



**Monday, June 3, 2019**

**8:30 am – 10:30 am**

Teleconference/WebEx OPTION - ([Participant Instructions](#))

## **AUC Executive Committee**

### **AGENDA**

1. Meeting to Order
2. Welcome & Introductions
3. Anti-trust Statement – [www.health.state.mn.us/auc/pdfs/antitrust.pdf](http://www.health.state.mn.us/auc/pdfs/antitrust.pdf)
4. Approve Previous Meeting Minutes
5. Updates – Companion Guides, TAGs, Best Practices, etc.
6. Planning for June 11 Operations meeting
7. Other Business
8. Meeting Summary & Next Steps
9. Next Meeting – MDH, Teleconference/WebEx OPTION (8:30-10:30am)  
July 1, 2019



## AUC 101 and e-Health Convergence

Minnesota e-Health Advisory Committee

April 22, 2018

# Theme -- Getting everyone on the same page

- There are needs for and advantages of getting everyone on the same page
- There are reasons to be especially mindful of getting everyone on the same page now
- Briefly profile one current example (and possible model for future?)
- But before going any farther, two key messages:

**•Thank you**

**•Help**

# Overview

- Initial context -- Follow-up re. HIE Task Force preferences and Rec. 1 plan for foundational HIE
  - Governance and authority to continue toward robust and optimal HIE
    - Synchronize data exchanges based on common, uniform standards, best practices, etc.
    - Streamline, standardize, automate for accuracy, security, efficiency
- Existing, successful example -- MDH collaboration with Minnesota Administrative Uniformity Committee (AUC)
  - Concept for consideration: replicate/adapt AUC model for e-Health (ie, e-Health Uniformity Committee – “eUC”)
- Additional impetus for eUC concept now
  - Convergence of administrative and clinical data flows
  - Proposed federal rules re. interoperability, anti-blocking, and consumer access to health information

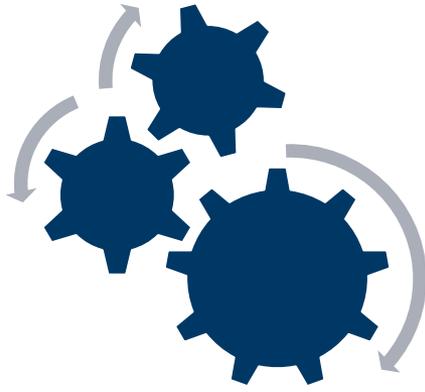
# Follow-up re. HIE Task Force preferences and Rec. 1 plan for foundational HIE



**Optimal HIE**  
Use connected data to support community health

**Robust HIE**  
Use information to manage patient care

**Foundational HIE**  
Ensure information flows with the patient



HIE Governance Structure/Process



Many decisions still needed, including for example (under “Strategic Governance”) -- “rules of the road” (getting everyone on the same page)

Is there something that might serve as a possible example?

HIE Task Force Recommendation 1

# Possible model/process/mechanism to consider (also noted at last year's Summit)

- Minnesota public/private collaboration to reduce health care administrative costs and burdens
- Minnesota Department of Health (MDH) with large, voluntary, multi-stakeholder advisory group (Minnesota Administrative Uniformity Committee – “AUC”)
- Concept for possible consideration: replicate/adapt AUC model for e-Health (ie, e-Health Uniformity Committee – “eUC”)?

# Success Story

- Special “AUC Day” proclaimed by Governor Dayton for its accomplishments in --
  - Reducing overall health care administrative costs by \$40-\$60 million
  - Improving the accuracy and timeliness of health care billings and payments and related financial data
  - Reducing hassle factors and paperwork
  - Improving patient care experience

# Background – the business of health care

## Staggeringly complex, expensive health care billing and payment system

- Nearly 105 million claims submitted to MN health plans in 2017
  - Millions of other financial related transactions (e.g., remittances, eligibility verification, payments, checking claims status, prior authorizations)
- Hugely expensive, time-consuming, burdensome
  - Total US health administrative costs – over \$300 Billion annually
- Especially costly when transactions exchanged manually – via fax, phone, mail
  - As much as 100 x more expensive than standard, electronic transactions

# Solution

- Reduce expensive, wasteful paperwork and non-standard, manual routine business processes
- Streamline, simplify, automate routine health care business transactions
  - Consistency, uniformity, and standardization needed for automation (computer to computer data interchange)
    - Data content and format
    - Common, consistent processes
- Accomplish through state rules (mandates), voluntary adoption, education and TA, contributing to national efforts and decisions



