

HIPAA Administrative Simplification Information Bulletin

March 22, 2019

Optimization Pilot Program

The Centers for Medicare & Medicaid Services (CMS), National Standards Group (NSG), on behalf of the Department of Health and Human Services (HHS), has recently completed the Optimization Pilot, a small-scale effort to recruit volunteer health plans and clearinghouses to submit HIPAA standard transactions to HHS for compliance testing. HHS initiated the Optimization Pilot in preparation for the full-scale Compliance Review Program. The Compliance Review Program has been developed to ensure covered entities' compliance with the HIPAA Administrative Simplification provisions.

Results of the Pilot

Ten organizations met the criteria for participation in the Optimization Pilot. Of these, four clearinghouses and one health plan completed the pilot. All but one of these entities underwent a corrective action plan as part of the pilot. Each participating entity received an acknowledgement stating their participation and compliance. By participating in the pilot, covered entities assisted HHS with streamlining the compliance review process, including review tracking, coordinating and communicating with participating entities, and assessing violations.

Lessons Learned

Among pilot participants, the most common violations involved transaction standards. Types of violations, from the most to the least frequent, were:

1. Transactions (42)
2. Code Sets (15)
3. Unique Identifiers (14)
4. Operating Rules (3)

Based on the lessons learned from the pilot, HHS made enhancements to the Edifecs X-Engine testing tool, such as increasing the number of violations reported in a single file, streamlined Compliance Review Standard Operating Procedures, and improved communication protocols.

We thank the pilot participants for their insights and collaboration. We look forward to continuing to work with covered entities to achieve full compliance with HIPAA Administrative Simplification. Look for a future Information Bulletin for details about full implementation of the Compliance Review Program.

Questions?

For more information about HIPAA Administrative Simplification requirements, visit [Go.CMS.gov/AdminSimp](https://www.cms.gov/AdminSimp).

HHS also welcomes your feedback on the Compliance Review Program. To share questions or comments, contact AdministrativeSimplification@cms.hhs.gov.

For the latest news about HIPAA Administrative Simplification and the Compliance Review program, sign up for Email Updates and stay tuned for the upcoming Compliance Review Program video.