Electronic Submission of Medical Documentation (esMD)

Melanie Combs-Dyer,

Deputy Director

Provider Compliance Group

CMS/Office of Financial Management
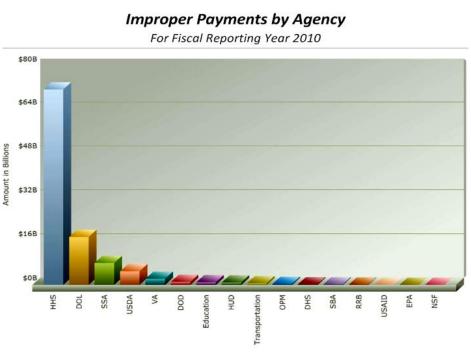
August, 2011

Improper Payments

- Medicare receives **4.8 million** claims per day.
- CMS' Office of Financial Management estimates that <u>each year</u>
  - the Medicare FFS program issues more than **$35.4 billion** in improper payments.
  - the Medicaid FFS program issues more than **$22.5 billion** in improper payments.
- Most improper payments can only be detected by a **human** comparing:
  - a **claim** to
  - **medical documentation.**

Improper Payments by Agency
For Fiscal Reporting Year 2010

Amount in Billions

$80B
$64B
$48B
$32B
$16B
$0B

HHS, DOL, SSA, USDA, VA, DOD, Education, HUD, Transportation, OPM, DHS, SBA, RRB, USAID, EPA, NSF

www.paymentaccuracy.gov

CMS
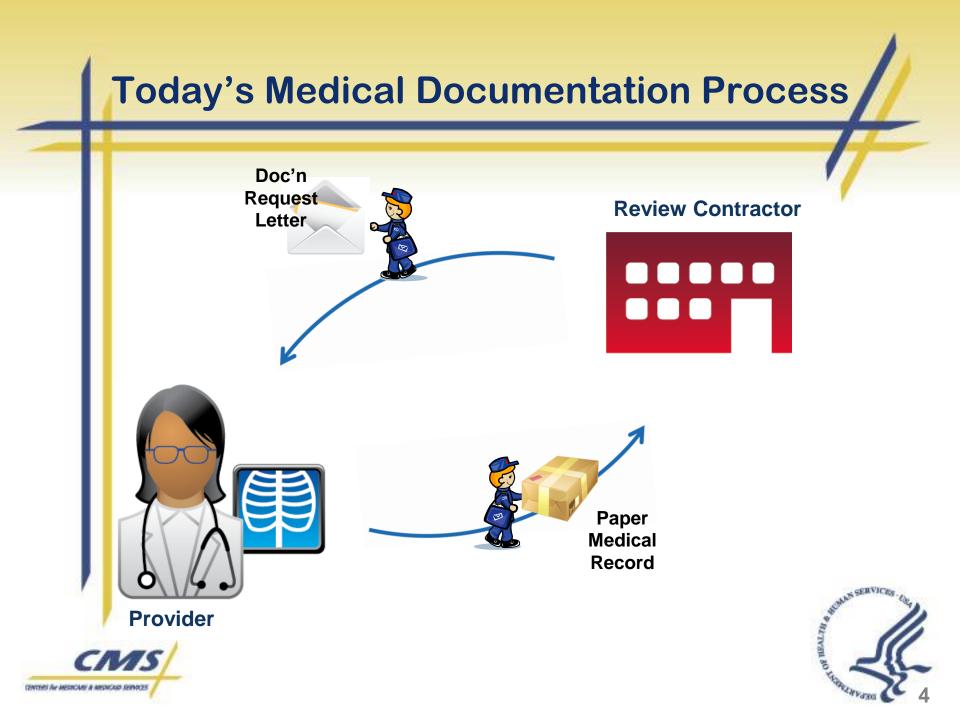CENTERS for MEDICARE & MEDICAID SERVICES

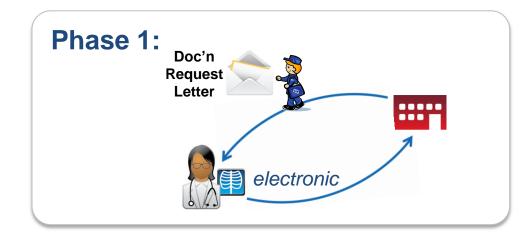# Background Facts about Medical Documentation Requests:

➢ **Medical Documentation Requests are sent by:**

- Medicare Administrative Contractors (MACs)
- Comprehensive Error Rate Testing Contractor (CERT)
- Payment Error Rate Measurement Contractor (PERM)
- Medicare Recovery Auditors
- ZPICs

➢ Claim review contractors issue over **2 million** requests for medical documentation each year.

