include a quick review of the comment for*  
112 *required format and supporting information within 7 days of receipt.*
- 113 B. Committee co-chairs evaluate public comment cleared by staff and send to committee  
114 members for review within 14 days. *Committee members will be notified and asked to*  
115 *review and post their comments within 14 days.*
- 116 C. Committee co-chairs present member input and present to their own committee  
117 members for consensus recommendation to the whole Task Force.
- 118 D. The MCCTF co-chairs will do an initial evaluation of the comments; they will include their  
119 evaluations as part of a regularly scheduled committee meeting. *To facilitate the process,*  
120 *the comments will be posted to the Task Force members’ site for review.*

121 E. Task Force reaches consensus on committee recommendations regarding comments,  
122 including rationale for decision. *The Task Force will complete its review of all comments*  
123 *with consensus recommendations by 60 days after the close of the comment period.*

124 **5. Rule is finalized:**

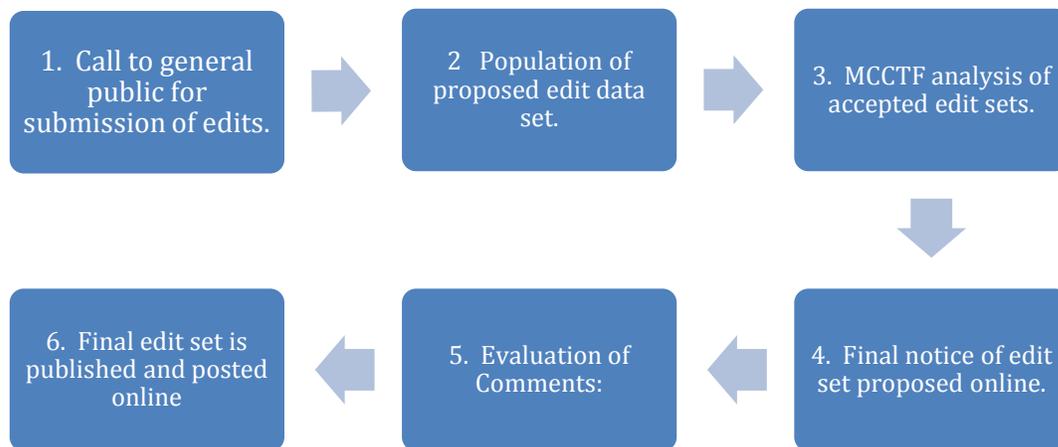
- 125 A. Final rule is published.
- 126 B. Rule is then moved to Edit set development protocol.

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128 **IV. Edit Set Development:**

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129 Once a rule is developed the MCCTF will initiate the development of and edit set to support the  
130 implementation of the rule. Again the process of consensus will be attempted at the edit level.  
131 The task will require that the MCCTF develop parameters for edit analysis including time frames  
132 for response and appeal of adopted edits. In lieu of consensus a simple majority vote of the  
133 members shall prevail.  
134



135

136 **1. Call to general public for submission of edits**

- 137 A. A database for edits is created for housing of all edits.
- 138 B. An acceptable format for submission of edits will be included in the request for  
139 submission of edits for each rule or set of rules. See Appendix A for submission format.
- 140 C. A timeline for submission of edits is included in the request for submission of edits.
  - 141 i. The initial edit submission timeline will be set in accordance with statute deadline  
142 for development the initial data set for April 30, 2014.
  - 143 ii. Thereafter Deadlines for inclusion of an edit in an edit set will be 45 days prior to  
144 the end of the quarter.
  - 145 iii. NOTE: Due to the current timeline of some sources it is anticipated that MCCTF will  
146 release edit sets for each quarter 2 weeks prior to Quarter start. This process will  
147 not allow for adequate public feedback, therefore, the proposed process will

148 include release of data with a public comment period of 60 days allowing update  
149 based on public comment.

150 **D.** Submission request includes notification that edits not submitted will not be included in  
151 the final edit set and therefore, will not be allowed in processing of claims unless  
152 specifically included in contractual agreements between payer and provider.  
153

154 **2. Population of Initial Edit data set (Initial Edit Set).**

155 **A.** Edits that conform to requested edit submission format will be added to the Initial Edit  
156 Set. Edit submission format will include the following:  
157 **i.** Edit must be in electronic format in file layout specified in the submission request.  
158 **ii.** Edit must include a national industry source, as recognized by MCCTF  
159 **iii.** Existing national industry sources as identified in House Bill 10-1332:

160 (I) THE NCCI;

161 (II) CMS DIRECTIVES, MANUALS, AND TRANSMITTALS;

162 (III) THE MEDICARE PHYSICIAN FEE SCHEDULE;

163 (IV) THE CMS NATIONAL CLINICAL LABORATORY FEE SCHEDULE;

164 (V) THE HCPCS CODING SYSTEM AND DIRECTIVES;

165 (VI) THE CPT CODING GUIDELINES AND CONVENTIONS; AND  
166

167 (VII) NATIONAL MEDICAL SPECIALTY SOCIETY CODING GUIDELINES.

