

Vermont Clean Claims Initiative

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Legislative Goal

- Act 144 of 2014, § 10:
- “Develop a complete set of standardized edits and payment rules based on Medicare or on another set...appropriate for use in Vermont”
- Adopt by rule for use by commercial payers on January 1, 2016; Medicaid on January 1, 2017

Principles

- Allow for transparent and open development
- Involve all stakeholders
- Create a sustainable model

Stakeholders

- MVP
- BCBSVT
- CIGNA
- Health Care Advocate (HCA)
- Vermont Association of Hospitals and Health Systems (VAHHS)
- Department of Vermont Health Access (DVHA)
- Bi-State
- Vermont Medical Society (VMS)
- American Medical Society (AMA)
- HP Enterprise Services

Timeline

- *June 2014*- Mark Painter (co-chair, CO Clean Claims Task Force) as appropriate expert to assist GMCB.
- *October 16, 2014*- Entered into sole source contract with Mr. Painter.
- *October 29, 2014*- GMCB and Mr. Painter held a webinar for stakeholders on the Colorado experience and received feedback from stakeholders about past work performed as well as visions for the future.
- *November 2014*- Mr. Painter prepared an Executive Summary of Options laying out potential solutions, based on CO experience and feedback from stakeholders.
- *December 10, 2014*- Webinar for stakeholders discussing the potential return on investment of standardizing claims edits and the options laid out in his Executive Summary.
- *January 21, 2015*- In-person/phone stakeholder meeting at the Green Mountain Care Board to continue discussion of ROI and options.
- *January 22, 2015*- Mr. Painter presents to GMCB and Senate Finance Committee.

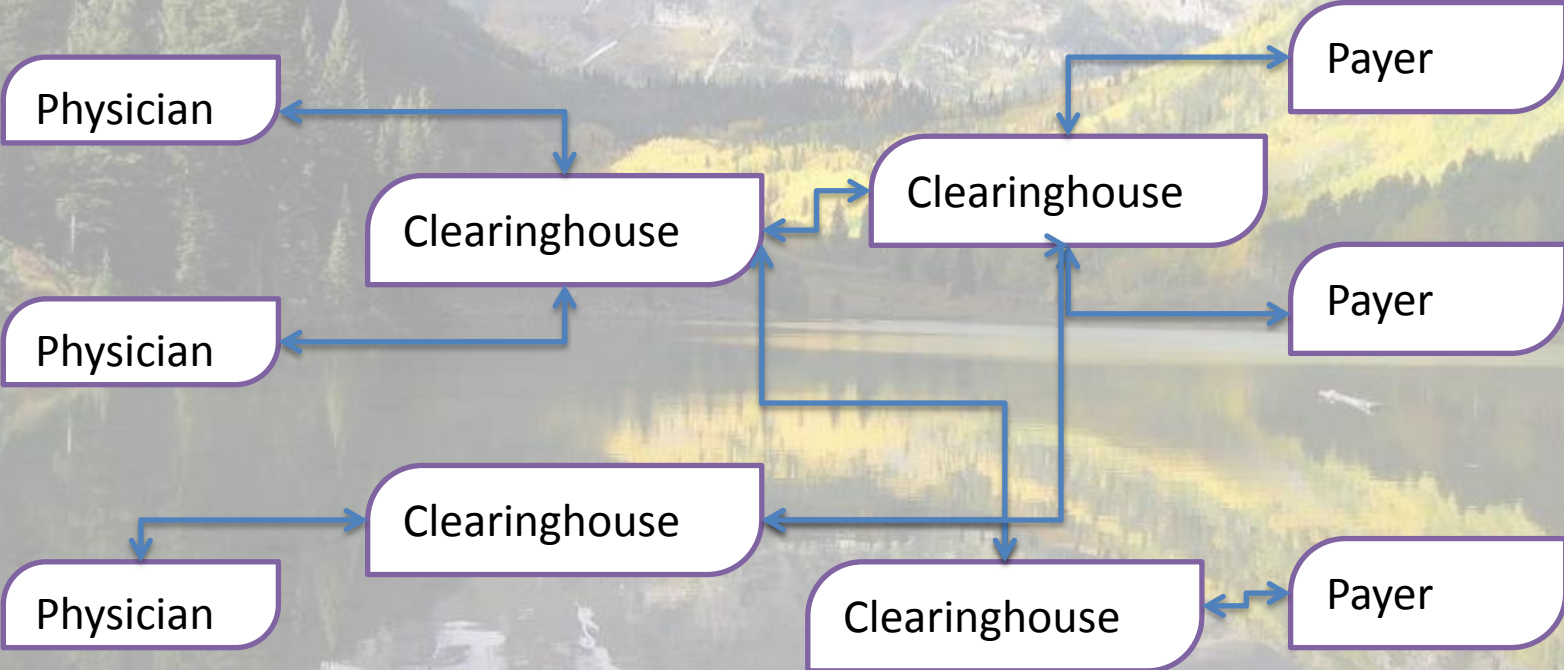
What is a Claim Edit?