➢ Claim review contractors currently receive most medical documentation in **paper** form.

➢ Claim review contractors currently receive a tiny number of imaged documents in **CD or DVD** form.
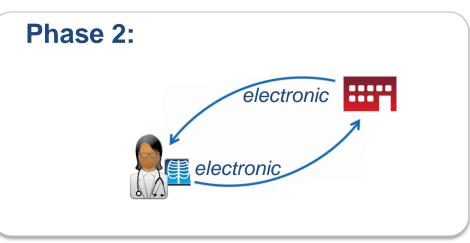
Today's Medical Documentation Process

Doc'n Request Letter

Review Contractor

Paper Medical Record

Provider

The Solution:
Electronic Submission of Medical Documentation (esMD)

Phase 1:

Doc'n Request Letter

electronic

Phase 2:

electronic

electronic

esMD is NOT mandatory

CMS recognizes that not all providers are adopting HIT solutions at the same pace.

HIT Adoption

Late Adopter
- Still using paper records
- Intends to rely on fax machines, USPS, FedEx, etc for the for the next 10 years
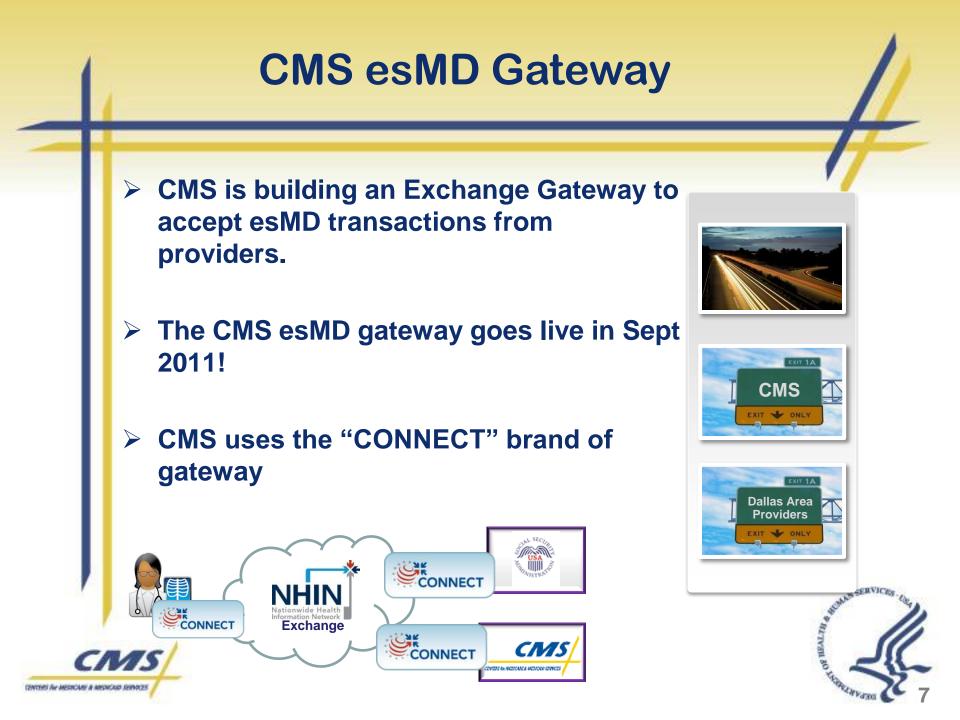
Average Adopter
- Using imaged & electronic records
- Will wait to see which esMD Service Providers emerge in their area (and at what price)

Early Adopter
- Has used EHRs for years
- Ready for esMD now!

CMS esMD Gateway

- CMS is building an Exchange Gateway to accept esMD transactions from providers.

- The CMS esMD gateway goes live in Sept 2011!