168 **3. MCCTF analysis of edit sets with National Industry sources (Preliminary Edits)**

169 **A.** MCCTF will assign edit review to sub-committees  
170 **B.** Sub-committees will analyze edits for all edits in which there is conflict from sources.  
171 **C.** Sub-committee will analyze edits, other than those in conflict, at its discretion.  
172 **D.** Referenced Sources will be notified by MCCTF that edits have been added to the  
173 Preliminary Edit Set that have referenced the organization as a Source.  
174 **E.** Referenced Sources may request review of all edits listing the Referenced Source  
175 regardless of MCCTF determination to analyze the edit.  
176 **i.** Referenced Source will have 90 days to review the data provided under this  
177 request. If Referenced Source does not return a response the edit provided will be  
178 considered valid and accepted into the Preliminary Edit Set.  
179 **ii.** For those edits that the Referenced Source does not agree with interpretation and  
180 can provide valid counter reference material initial Referenced Source will be  
181 considered invalid and edit will not be included in the Preliminary Edit set unless a  
182 second Referenced Source considers the edit valid, supplier of Draft Edit will be  
183 provided with comments of MCCTF and Referenced Source.  
184 **iii.** If Referenced Source agrees the edit is valid, edit will be included in Preliminary  
185 Edit set  
186 **F.** For those edits which are analyzed, source analysis will be conducted as needed

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- i. Clear source notation with detailed sourcing to published data will be validated as needed with Referenced Source.
  - ii. Referenced Sources for those edits to be analyzed will be provided those edits (ie. CPT to AMA and Specialty Society to the referenced society). Referenced Source responses must be received within 90 days of the date provided.
    - a. If the referenced source does not respond within time frame specified the determination of whether or not to include edit is left to the Task Force. The source will be notified of the task force decision in these cases.
    - b. If Referenced Source does not agree with interpretation and can provide material to support its position, initial Referenced Source will be considered invalid and edit will not be included in the Preliminary Edit set, supplier of Draft Edit will be provided with comments of MCCTF and Referenced Source.
    - c. If Referenced Source agrees the edit is valid, edit will be included in Preliminary Edit set
    - d. If in rare instance valid sources are in conflict. Sub-committee will attempt to resolve conflict giving higher credence to the most clinical reference available.
  - G. A three-step sub-committee dispute resolution process will be used to address those edits for which conflict remains after source validation is completed.
    - i. (1) A discussion of the full sub-committee will be conducted followed by a vote of members. If consensus is obtained the edit will be excluded or retained for the Preliminary edit set as directed by the consensus.
    - ii. (2) If consensus is not obtained the sub-committee will delegate a sub-set of the members with equal representation from Payer and Provider and a neutral party agreed to by the task force.. This ad-hoc subset, will through discussion, develop a recommendation for the sub-committee. The recommendation will be from the following list:
      - a. Accept the edit,
      - b. Reject the edit. or
      - c. Retain the edit dispute.
    - iii. (3) The sub-committee will accept the decision of the ad-hoc subset for those edits that are accepted or rejected. For those edits that remain in dispute the Sub-committee through a simple majority vote will recommend to the full task force that the edit is
      - a. Accepted for inclusion in the Preliminary Edit Set
      - b. Rejected and not included in the Preliminary Edit Set
    - iv. In all cases, the supplier will be notified of MCCTF determination of the edit. Database administrator, to retain blind submission integrity, will conduct notification of supplier regarding the edit determination.  
*Note that edits may also be rejected as Out of Scope of the task force.*
  - H. All decisions for which conflict is noted and resolved by sub-committees will be vetted with full MCCTF.
    - i. Upon consensus where possible and upon majority vote when needed, Preliminary Edit sets will be approved by full MCCTF.

