

Scope of Work for the Maine Combined Bill Demonstration Project

I. Purpose

The creation of the “Combined Bill Demonstration Project” in Maine is intended to test the feasibility and efficiency of allowing hospitals to report performing provider information on inpatient and outpatient hospital claims; generally, these claims will include hospital-based physician charges. This request originated from the Maine state government, specifically its data gathering agency, the Maine Health Data Organization (MHDO). MHDO currently asks health plans to report all hospital and professional paid claim data. They then try to associate the professional services to the hospital claim data. Matching the professional services (identifying the performing physician) with the institutional claim is difficult or impossible when all the data is combined on one claim form (UB-04). The Maine State Uniform Billing Committee (SUBC) is seeking a remedy for this situation and is asking the NUBC to allow them to utilize Form Locator 49 on the UB-04 paper form. This would allow the hospital to create, from the onset, a combined claim that would facilitate health plan data reporting efforts. The 837i currently has the capability to report this information at the service line level.

Much of the state effort is intended to provide greater transparency with respect to the overall cost of health care services. The purpose of this demonstration project is to examine the feasibility of this new approach and to determine whether the suggested UB-04 changes will ultimately give MHDO with the information they need. There also appears to be additional benefits that accrue to providers, health plans, and patients. The combined billing approach should reduce the number of claims submitted and processed. It also recognizes a growing trend in rural areas where hospitals are employing more physicians to improve patients’ access to care.

The scope of work for the demonstration project is limited to hospitals physically located in Maine and health plans licensed to operate in Maine and only for their members/enrollees; many already have contracts with one another to allow this approach. It is not intended to compel providers or health plans to accept this combined billing approach; only willing providers and health plans would be engaged in this project. Proactive education of providers and health plans concerning this demonstration project will be undertaken by the Maine SUBC.

The National Uniform Billing Committee (NUBC) is interested in the outcomes of this approach and will be allowing participants in the state of Maine to utilize FL 49 for the duration of this project. It is our understanding that FL 49 is intended to serve as a pointer that references the physician information contained in FL76, FL77, FL78, and FL79 of the UB-04 data set. To simplify reporting, the values reported in FL 49 will utilize the last digit of the above mentioned form locators (i.e. 6, 7, 8 and 9).

This project includes the following tasks as part of the overall scope of work:

1. Identifying the total volume of claims that contain both the facility (technical) and professional billed amounts separated by inpatient and outpatient. Only the Professional Fees Revenue Categories (096x, 097x, and 098x) will utilize the pointer information in FL49.
2. On inpatient claims, the reporting of a limited range of HCPCS procedure codes corresponding to 096x,
3. 097x, and 098x will be allowed in FL44. All other revenue codes listed on the claim will follow the HIPAA code set rules for institutional inpatient services and therefore will not include line item HCPCS codes.
4. For outpatient claims, hospitals will continue to utilize HCPCS line level reporting where it is appropriate in FL44

II. Specific Tasks

Participants in the Maine demonstration project will work independently and provide statistical information on a periodic basis as outlined in this scope of work.

The NUBC will provide minimum administrative support, but stands ready to provide any appropriate billing interpretations and communications that are necessary to fulfill the scope of work efficiently.

General Requirements

A. Initial Meeting with Maine's SUBC and MHDO

1. **Project Plan** – The Maine SUBC and MHDO will meet to discuss this demonstration project. The specific focus will be on the time frame for each of the tasks specified below. Within two weeks of this meeting, the Maine SUBC will submit a formal project plan, outlining components of the billing process and deadlines for completing the demonstration project. The project plan shall be for a **one year** period and shall provide an overview of the various components below. The project plan shall be updated as new issues or events arise.
 - a) Discrete volume of inpatient and outpatient claims. Individual facilities will keep track of the number of claims submitted under the proposed method as well as the aggregate of all claims that are prepared by the facility to all health plans.
 - i. Volume will also identify name of participating health plan.
 - ii. Volume will keep distinct the number of claims that are submitted electronically from those that are submitted on paper.
 - b) Provider cost of implementing the combined billing approach.
 - i. Startup costs for providers
 - ii. Cost savings, if any, on the combined billing approach for providers versus the development of separate institutional and professional claims. Indicate any revenue cycle improvements (e.g., reduction in days in receivables).

- c) Health Plan cost of implementing the processing of the combined billing approach.
 - i. Startup costs for health plans
 - ii. Cost savings if any on the combined billing approach for health plans versus the handling of separate institutional and professional claims.

B. Outreach Plan – Maine SUBC will serve as the focal point for communication and outreach to participating providers and health plans. They will also identify an individual to serve as the contact for coordinating communications with the Secretary of the NUBC.

C. Quarterly Progress Reports will be necessary to monitor the progress of the project, evaluate any problems, and plans for any additional steps. The NUBC will be responsible for setting up the conference calls and coordinating the agenda with the Maine SUBC. Conference calls will include documented minutes of the meeting and any reports or other supporting materials prepared for the call.

The quarterly administrative progress reports will summarize the following:

1. Number of participating providers and health plans
2. Volume breakdown of claims by major payer category
3. Update of any issues on inconsistency in reporting
4. Update on any actions needing NUBC involvement or summary of problems encountered
5. Process improvements observed
6. NUBC may request slight modification of data collected, if after receipt of the first quarter reports, the data indicates that additional analysis is warranted

D. Geographic Limitation

The demonstration project is limited to the State of Maine and only for those providers and health plans that enter voluntarily to undertake combined billing of claims. Hospital services for residents of Maine received outside of the state are not subject to this demonstration project.

E. One-Year Conclusion

The duration of the project is one year. At the end of the one-year period, the NUBC will evaluate the merits of the approach and determine whether institutional and professional “Combined Billing” warrants nationwide acceptance and whether any additional limitations or specifics need to be considered. It should be noted that the use of FL49 will revert back to NUBC control if the project indicates that the approach should not go forward.