

Recommended Actions for Aligning Electronic Data Interchange (EDI) Companion Guides

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Executive summary

The recommended actions below are intended to support alignment across health plan electronic data interchange (EDI) companion guides (CGs), which are provided to delegates to support the timely and accurate exchange of encounter data between delegates and health plans. CGs are known to vary significantly from health plan to health plan, which makes it challenging for delegates to appropriately reference information needed to correctly submit encounters to each health plan with which they contract and hinder the timeliness and accuracy of submitted encounters.

The recommended actions chronicled here reference: 1) the X12 Intellectual Property Use Policy, which dictates how information can and cannot be used when utilizing X12 copyrighted property including X12 EDI standards; 2) the CAQH CORE Master Companion Guide Template, which provides content, format, and organizational structure that can be applied to any version of a Companion Guide; and 3) the use of the IHA-developed, Encounter Data Governance Entity (EDGE) CG Assessment Tool, which takes into account the aforementioned references along with key topics that industry experts deem helpful to support successful encounter data submissions.

Summary of recommendations

1. CG owners (managed care plans [MCPs]s and the California Department of Health Care Services [DHCS]) should consider using a standard template such as the CAQH CORE Master Companion Guide Template, which was created by the industry for HIPAA compliant transactions.
2. CG owners should review and assess whether their documents comply with the X12 Intellectual Property Use policies.
3. Companion guide owners assess their CGs against the EDGE CG Assessment Tool and make corrections based on findings.

Overview

Definitions

Companion Guide (CG): A CG is a document created by a data recipient that dictates how HIPAA data should be exchanged electronically between two specific trading partners, e.g., a provider organization and a contracted health plan. CGs are to be used in tandem with and supplement the requirements in the HIPAA ASC X12 Implementation Guides, without contradicting those requirements. CGs highlight the data elements significant to a health plan and explain how certain data elements are processed once submitted.

Council for Affordable Quality Healthcare (CAQH) Committee on Operating Rules for Information Exchange (CORE): A multi-stakeholder group committed to streamlining the business side of healthcare. CORE is responsible for developing operating rules that improve the exchange of administrative health data.

Electronic Data Interchange (EDI): Electronic interchange of business information using a standardized format. A process that allows one company to send information to another company electronically.

Implementation Guide – Type 3 (TR3): A technical report that addresses the use of one or more transaction sets for one specific business purpose to facilitate consistent transaction set implementation within an industry or sub-industry. The TR3 defines national data standards, electronic format, and values for each data element within an electronic transaction.

X12.org Intellectual Property (IP) Use: X12 is an organization chartered by the American National Standards Institute. X12 has developed standards and associated products to facilitate the transmission of electronic business messages and manages the exclusive copyright to all standards, publications, and products. All X12 products are subject to the IP policy. Details about the X12 IP are available on the X12 [website](#).

Issue Background

By law or contractual obligation, medical providers are required to send claims and encounters electronically to health plans that, in turn, may be obligated to share that data with state or federal regulators. Those same laws and contractual agreements often require that the exchange of data conforms to the X12 EDI standards known as the TR3 Implementation Guides (e.g., X222 – Health Care Claim: Professional (837)). While the TR3 defines the national data standards, electronic format, and values for each data element within an electronic transaction, there are usually health plan-specific requirements that are communicated in supplemental guides, called a companion guide (CG).

Problem Statement

Since there are no requirements for the layout, format, or content for CGs outside of the Intellectual Property (IP) Use policies from X12, EDI reference materials such as CGs can vary. The differences in how these CGs are created and shared make it difficult for consumers of CGs, such as provider organizations, to easily reference the needed information to correctly submit electronic claims and encounters or correct ones that have been rejected. This difficulty leads to longer submission cycles, which impact timeliness measures. These challenges also contribute to incomplete data sets when submitted claims and encounters are challenging to correct and resend, which impacts completeness measures.

Recommended Future State

MCPs are consistent in developing CGs that follow the same structure and contain all the components suggested in the CAQH CORE Master Companion Guide Template, as well as being compliant with the X12 Intellectual Property (IP) use policies. Providers will then be able to easily find the necessary information in any CG due to the standardized structure of CGs across the industry.

Recommended actions

Recommendation 1: Companion Guide Owners Should Adopt the CAQH CORE Master Companion Guide Template

DHCS and MCPs should use the CAQH CORE Master Companion Guide Template when creating their CGs. The CAQH CORE Master Companion Guide Template was created with input from multiple health plans, system vendors, provider representatives and healthcare/HIPAA industry experts. It organizes information into several sections and provides a standard format that facilitates the flow of information while also allowing for flexibility to tailor CGs for data recipient-specific needs. Using this template, plans can ensure that the structure of their 837 companion guide is similar to other plans' CGs, making it easy for contracted providers to find information quickly and helping to ensure data is exchanged accurately. The template is available on the [CAQH website](#).