- **Claim Edit** - Adjustment by payers to the procedure codes physicians use to describe and bill for services that are part of the process payers use to determine whether a particular claim for payment should be paid and at what level.
- **Payment rule** - Statement of how a submitted procedure code, procedure code combination should be processed when an edit has been triggered.

Rules and Codes

- CCI
- CPT
- ICD
- MFSDB
- Modifiers
- PQRS
- Value

Healthcare Claim Submission Process



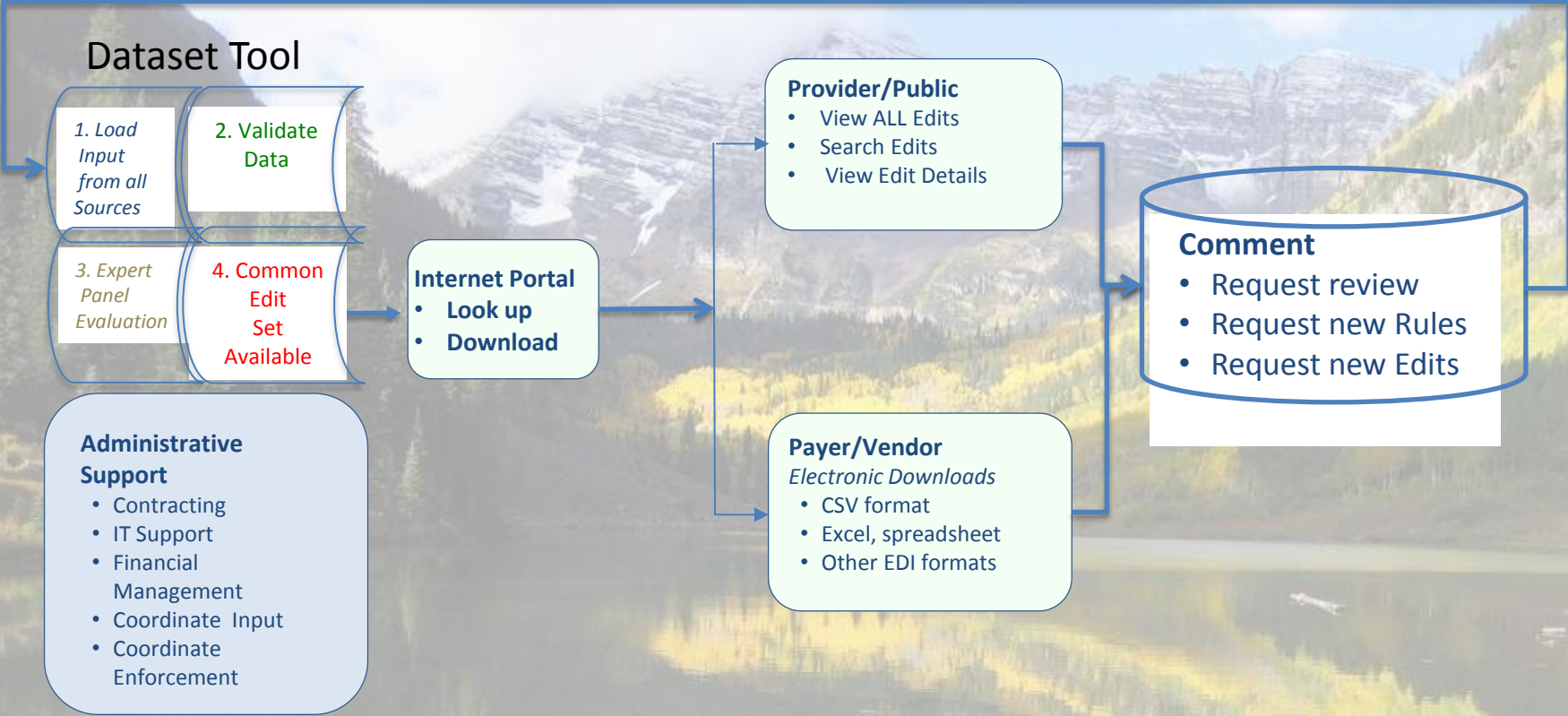
Projected Savings to System

- CO Task Force method:
 - adjust CO projected savings for VT population
 - uses national estimates for provider costs for revenue cycle mgmt
- Projected saving between \$6.0 – 18.2 million per year
 - \$9.58 per person per year
 - \$2.73 per claim

