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# UPDATE TO THE ICAD TASK FORCE

## DISCLAIMER

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- This presentation is for informational purposes only
- The content is point-in-time information, subject to revision

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# ABOUT X12

## THE X12 ORGANIZATION

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- X12 is a consensus-based ANSI-accredited National Standards Developer (ASD) focusing on the development and ongoing use of cross-industry interoperable data interchange standards
- X12's standards have proven reliable, efficient, & effective in supporting organizations and industries for 40+ years
- X12 maintains electronic messaging that supports finance, government, health care, insurance, supply chain, transportation, and other industries

## THE X12 ORGANIZATION

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- X12 is comprised of a handful of staff, hundreds of members, and more than a thousand member representatives
- Members include corporations, associations, organizations, government entities, and individuals
- X12 standards are the workhorse standards for business to business exchanges
- Many partner-to-partner “standards” are developed based on X12’s intellectual property

## X12 IMPLEMENTATION BASE

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- The data exchanged in X12 transactions is well-defined and has been use-tested in production systems over many years
- X12 solutions drive business across the U.S. and internationally
- Millions of entities around the world have an established, stable, and effective infrastructure that supports X12 transactions, this infrastructure represents a significant investment that adds substantial value to implementers on an ongoing basis

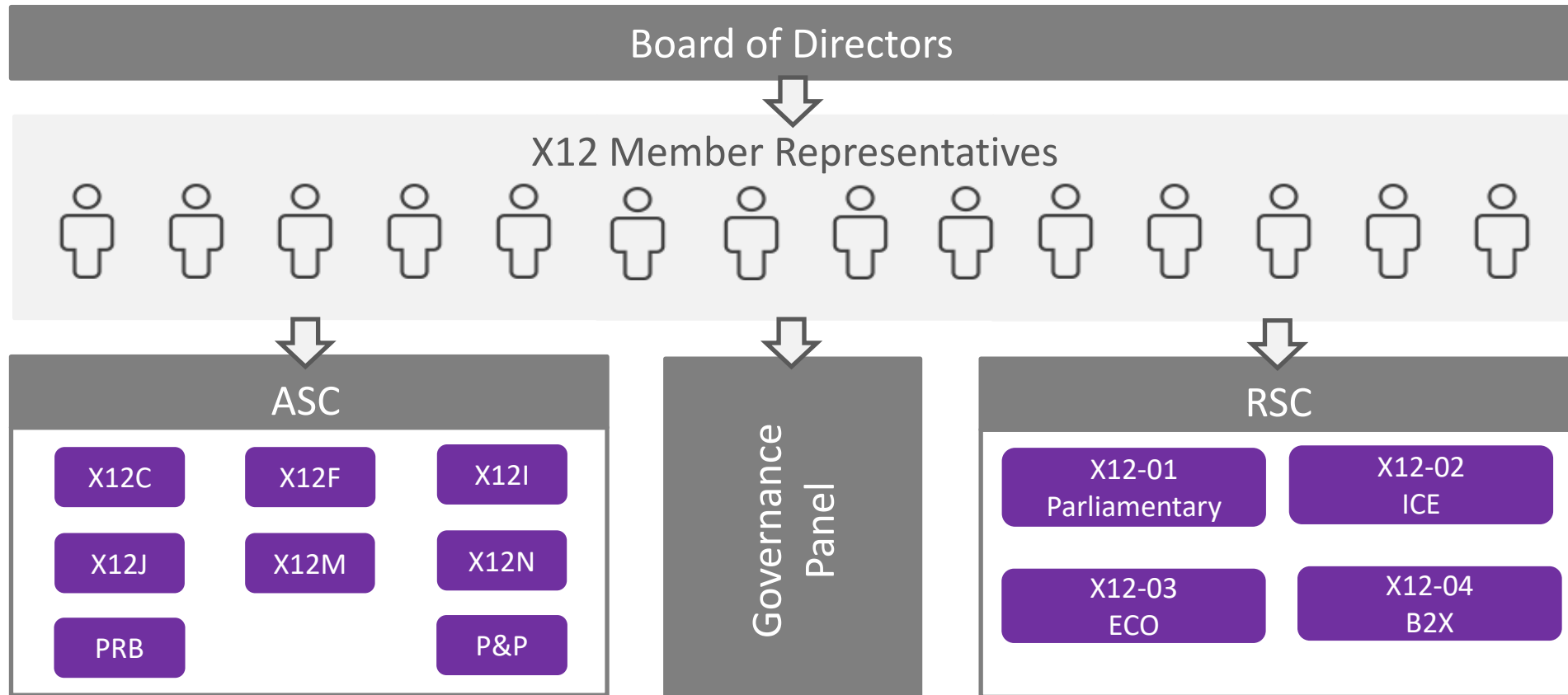
## X12 IMPLEMENTATION BASE

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- Billions of transactions based on X12 standards are utilized daily across various industries including finance, government, health care, insurance, supply chain, transportation, and others
- X12 transactions are conducted in many syntaxes including the EDI Standard, JSON, XML, and APIs, and instructions for other syntaxes will be published over the coming months

# THE X12 ORGANIZATION

## X12's Organizational Structure





## THE X12 ORGANIZATION

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- Most in health care are familiar with X12's Accredited Standards Committee (ASC)
  - The ASC develops and maintains the EDI Standard and related implementation guides, including those mandated under HIPAA
- Some are not as familiar with another X12 committee, the Registered Standards Committee (RSC)
  - The RSC's External Code List Oversight (ECO) subcommittee develops and maintains X12's terminology, aka vocabulary, resources, excepting those defined within the EDI Standard