## **Minnesota Administrative Uniformity Committee (AUC)**

- Improve business/financial data flow, reduce administrative costs
- Consensus recommendations for the “same page” and getting everyone on it
  - Especially data content, format

# AUC hallmarks (cont.)

- Community, private-public
- Volunteer
- Democratic, grass-roots
- Structured, defined process with multiple opportunities for input, comment, review
- Transparent, open, public
- MDH – participant, staffing, logistical support

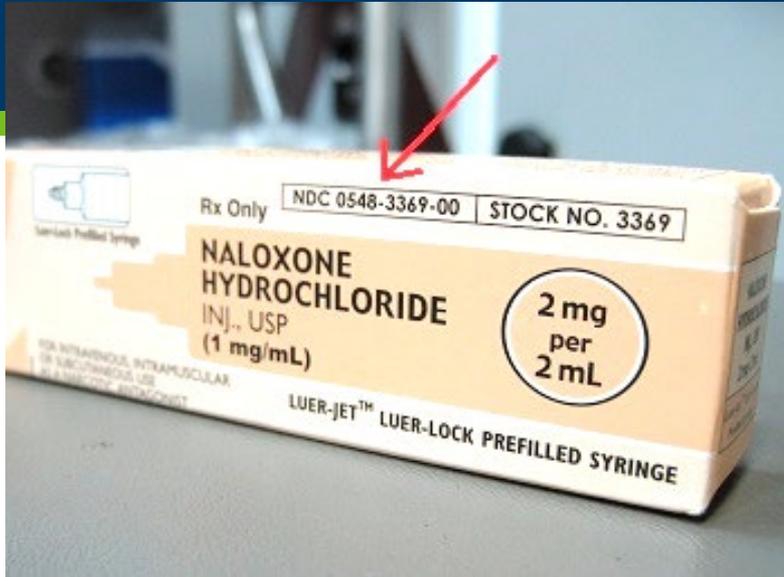
# AUC structure and process

- Divisions of labor
  - Work groups (TAGs) - standing and one-time
  - Committee of the whole, rotating leadership
- Opportunities to identify/address pain points, suggestions, innovate
  - AUC Members, interested parties
- Thorough vetting at every stage (may be iterative)

# Recommendations and actions

- Education, technical assistance
- Informing, influencing national standards and use cases
- Minnesota Department of Health (MDH) rules

# Recent AUC Example



AUC Example -- Getting everyone on the same page for National Drug Code (NDC) reporting

- Better, more detailed data
  - Includes labeler, strength, dose, package size, type
- Administrative uniformity and efficiency

## Generally

- Helps ensure patients receive correct strength, dosage form and type of drug
- Helps pharmacists recognize differences between products that may look or sound alike
- Should an issue arise, it can help identify the product in question

## Administrative benefits

- Save time and effort in reviewing claims denials and resubmissions
- More accurate payment and better management of drug costs based on what was administered and billed
  - NDC codes available before alternative codes (HCPCS) are available
  - NDC pricing is normally updated on a monthly basis to reflect changes in drug cost

# Current reporting of NDC

Was required for Medicaid

- And for physician administered drugs to Medicare for dual eligible (Medicare/Medicaid) beneficiaries

# AUC review, action on NDC reporting

- Business case for reporting NDC (greater value of more granular prescription drug data) presented to AUC
  - Existing Medicaid reporting requirement
- Proposal: Extend/adapt Medicaid NDC reporting requirement to all
- TAG review
  - Reviewed, adapted Medicaid version for larger audience, added national examples; recommended by TAG to be included in MDH rule (makes it a requirement)
- Full AUC review and approval of recommendation to MDH
- MDH formal review and rulemaking (including formal public comment)

# MDH accepted AUC recommendation – Incorporated in rule

## MDH rule

- Detailed technical specifications -- what information where, in what format
- Examples

“Getting everyone on the same page” – not figurative – literally, this is “the page”