- 232 **4. Final notice of Preliminary edit set online**
- 233 **A.** Vendor/payer/provider (VPP) who has its own rule logic takes the MCCTF edit set and
- 234 compares it/conducts an internal crosswalk against their edit list.
- 235 **B.** Vendor/payer/provider provides MCCTF with its requests to remove, retain or add edits
- 236 based on analysis. VPP must provide rationale for any change recommendations. It is
- 237 anticipated that comments on edits will be provided in required format similar to
- 238 process required for on-going edit evaluation.
- 239
- 240 **5. Evaluation of Comments:**
- 241 **A.** MCCTF Edit Committee reviews VPP recommendations during its bi-monthly meetings
- 242 and arrives at consensus recommendations on what is “in” and what is “out” based on its
- 243 review and analysis of the VPP recommendations. If consensus is not achievable within
- 244 Edit Committee on any edit and edit committee has agreed that source information is
- 245 valid, edit will be sent for review by full task force with noted lack of consensus.
- 246 **B.** Edit Committee posts its vetted edit list for MCCTF full task force review and comment
- 247 relative to any non-consensus edits. All other edits for which consensus has been
- 248 obtained will be added to edit set to be posted to website for public comment. The
- 249 website will have the capability to place vetted edit list for public comment with data
- 250 files and a section for public comment. *Commenters will have 30 days to review the edit*
- 251 *list.*
- 252 **C.** Edit Committee will review public comments at the end of the public comment period
- 253 and provide responses to commenters and its consensus recommendation to the Task
- 254 Force. Following same process used for VPP comment review.
- 255 **D.** Task Force reaches consensus based on committee recommendations regarding
- 256 comments, including rationale for decision. *The Task Force will complete its review of all*
- 257 *comments with consensus recommendations by 60 days after the close of the comment*
- 258 *period.*
- 259 **E.** *If Full task force consensus for an edit/rule change cannot be obtained. Interested parties*
- 260 *identified by the task force will be invited to present their positions to the Task Force. After*
- 261 *the presentation(s), a vote of the Task force will be called with the majority opinion*
- 262 *prevailing.*
- 263 **F.** As the federal register and other government agencies do, the MCCTF would provide a
- 264 summary of the comments it has received and their deliberations/decisions for each.
- 265
- 266 **6. Draft edit set, is published and posted online**
- 267 **A.** This notification would be posted on the same website and notification would be sent out
- 268 to the interested parties.
- 269 **B.** The notification would provide the final determination.
- 270 **C.** The notification would include the “effective” date or implementation date and specific
- 271 statutory requirements. *Notification of the rule findings and finalization will be completed*
- 272 *within 180 days of publication.*

273 **V. New Rules and Updates to Edit Sets:**

274 New rules and those updates as required by changes in code and technology will be subject to the

275 process stated above.

Section II:

VI. Dispute Resolution Process Open to Public:

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In the event a person or group wishes to challenge an edit or a rule, the following three level dispute resolution process is proposed:

- A. First, a dispute goes through MCCTF resolution; MCCTF resolution will consist of comparing edit and complaint to determine if either or both are correctly sourced to an accepted source by vendor or staff. If both are correctly sourced dispute would be elevated to MCCTF for resolution. If either is incorrectly sourced the correctly sourced decision would be recommended to task force for adoption of deletion, retention or addition of edit.
- B. Upon resolution of edit by MCCTF, decision of MCCTF can be challenged through mediated resolution. An independent ad hoc dispute resolution capability would be created which is separate from the business and content management functions. It would entail the creation of a three person panel comprised of: 1) complainant selected individual; 2) defendant selected individual; and, 3) a 3<sup>rd</sup> person that is acceptable to other two parties. Disputes would be brought before this three person panel for review and a final decision. The panel would be all-volunteer and not receive any direct compensation.
- G. *Rule /Edit will be subject to panel arbitration as follows:*
  - i. *Arbitration panel (AP) will be elected consisting of x vendors, x payers, x providers and x others.*
  - ii. *Panel will review comments from public, committees and task force.*
  - iii. *Based on review a vote of the AP will be conducted. The AP can vote to include the edit or rule change, reject the edit or rule change or refer the edit or rule change back to a committee for further evaluation.*

VII. On-Going:

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As the MCCTF is scheduled to be dissolved at the end of 2014 a new, permanent entity will need to be created to assume the role of the task force. It is recommended that a similar group be created. It is recommended that the new body be similar in make up consisting of 4 payer representatives, 4 provider representatives, 3 vendor representatives and 2 lay people representing the patient interests. All meetings should be open to the interested public. Further it is recommended that any sub-committee created have balanced representation to maintain the spirit of cooperation and integrity the MCCTF has been able to create. It is recommended that members of the group be technically qualified to analyze the issues presented to the group and that the membership be approved by the state. Further it is recommended that the body be made up of volunteers with compensation only for travel and expenses for required meetings of the group.

The group will carry out the charge of maintaining the Rule and Edit set in the spirit and function created by the task force with changes to the process adopted by consensus of the group.