Stakeholder-specific recommendations

Organizations should follow the procedures below:

- **DHCS and MCPs** should review the 837 CGs provided to MCPs and delegates, respectively, and consider aligning each CG's format and structure to the CAQH CORE Master CG Template.
- **Delegates** should review contracted MCPs' 837 CGs and recommend MCPs follow the suggested CAQH CORE Master CG Template if a CG differs.

Recommendation 2: Companion Guide Owners Should Evaluate their Companion Guides to Comply with X12 Intellectual Property Use Policies

Encounter data recipients' CGs should comply with X12 IP Use policies. Data recipients should understand what is required by the X12 IP use policies when publishing CGs or any other EDI reference materials. They should also assess existing documentation, including all CGs, and ensure that all current documents conform to X12 IP Use policies.

X12 IP Use policies specify 1) what *can* be included in a CG, 2) What *may* be included in a CG, and 3) What *cannot* be included in a CG. These policies are available on the [X12 website](#).

Stakeholder-specific recommendations

Organizations should follow the procedures below:

- **DHCS** should review the CGs provided to MCPs to ensure they meet the X12 IP Use policies.
- **MCPs** should review the X12 IP Use policies and ensure that their CG documents are compliant with what is documented in their 837 CG for provider organizations and community health center submissions. They should also ensure that they submit data to DHCS in accordance with X12 IP Use policies. Please note, X12 requires organizations to request use of X12 copyrighted products based on their X12 IP Use policy.

- **Delegates** should review the 837 CGs they receive from contracted MCPs and notify contracted MCPs of any instances where they may violate the X12 IP Use policy (e.g., when information in the plan’s CG contradicts HIPAA requirements).

Recommendation 3: Companion Guide Owners Should Utilize the EDGE Companion Guide Assessment Tool

CG owners should perform a comprehensive self-assessment using the EDGE CG Assessment Tool to identify the areas of the 837 CGs that would be improved by incorporating missing content based on the assessment topics. They should then create plans to address any needed changes. IHA developed the EDGE CG Assessment Tool with input from the Health Industry Collaboration Effort (HICE) Encounters Standardization Team members to ensure that all important information is captured in the assessment tool. The EDGE CG Assessment Tool is available for download on the [IHA Encounter Data Resource Hub](#).

The assessment tool, along with the X12 IP Use policies and the CAQH CORE Master Companion Guide Template, should provide enough structure and content overlap so that CG owners’ 837 CGs retain a common format, layout, and guidelines for data submission.

Stakeholder-specific recommendations

Organizations should follow the procedures below:

- **DHCS and MCPs (owners)** should utilize the EDGE CG Assessment Tool to assess their existing 837 CGs to ensure all pertinent topics and content are captured in the CGs that are provided to their delegates.
- **Delegates (users)** should review their contracted health plan 837 CGs and note if any content is missing that would support the successful submission of high-quality encounter data. Delegates are welcome to recommend additions to the tool to IHA.

Program Background

As part of [Health Net’s Encounter Data Improvement Program](#), IHA serves as the Encounter Data Governance Entity (EDGE) and is charged with coordinating encounter data improvement efforts across California.

Within IHA’s multi-pronged approach to move the needle on encounter data, IHA has established a Data Standards Implementation workstream to work directly with stakeholders to develop recommended actions. These actions are intended to improve encounter data quality across six priority areas within encounter data submission as identified during the [2020 Health Net Manatt Encounter Data Summit](#).

Priority areas identified at the 2020 Health Net Manatt Encounter Data Summit
Duplicate encounters
Tracing errors to their sources
Newborn identification
Alignment of EDI Companion Guides (FKA communicating rejections and remediation)

Visit-Encounter reconciliation
Use of local codes

Participants of the [Data Standardization Workshop](#) that occurred at the 2020 Encounter Data Summit established that MCP Companion Guides and other supplemental guides relating to implementation and billing differed significantly, which created opportunities for incomplete or inaccurate encounter data submissions from providers. This issue impacts accuracy of data submissions since the guidance documents weren't aligned in content shared back to providers. This also impacts timely submission since the delegate has to research the proper submission guidelines in various documents in order to correct and resubmit files back to the plan. Accurate and timely resubmissions directly impact encounter data throughput to DHCS.

To create recommended actions intended to streamline EDI companion guides, the Data Standards Implementation (DS) Workstream partnered with HICE and their [Encounters Standardization Team \(HICE Encounters Team\)](#), a voluntary group that convenes weekly to review, problem-solve, and analyze encounter data issues to improve processes through the industry. To fully understand the scope of the issue, members of the HICE Encounters Team shared their challenges with dealing with various forms of companion guides from health plans. Companion guides, provider manuals, and submission guides are all different types of guides support providers with encounter submissions, yet the content, format, and structure varied vastly. In one-on-one interviews with IHA, team members shared topics that they deemed as key information for establishing a successful encounter submission to the health plan. From there, the HICE Encounters Team reviewed and approved the EDGE CG Assessment Tool.