### D. Appendix D: Required Reporting of National Drug Codes (NDC)

- Bill physician-administered drugs to a patient as part of a clinic or other outpatient visit using the appropriate HCPCS code(s). **Note: This NDC reporting requirement does not apply to inpatient claims.**
- This Minnesota Uniform Companion Guide requires the reporting of National Drug Codes (NDC) when reporting the non-vaccine HCPCS codes listed at the Minnesota Department of Human Services “[HCPCS Codes Requiring NDC](http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_147971)” webpage, [http://www.dhs.state.mn.us/main/idcplg?IdcService=GET\\_DYNAMIC\\_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16\\_147971](http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_147971).
- For injections that involve multiple national drug codes (NDCs), bill the initial line with the HCPC code, units and NDC with modifier KP (first drug of a multiple drug unit dose formulation). Bill the second, and any subsequent line item(s) of the same HCPC code with modifier KQ (second or subsequent drug of a multiple drug unit dose formulation). If billing the same HCPC code on more than two lines, the KQ modifier and an additional modifier are needed on each subsequent line.
- Multiple service lines are necessary to report a compound drug. One NDC is allowed per line. Report the HCPC code as a separate line for each associated NDC.

#### D.1 Additional Information and Examples

The following information and examples below are excerpted from the Workgroup on Electronic Data Interchange (WEDI) “[NDC Reporting White Paper](https://www.wedi.org/docs/resources/ndc-reporting-requirements-in-health-care-claims.pdf?sfvrsn=0)” (<https://www.wedi.org/docs/resources/ndc-reporting-requirements-in-health-care-claims.pdf?sfvrsn=0>).

##### D.1.1 NDC Format

NDCs must be reported using the 5-4-2 format. If a drug’s NDC does not follow this format, then a zero must be inserted at the beginning of the appropriate section of the number, as shown in the table below, in order to create the 5-4-2 format. The following table shows where to insert the zeros. Note: NDCs are

# Where this possibly leads

## Getting on the same page for ...

- Advancing HIE
  - Foundational, robust, optimal
- Specific needs/goals
  - E.g., MDH Interoperability

# Additional reasons to take note ...Now!

- Demographic tsunami unheralded in human history
- Genie out of the bottle ... horse out of the barn
- ...

**“prior auth”**

The swashbuckling saga continues!

**“CLAIMS ATTACHMENTS II”**

Can the flood be stopped in time?

The true story – see it here first!

*“From Administrative Simplification to Administrative Automation”*

There’s no escape from ...



**“Federal Rules”**

Run, don't walk, to see ...

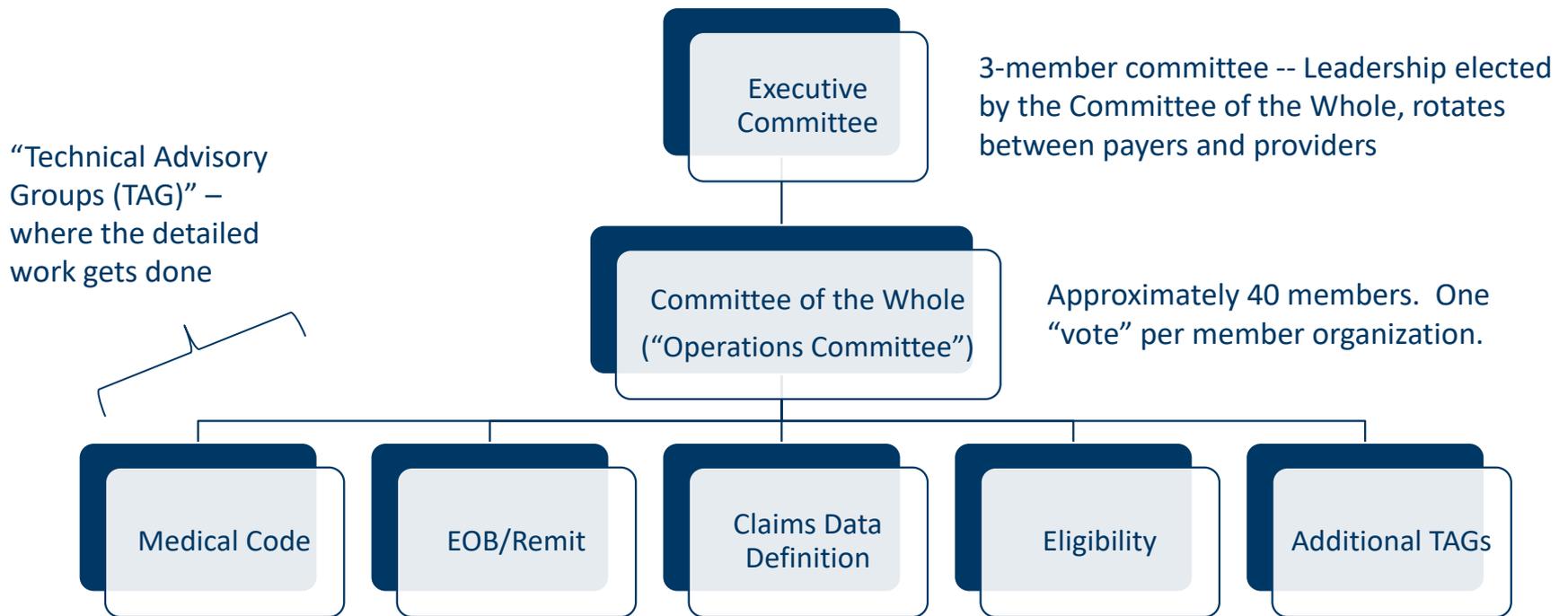
“The eUC”