## X12 PRODUCTS

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- X12's product library includes
  - The EDI Standard which is comprised of hundreds of transactions and internal code lists
  - Technical reports, including implementation guides, describing various uses of the EDI Standard
  - External code lists, aka terminology or vocabulary resources
  - Schema based on the EDI Standard and implementation guides
  - Other offerings designed to assist implementers

## X12'S APPROACH

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- Is open-minded with vision and insight related to data exchange in both current and developing technologies
- Is responsive to needs and requirements presented by other organizations
- Collaborates enthusiastically with other SDOs, industry groups, government, and business-focused entities

## X12'S APPROACH

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- Maintains a financial model that ensures the financial health of the organization long-term by distributing costs among the entities that derive value from using the standards. When everyone pays a share, the costs are reasonable and manageable
- Focuses on collaboration meetings to drive solutions to current and future business needs not on revenue generation. Decades ago, X12 eliminated meeting fees for members and instituted a small fee to non-members to encourage participation by organizations of all sizes and individuals

## INCREASING SPEED TO MARKET – EXAMPLE OF RESPONSIVENESS

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- In 2020 X12 is moving to a simplified and faster maintenance process, known as the Annual Release Cycle (ARC)
    - Responding to internal and external feedback
    - Supporting a predictable and reliable annual publication schedule
    - Reducing the burden on X12 member representatives
    - Making new functionality and additional data available in X12 products sooner
- \*\*Note: that this does not impact the Federal Rule-making timeline

## COLLABORATIONS – ILLUSTRATES X12 COMMITMENT TO ENGAGING

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- AIA
- CAQH CORE
- CARIN Alliance
- Ciitizen, Corp.
- Cooperative Exchange
- Da Vinci
- Edifecs
- GenRocket
- GS1 Canada
- HL7
- IAIABC
- IBM
- Mulesoft
- NCPDP
- NDEDIC
- NEECOM
- OpenText
- Pilotfish
- Salesforce
- SAP
- TIBCO
- Wolters Kluwer
- WEDI

- X12's 40+ years of experience developing standards gives us a deep understanding of the data, the business environment, the stakeholders, and some of the unexpected pitfalls
- X12 is well-positioned to continue to serve our large install base by continuing to support the existing metadata, standards, and implementation tools while also focusing on new offerings and several key collaborative initiatives
- X12 has learned a lot over the years and wants to share those lessons to smooth the path forward for all stakeholders

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# THE PRIOR AUTHORIZATION SITUATION



## THE PRIOR AUTHORIZATION SITUATION

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- Many groups are focused on how to increase the use of electronic prior authorizations providing more efficient processes
- Most of the issues raised are related to operationalizing the process consistently across the health care industry
  - Some payers view their prior authorization policies as a competitive differentiator and don't want to expose them publicly or standardize them
  - The industry is not aligned on the purpose or value of the prior authorization process, regardless of syntax or other technical details

## THE PRIOR AUTHORIZATION SITUATION

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- There are many different stakeholder groups, each with diverse needs, related to prior authorization functionality, the industry must identify a balance that works for all, or most, of the stakeholders or decide that one group's interests prevail over the interests of the other stakeholder groups

## THE PRIOR AUTHORIZATION SITUATION

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- X12 is currently updating the prior authorization implementation guides to enhance the decision making and reporting processes
- X12 is unaware of any technical, syntactical, or implementation instruction issues that create a barrier to effective transmission of prior authorization messages

## THE PRIOR AUTHORIZATION SITUATION

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- Too often the statement is:  
“The prior authorization transaction doesn’t work”
- A more accurate statement might be:  
“The industry’s current practices don’t align to support effective prior authorization data exchange”
- If we don’t get the problem statement right, we won’t end up with a solution that addresses the issues

## THE PRIOR AUTHORIZATION SITUATION

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What is X12 doing?

- Publishing updates to the prior authorization implementation guides that address requested improvements
  - Currently in the final approval stage, will be available later this year
- Working with Da Vinci and CAQH Core to ensure the 278 requirements reflect the industry's current prior authorization needs and practices

## THE PRIOR AUTHORIZATION SITUATION

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What is X12 doing?

- Enhancing our code lists to address feedback that additional codified detail would improve clarity in prior authorization transmissions
- Working to increase the number of clinical data experts and users who participate in our code list maintenance processes
- Exploring new options for connecting clinical systems to the administrative systems that support the 278 transaction

## X12 RECOMMENDATIONS

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- Ensure that the value of X12's mature administrative data information model is harnessed in the most effective manner as groups discuss the intersection of clinical and administrative data
- Separate issues related to clinical and administrative systems not facilitating smooth movement of data from issues related to non-aligned clinical and administrative data definitions, these are different problems

## X12 RECOMMENDATIONS

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- Educate implementers to bring concerns related to the 278 transaction, the prior authorization implementation guides, or X12 code sets directly to X12 so we can collaborate on solutions
- Remind collaboratives, associations, and others working to improve the exchange of prior authorization data to bring X12 into their efforts early.
- X12 wants to be a partner in those processes, not align with the findings after the analysis and recommendations are complete



## CONCLUSION

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- X12 has changed to accommodate changing needs and opportunities and will continue to evolve
- As we move forward, we will be true to our organizational strengths and not lose focus on our implementation base and their needs
- We know there is more to do and new ways to do it
- We look forward to contributing our vast experience and proven products as the health care industry explores new opportunities

THANK YOU

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Questions?

## THANK YOU

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- If you have feedback or questions regarding the information presented, post them at [X12.org/feedback](https://x12.org/feedback)
- More information about X12 is available at [X12.org](https://x12.org)
- Stay informed by following X12 on Social Media  
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