- CMS uses the "CONNECT" brand of gateway

Most Providers Won't Build Their Own Gateway But Will Use an HIH to Provide Gateway Services

A Health Information Handler (HIH) is any company that handles health information on behalf of a provider. Examples include:

(1) **Health Information Exchange (HIE)/Regional Health Information Organization (RHIO)**

(2) **Release of Information (ROI) Vendor**
a company that manages the release of information for providers. Their services may include: logging and tracking the request, **retrieving** the patient record from multiple locations in multiple formats, Identifying the information needed to fulfill the request, requesting additional authorization, if needed, **copying**, packaging and mailing, and invoicing

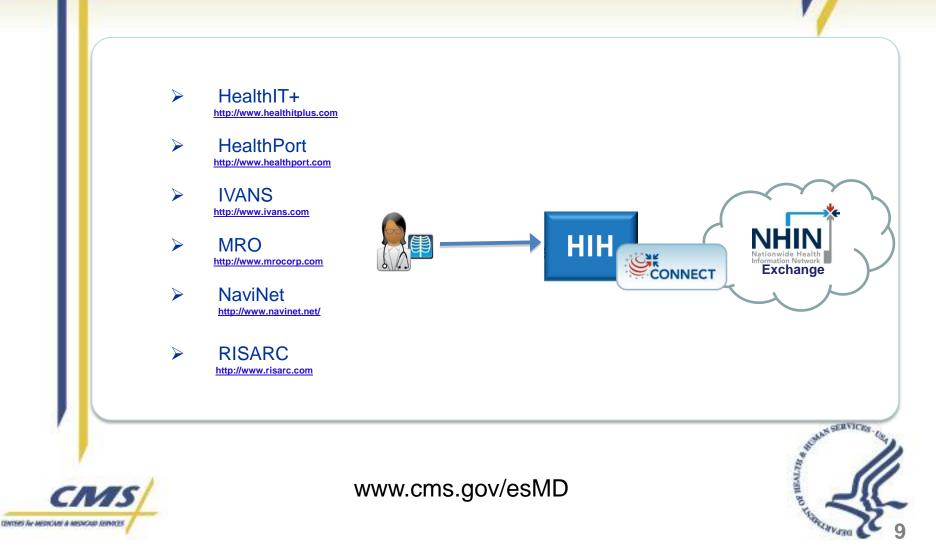(3) **Electronic Health Record (EHR) Vendor**

(4) **Claim Clearinghouse**

(5) **Health Internet Service Provider (HISP)**
An entity that provides services that enable providers or health organizations to exchange health information using the internet.

HIHs that plan to offer esMD services
(starting in August 2011)

- ➤ HealthIT+
  http://www.healthitplus.com

- ➤ HealthPort
  http://www.healthport.com

- ➤ IVANS
  http://www.ivans.com

- ➤ MRO
  http://www.mrocorp.com

- ➤ NaviNet
  http://www.navinet.net/

- ➤ RISARC
  http://www.risarc.com

HIH

CONNECT

NHIN
Nationwide Health
Information Network
Exchange

www.cms.gov/esMD
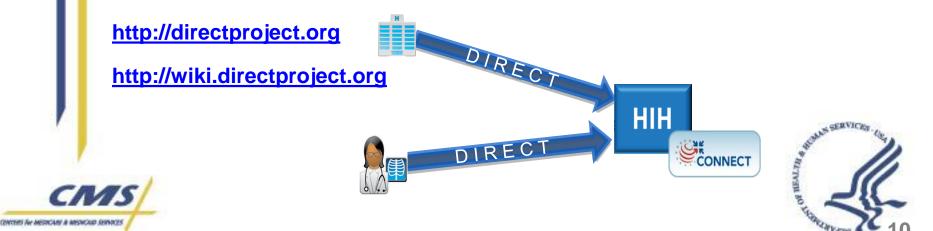
CMS Does Not Dictate How an HIH Communicates with Providers

➢ Some esMD HIHs plan to ingest a provider's medical records and metadata by:

- going onsite to the provider's facility

- using a Virtual Private Network (VPN)

- using a secure web portal

➢ Some esMD HIHs are considering using DIRECT.

http://directproject.org

http://wiki.directproject.org

esMD HIHs:

HIH

- ➢ **Get no funding from CMS or ONC**
- ➢ **Attend calls with CMS (bi-weekly)**
- ➢ **Build a CONNECT-Compatible Gateway**
- ➢ **Obtain a certificate, IP address, and share key with CMS Gateway Contractor**
- ➢ **Test with CMS Gateway Contractor**
- ➢ **Recruit providers to join**

esMD in Phase 1

Doc'n Request Letter

Medicare Administrative Contractors

Medicare Recovery Auditors

PERM

PDF

PDF

PDF

Medicare Private Network

Content Transport Services

ECM

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

HIH

CONNECT

NHIN
Nationwide Health Information Network
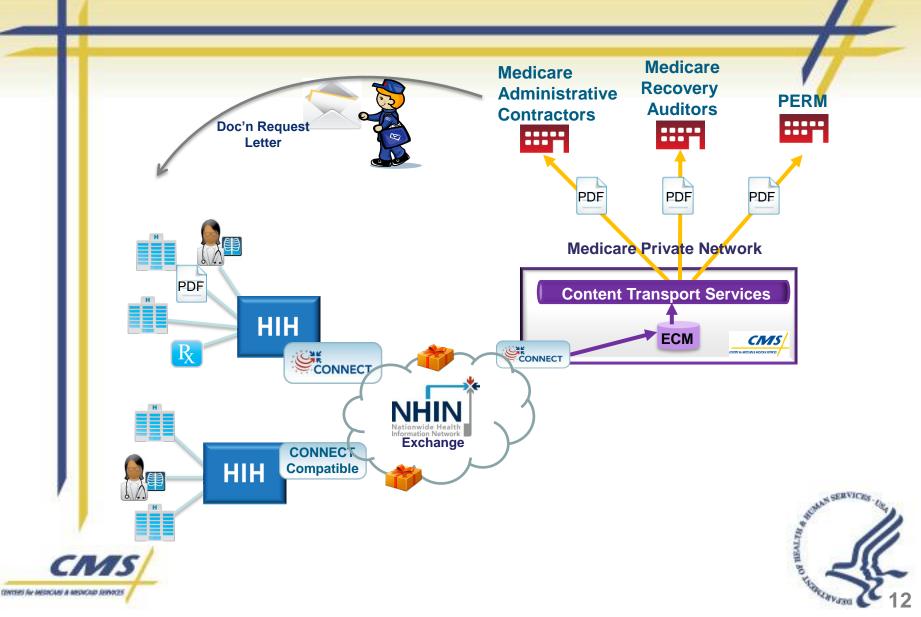Exchange

CONNECT

HIH

CONNECT Compatible

PDF

Definition of an esMD Package

A portion of a patient's medical record in esMD format which will contain:
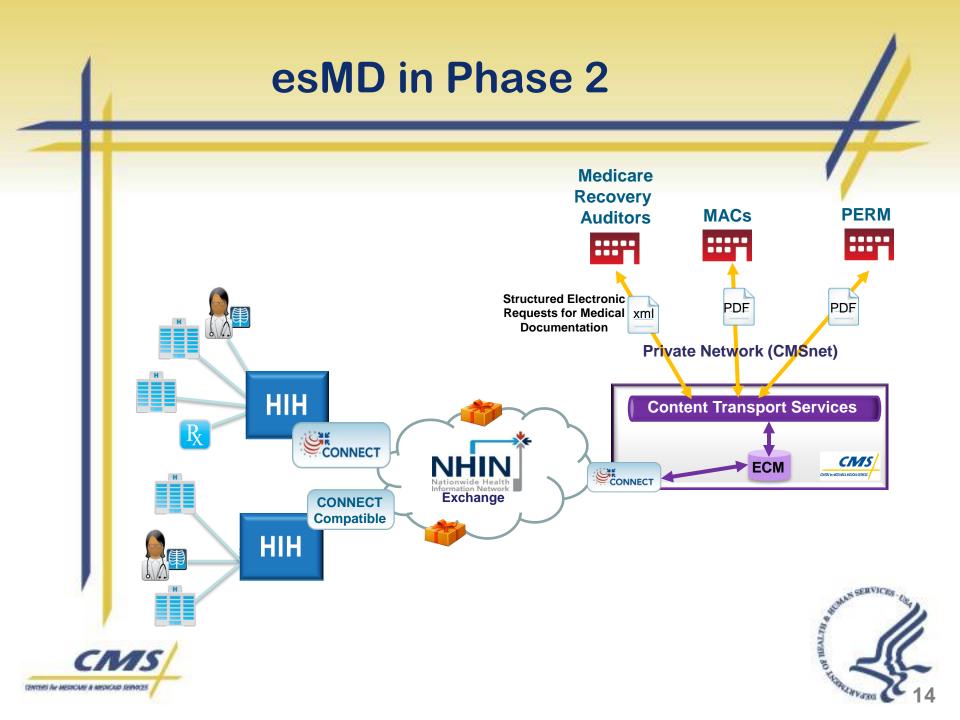
➢ Imaged documents (PDF)