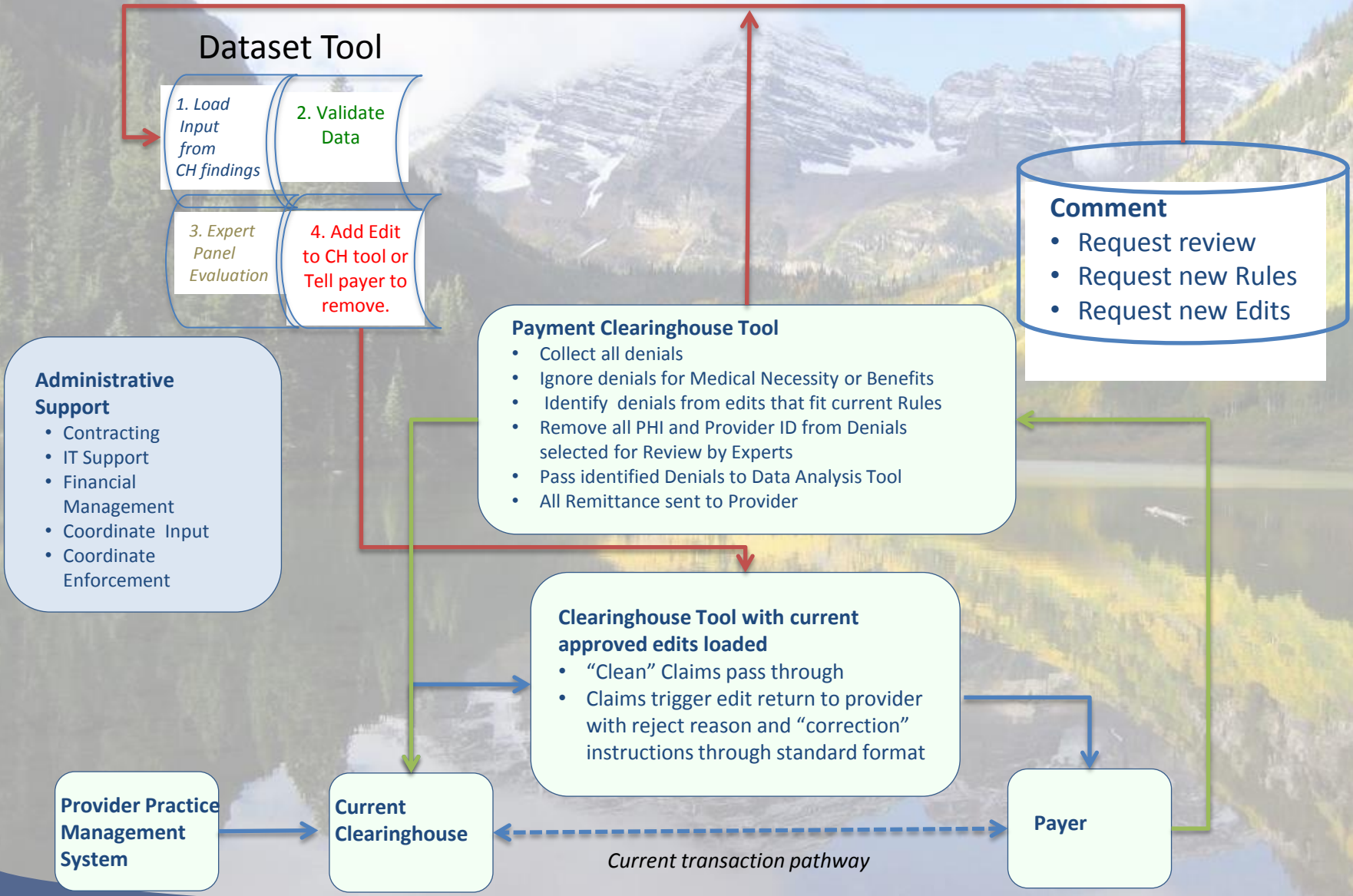
Projected Savings to System

- Vermont admin costs method
 - 2,163,830 claims per year (Vermont Act 150 2013 report)
 - 6.8% claims denial surrounding potential edits.
(124,609 claims) (Vermont Act 150 2013 report)
 - Low cost for payer to deny \$6 per claim Optum Insight
 - Estimated Cost to Provider to reprocess a Claim \$25 per claim MGMA Feb 2014
- Total Cost Savings: \$1.7M to \$3.9M