# Thank you!

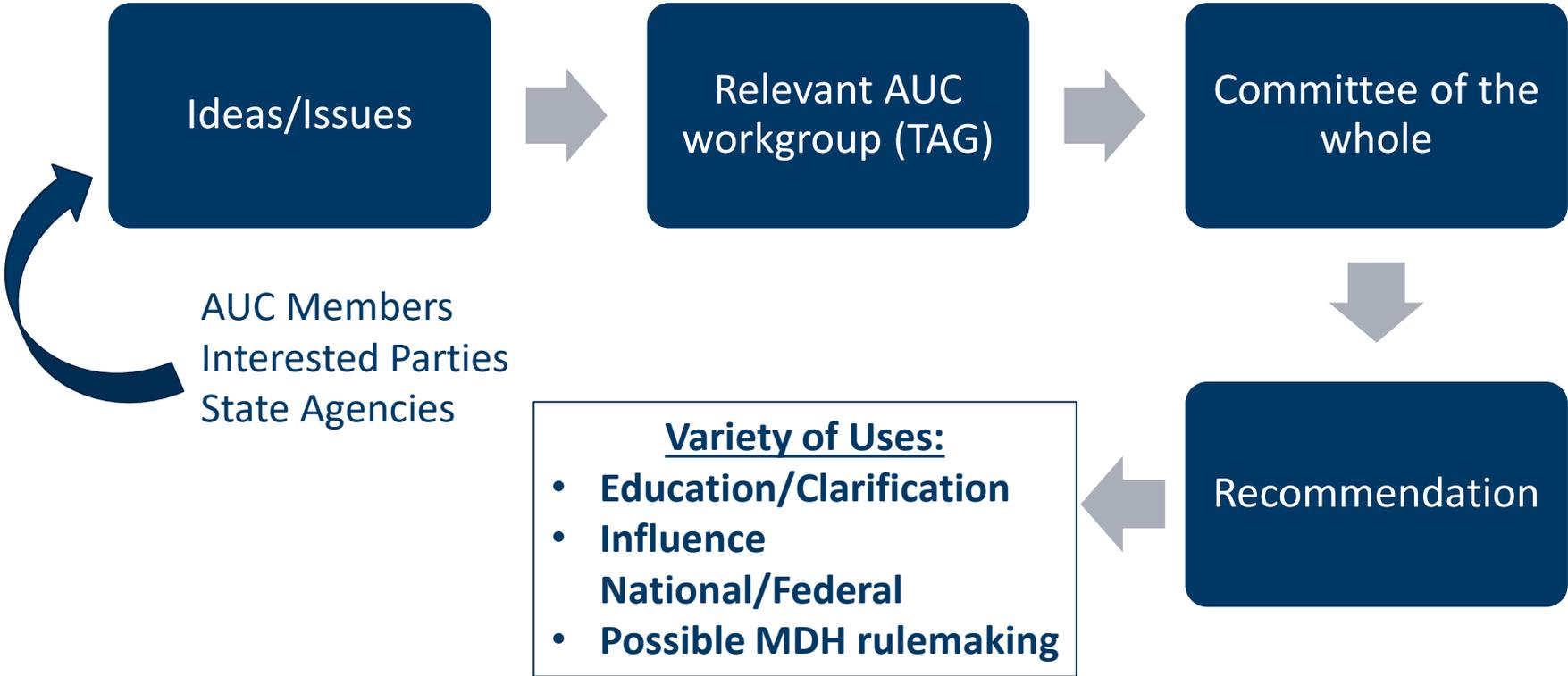
For further information, questions, suggestions please contact:

[David.Haugen@state.mn.us](mailto:David.Haugen@state.mn.us)

# AUC structure



# AUC Process



# MDH Rulemaking