➢ Important Metadata Fields:
- Intended Recipient – Required Field
- Claim ID – Required Field
- NPI – Required Field
- Case ID – Required If Known

Detailed description for each field can be found in:

- the esMD Profile**(http://www.connectopensource.org/product/connect-NHIN-specs)**
- the esMD Implementation Guide **(www.cms.gov/esMD)**

esMD in Phase 2

Medicare Recovery Auditors

MACs

PERM

Structured Electronic Requests for Medical Documentation

xml

PDF

PDF

Private Network (CMSnet)

Content Transport Services

ECM

CMS

HIH

CONNECT

CONNECT Compatible

NHIN
Nationwide Health Information Network
Exchange

CONNECT

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Current and Future Use Cases for esMD

➤ Group 1 Documents
- Medical Documentation in XDR format (PDF)
- Medical Documentation in X12 format (PDF)

We Are Here

➤ Group 2 Documents
- Structured Practitioner Orders
- Structured Progress Notes
- ADMC (prior authorization)

➤ Group 3 Documents
- EDI enrollment
- esMD 2 enrollment

➤ Group 4 Documents
- ADRs (additional documentation requests)

➤ Group 5 Documents
- Request\Receive Documentation Status Feed
- Request\Receive Claim Status
- Request\Receive Appeals Status Check

➤ Group 6 Documents
- All Administrative Transactions (e.g., Claims Submission, Claim Status, Eligibility lookup)
- Coordination of benefits (Payer Pre & Post-Payment)
- Refund Request
- Medicare Bad Debt Reports (MCBD)
- Other

esMD Review Contractors:

- ➤ Participate voluntarily

- ➤ Are not funded by CMS or ONC

- ➤ Must have MDCN/MPLS connectivity

- ➤ Must obtain an OID and Authentication Token from CMS to connect to CTS

- ➤ Attend bi-monthly calls with CMS and the *ECM Team*

- ➤ Successfully test with the CMS ECM Team

- ➤ Required to fund an initial on-boarding fee of approximately $75,000 - and an annual support fee of approximately $50,000.

Providers Submitting via esMD

➢ **In Sept 2011, we estimate:**

- 300 Part A providers
- 700 Part B providers
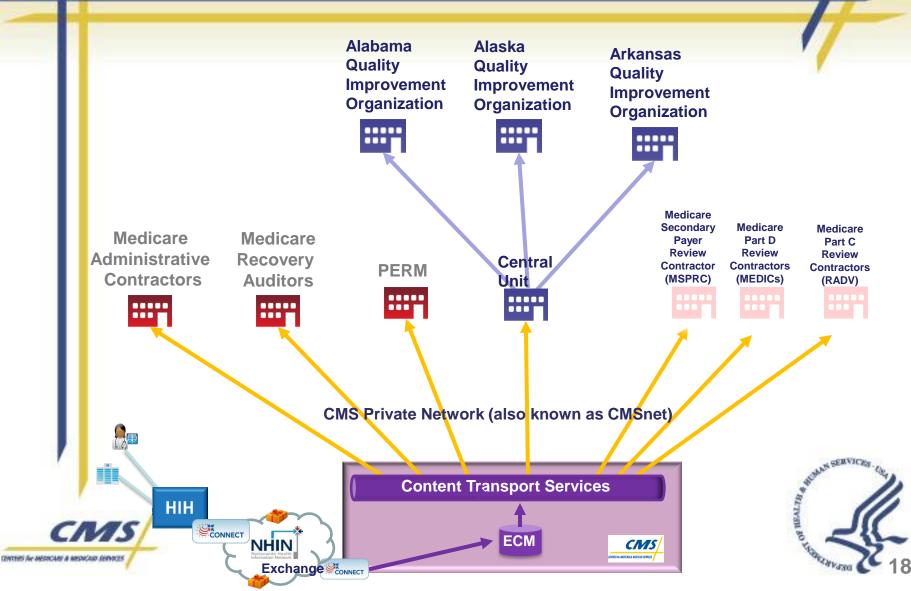
➢ **In December 2011, we estimate:**