4/23/2014

## MCCTF Work Plan and Statutory Deadlines: March - August 2014

| KEY  |  |                          |
|--|--|--------------------------|
| Activity Color - Category                                | Symbol   | Deadline/Status Color    |
| Creating the Standardized Set of Edits (MCCTF Overview)  | <b>X</b> Signifies an item that has been completed     | Ongoing                  |
| Data Analytics Database - Bishop Enterprise Project plan | Arrow Signifies an "ongoing" event                     | Date of Completed Event  |
| MCCTF Review of Edits                                    | Red Background Indicates that deadline has been missed | Date of Incomplete Event |
| Statutory Deadlines/Final Report                         | Arrow Signifies an "ongoing" event                     | Date of Missed Deadline  |
| Rule Bundles   |  |                          |

| Activity   | 2014 |     |          |       |     |      |      |     |      |     |     |     | 2015 |     |     |       |     |      |      |     |      |     |     |     | Deadline/Status |                |
|--|------|-----|----------|-------|-----|------|------|-----|------|-----|-----|-----|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|-----------------|----------------|
|  | Jan  | Feb | Mar      | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec |                 |                |
| Filter by Activity   |      |     |          |       |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     |                 | Filter by Date |
| After reviewing comments on fourth bundle of draft recipes, task force finalizes and approves. |      |     | <b>X</b> |       |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     |                 | March 26, 2014 |

| Activity  | 2014 |     |     |       |     |      |      |     |      |     |     |     | 2015 |     |     |       |     |      |      |     |      |     |     |     | Deadline/Status                       |
|---|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|---------------------------------------|
|   | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec |                                       |
| <b>List of Suppliers</b><br>3/5/14 - 3/31/14<br><a href="#">CLICK CELL TO VIEW DETAIL</a>   |      |     | ■   |       |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | March 31, 2014                        |
| <b>Solicitaion Letter:</b><br>3/7/14 - 3/31/14<br><a href="#">CLICK CELL TO VIEW DETAIL</a> |      |     | ■   |       |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | March 31, 2014                        |
| Contractor ready to accept edits from vendors, payers, others.                              |      |     | ■   |       |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | March 31, 2014                        |
| Interim report to CHF   |      |     |     | ■     |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | 4/15/2014* Deadline has been extended |

| Activity   | 2014 |     |     |       |     |      |      |     |      |     |     |     | 2015 |     |     |       |     |      |      |     |      |     |     |     | Deadline/Status |
|--|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|-----------------|
|  | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec |                 |
| <b>User interface mock-up</b><br>3/5/14 - 4/23/14<br><a href="#">CLICK CELL TO VIEW DETAIL</a>                             |      |     | !   | !     |     |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | April 23, 2014  |
| <b>Beta Test Data Analytics Database</b><br>5/31/14 - 6/26/14  |      |     |     |       | !   | !    |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | May 15, 2014    |
| <b>Initial Edits Loaded Into Data Analytics Database</b><br>3/31/14 - 5/31/14<br><a href="#">CLICK CELL TO VIEW DETAIL</a> |      |     | !   | !     | !   |      |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | May 31, 2014    |
| Complete proposed standardized edit set ready for review and approval by task force.                                       |      |     |     |       |     | !    |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | June 1, 2014    |

| Activity  | 2014 |     |     |       |     |      |      |     |      |     |     |     | 2015 |     |     |       |     |      |      |     |      |     |     |     | Deadline/Status |
|---|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|------|-----|-----|-------|-----|------|------|-----|------|-----|-----|-----|-----------------|
|   | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan  | Feb | Mar | April | May | June | July | Aug | Sept | Oct | Nov | Dec |                 |
| <b>Create List of all Completed Data Tables</b><br>5/10/14 - 6/22/14<br><a href="#">CLICK CELL TO VIEW DETAIL</a>   |      |     |     |       | !   | !    |      |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | June 22, 2014   |
| <b>Production Data Analytics Database</b><br>6/26/2014 - 7/24/2014  |      |     |     |       |     | !    | !    |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | July 24, 2014   |
| <b>Royalty and Liscensing Report</b><br>Before 12/31/14   | !    | !   | !   | !     | !   | !    | !    | !   | !    | !   | !   | !   |      |     |     |       |     |      |      |     |      |     |     |     | July 25, 2014   |
| Task force solicits comments on its recommendations for DSR operations regarding who is responsible for establishing a central repository for accessing the rules & edits set & enabling electronic access--including downloading capability--to the rules & edits set. |      |     |     |       |     |      | !    |     |      |     |     |     |      |     |     |       |     |      |      |     |      |     |     |     | July 31, 2014   |