

Source of Payment Typology
Coordination and Maintenance Committee Conference Call
October 27, 2021, 12:00 PM (EDT)

Meeting Minutes

I. Welcome and Introductions

Starla Ledbetter, Chair, welcomed the attendees of the meeting and a roll call was taken.

The following were attendees:

Charles Hawley, National Association of Health Data Organizations

Judy Parlato, IBM

Sarah Yi, Centers for Disease Control, Division of Healthcare Quality Promotion

Anthony Tappi, California Health Care Access and Information HCAI

Christopher Gracon, Independent Health

Charles Wentzel, Pennsylvania Health Care Cost Containment Commission

Robyn Strong, California Health Care Access and Information

John Piddock, New York Department of Health

John Odden, Consultant

Starla Ledbetter, California Health Care Access and Information

Shu-Kuang Tai

Oscar Ibarra, Maryland Health Care Commission

Joseph Feldman, Washington Department of Health

Barbara Rudolph, National Center for Health Statistics/National Association of Health Data Organizations (Consultant)

II. Background on the Source of Payment Typology

Barbara Rudolph provided some background, the Payer Typology was founded by the Public Health Data Standards Committee (PHDSC), which was hosted by the National Center for Health Statistics (NCHS) approximately 20 years ago. Since that time there have been several changes in location of the Typology—the first was to move the Typology with the PHDSC to the American Health Information Management Association (AHIMA), when AHIMA ended participating with NCHS, the next transition was to have NAHDO serve as the host in collaboration with NCHS. The Typology and the Guides are sited at www.nahdo.org/SOPT. The Typology is also available on two Federal sites: Public Health Information Network Vocabulary Access and Distribution System (PHIN VADs) and Value Set Authority Center (VSAC); both provide Value Sets for Federal Government uses. PHIN VADS provides a CVS version for download.

The typology was designed to:

- Allow for consistent comparisons of the payment category from various data sets

- Be flexible, expandable and allow for different levels of detail (roll-ups)
- Be available to all at no cost
- Differentiate Medicare and Medicaid managed care vs non-managed care
- Distinguish among different types of plans within major payer programs
- Be able to separate out self-pay from other reasons of non-payment: charity care, professional courtesy, and bad debt.

Types of Use Cases for the Payer Typology include transparent and accurate data on payers, transfers across payers, quality monitoring across payers, tracking national hospital costs by payers, and examining utilization patterns across payers.

The Source of Payment Typology has achieved recognition from entities that now have incorporated these standards. These include states, Federal agencies including The Office of the National Coordinator for Health Information (ONC), and private standards development groups (X12N), and the National Uniform Claim Committee. In the case of X12N, the Payer Typology is included as an external code set.

III. Process for Maintenance

The Source of Payment Committee sends out invitations to groups of interest to seek out potential changes to the Typology. It holds an annual maintenance conference call in October, to review any proposed changes. Changes that are made are included in a new version of the Typology and the accompanying guide. If there are no changes, the existing guide is the source for users.

After attending a presentation from the Catalyst for Payment Reform, Barb wondered whether we were missing some entities that could benefit from use of the Payer Typology. For example, the Catalyst for Payment Reform, Leapfrog, and employer coalitions. Many of these groups collect data for internal analysis or repricing. If they were to begin to use the Payer Typology in their data collections, they might be able to link their data with other sources to uncover a more complete view. We will include these entities into next year's mailing.

IV. Change request (s)

On last year's conference call, we discussed whether there was interest in adding a category to address changes in payment type to the existing typology. These new payment arrangements were identified as alternative payment models (APMs) and it was decided that we should re-visit that as a topic on the 2021 call.

To repeat why this is important--alternative payments account for about 30% of the payments from plans to providers and hospitals. This very significant percentage of payments are under the radar and not subject to transparency.

The typical payment process that is followed for these alternative payments is-- Providers (physicians and hospitals) send eligible claims to a Health System, in turn, the Health System sends those eligible claims to Payers. Physicians and hospitals get the negotiated payment as claims are filed. The Payers then may also return a bonus payment to the physician/hospital/Health System, and if the payment is returned to a Health System, they will send the bonus payments back to physicians and hospitals.

Last year, Barb described how this arrangement, in a sense, operates without notification on the claim. The payments are not present on any of the claim systems. So, tracking this must be done from other plan or provider financial systems. At this point in time, there is only one state--Massachusetts--that has been collecting and reporting this information. They are collecting the lump sums paid by the plans to the physicians/hospitals. They produce an annual report on this. It is not broken down by patient, provider, or hospital. Two other states (Maine and Rhode Island) are looking at data collection on the APMs.

What we know is limited to the total sum of payments from a plan which does not allow us to analyze specific hospitals or find the total cost of care for individual patients with certain types of conditions. In addition, providers/hospitals are routinely now asked to sign "DNR" (Do not release) Forms for each plan as part of their contractual arrangements. Providers may not release this information without regulations requiring the release.

Barb reported that no new requests for changes to the Typology have come in.

V. In Progress

Christopher Gracon, from Independent Health, was asked to discuss a Maintenance Request (MR) that he delivered to X12N for review. Christopher is the co-chair of the Health Care Data Reporting workgroup, which oversees the Post Adjudicated Claims Data Reporting (PACDR) 837s. The request that was submitted to X12N could help provide a mechanism to collect APM information in the Implementation Guides (known as TR3s), or the 835 HIPAA Transactions in the Provider Adjustment Amounts (allows for multiple times). For example, each provider could report to an entity via "Type of Payment" which contains a limited list that allows for a yes or no to the type of payment. For example, the list currently contains: Capitation Interest, Bonus, Capitation Pass Through, Penalties/Levies, and if approved for inclusion in the list "APM". The "reason" for the payment information would be given in the Provider Level Balance (PLB segment) which for the next HIPAA version will be in an external code list. The X12N External Code Maintenance Committee meets 3 times a year to adjust the forms (Lists). If approved, this could take place in the 8010 Version.

Christopher also mentioned that there is some pressure to utilize standards for codes from the recent 'No Surprises Act' Federal Committee looking at States' All Payer Claims Data (APCD). The Department of Labor will be deciding on the standards for the APCD data collections.

VI. Next steps

Following our discussion, we agreed that no change would be made to the current version of the Typology and its accompanying guide. We hope there will be a mechanism available for collection of APM important cost data--we will then determine whether and how to add this to the typology. This topic will likely not go away considering potential pressure by the Labor Department and efforts by X12N to explore how to structure these payments within data standards.

Barb will notify both VSAC and PHIN VADs that we will not be submitting a revised new version of the Payer Typology this year.