- 2,000   Part A providers
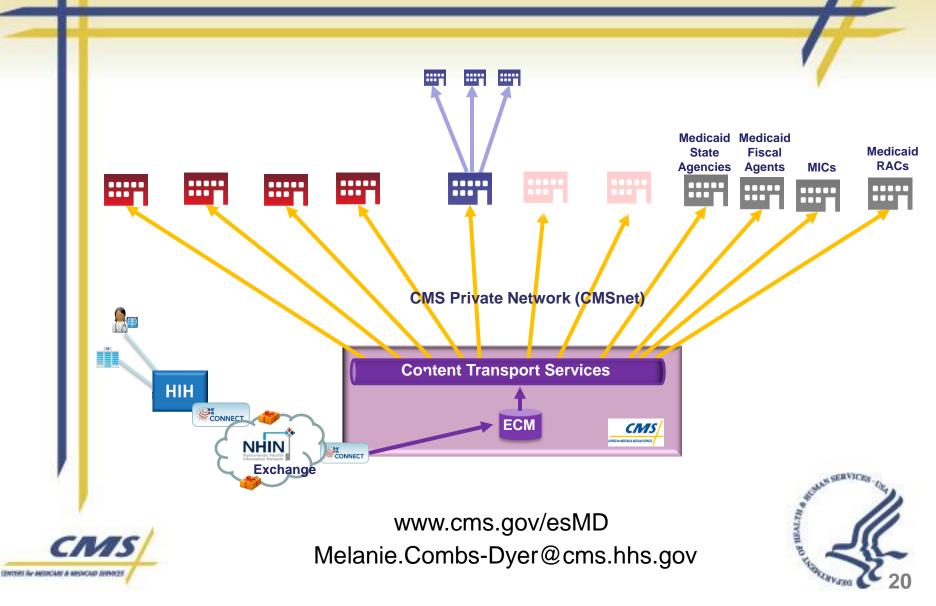- 25,000 Part B providers

Expanding esMD to other Review Entities

How Can
State Review Entities
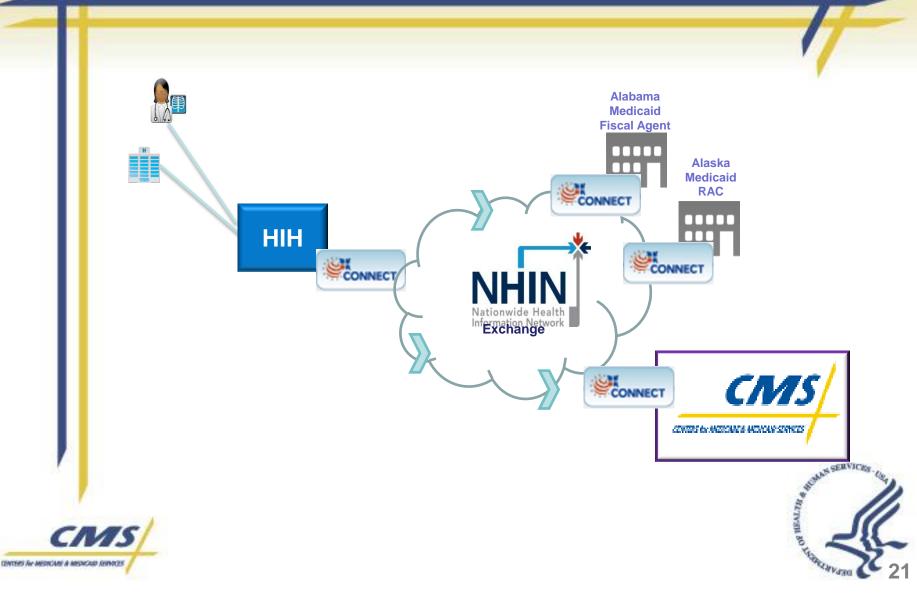# Join the NHIN Exchange?

Option 1 for Medicaid Review Entities to Use the NHIN: Join esMD

Medicaid State Agencies

Medicaid Fiscal Agents

MICs

Medicaid RACs

CMS Private Network (CMSnet)

Content Transport Services

HIH

CONNECT

NHIN
Nationwide Health Information Network

Exchange

CONNECT

ECM

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Option 2 for Medicaid Review Entities to Use the NHIN: Build their own Gateway

Option 3 for Medicaid Review Entities to Use the NHIN: Hire an HIH or Join an HIE

For More Information:

➢ Contact **melanie.combs-dyer@cms.hhs.gov**

➢ Visit **http://www.cms.gov/esMD**

➢ Follow on Twitter **@CMSGov**

(Look for #CMS_esMD)