

Source of Payment Typology  
Minutes of the Coordination and Maintenance Committee Conference Call  
October 28, 12:00 PM (EDT)

## Meeting Minutes

### I. Welcome and Introductions

Starla Ledbetter, Chair, welcomed the attendees of the meeting and a roll call was taken.

The following were attendees\*.

Cynthia Bush, NCHS

Charles Hawley, NAHDO

Norman Thurston, NAHDO

Denise Love, NAHDO

Judy Parlato, IBM

Robyn Strong, OSHPD

Babatunde Olubajo, CDC

Kenley Money ACHI

Christopher Gracon, Independent Health

Charles Wentzel, PHC4

John Piddock, NYDOH

Starla Ledbetter, OSHPD

Barbara Rudolph, NCHS Consultant

\* The following individuals also indicated that they had tried to attend but used the time on the Agenda which was incorrect. (Dr. McClure, John Odden, Hetty Khan). We apologize to those who were unable to attend.

### II. Background on the Source of Payment Typology

Barb Rudolph, NCHS provided some background on the Payer Typology since there were new individuals on the call. She indicated that the Payer Typology was founded by the Public Health Data Standards Committee (PHDSC), which was hosted by NCHS approximately 20 years ago. Since that time there were transitions made—the first was to move the Typology to AHIMA with the PHDSC, the second transition was to have NAHDO serve as the host in collaboration with NCHS. Today the Typology and the Guides are sited at [www.nahdo.org/SOPT](http://www.nahdo.org/SOPT). The Typology is also available on two Federal sites: PHIN VADs and Value Set Authority Center (VSAC); both provide Value Sets for Federal Government uses.

The initial developers, were tasked with creating a typology that would—

- Allow for consistent comparisons of the payment category from various data sets
- Be flexible, expandable and allow for different levels of detail (roll-ups)

- Be available to all at no cost
- Differentiate Medicare and Medicaid managed care vs non-managed care
- Distinguish among different types of plans within major payer programs
- Be able to separate out self-pay from other reasons of non-payment: charity care, professional courtesy, and bad debt.

Types of Use Cases were also mentioned, these included: quality monitoring across payers, tracking national hospital costs by payers, and examining utilization patterns across payers.

The Source of Payment Typology has achieved recognition from entities that now have incorporated these standards. These include states, Federal agencies including ONC, and private standards developing groups (X12N).

### **III. Process for Maintenance**

The Source of Payment Committee sends out invitations to groups of interest to seek out potential changes to the Typology. It holds an annual maintenance conference call in October, to review any proposed changes.

### **IV. Change request (s)**

On last year's conference call, we briefly discussed whether there was interest in adding a category to address changes in payment type to the existing typology. These new payment arrangements were identified as alternative payment models and it was decided that we should re-visit that as a topic on the 2020 call.

Barbara first mentioned that these alternative payments account for about 30% of the payments from plans to providers and hospitals. Thus, it is a significant amount of payments that are under the radar and not subject to transparency.

The typical payment process that is followed for these alternative payments is— Providers (Physicians and hospitals) send eligible claims to a Health System, in turn, the Health System sends those eligible claims to Payers. Physicians and hospitals get the negotiated payment as claims are filed. The Payers then may also return a bonus payment to the physician/hospital/Health System, and if the payment is returned to a Health System, they will send the bonus payments back to physicians and hospitals.

This arrangement, in a sense, operates without notification on the claim. So, tracking this must be done from other financial systems. At this point in time, there is only one state that has been collecting and reporting this information, that is Massachusetts. They are collecting the lump sums paid by the plans to the physicians/hospitals. They produce an annual report on this. It is not broken down by patient, provider, or hospital. Thus, what we

know is limited to the total sum of payments from a plan, thus, this may reduce what we can know about cost of care. In addition, providers/hospitals are routinely asked to sign DNRs for each plan as part of their contract. So, requesting this information from the provider may not be allowed.

We also discussed the following 3 questions. *Answers are in italics.*

Question 1. – Is this a type of payment, and not a type of payer? *It is a category of payment.*

Question 2. -- Which payer type would this be under? *These payments are from Private insurance, Medicare, Medicaid and can appear in all their subcategories (HMO, PPO, FFS).*

Question 3. –Does this ever show up on the claim forms? How would it be used by data collection entities? *It does not show up on the claim.*

Following this discussion, we agreed that there was not enough information to determine whether to add something in the typology to address these alternate payments. This topic will likely re-appear if there is external pressure to acquire the information on these payments.

#### **V. New concerns or other issues?**

##### Medicare Advantage

Barbara has received several questions this year from end-users regarding which category to use for Medicare Advantage plans. Historically, the Medicare Advantage plans have been HMOs. The Source of Payment Typology Guide indicates that this is where the Advantage plans are to be placed.

She asked whether we should add (Medicare Advantage) in a note or as a separate category? At this time, the Committee recommended adding it in a note, e.g., (includes Medicare Advantage Plans).

##### HRSA, Disaster-related and Covid-19

Judy Parlato said that it might be important to add to the HRSA category with an item such as “Disaster-related”, given special financial programs at HRSA to address disasters. Since Covid-19 is a national disaster it should be at least shown as an example in the Disaster-related addition. She gave some examples of states that are creating codes for Covid-19. The Committee agreed that this was important to do.

##### Version 9.2

Because these are relatively small changes to the Source of Payment Typology, we discussed how to reflect this in the version of the Guide. It was agreed that we would mark this as Version 9.2, and not move on to Version 10.

VI. **Next steps—Starla Ledbetter, Chair**

Starla indicated the next steps were to update the Source of Payment Typology with the new note and identify the new version as 9.2. The Typology would then be ready to post on the three sites. There would not be a change to the Guide. The new version would also be sent out to all participants along with the Meeting Minutes.