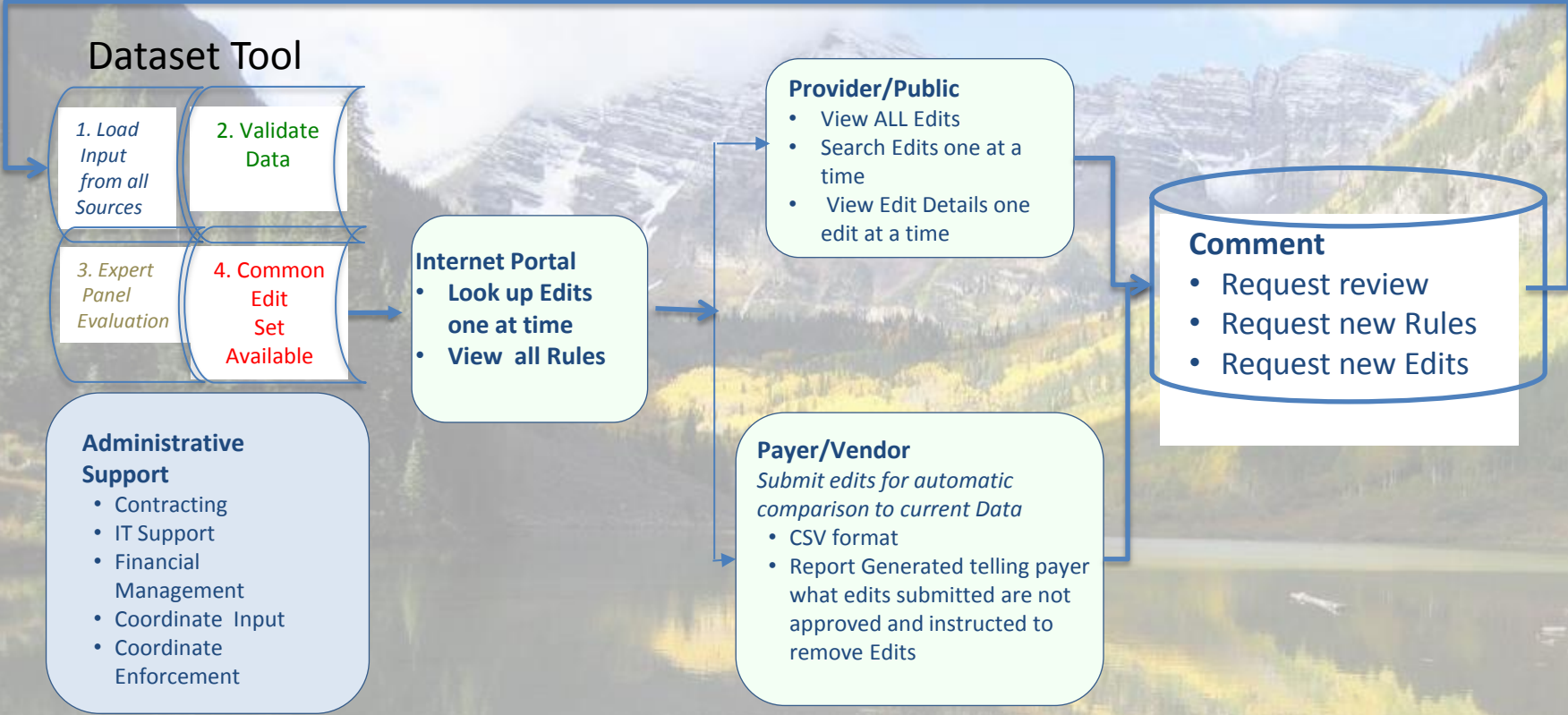
Option 1 (Colorado Type)



Option 2: Clearinghouse Option



Option 3 (Limited Disclosure)



Option 4 (Limited Rule Release)

