

What is the ETC Project?

ETC stands for Electronic Transaction Clearinghouse and was created as a result of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). It seems everyone is aware of HIPAA. If you visit a medical facility or have picked up a medical prescription, you have come in contact with HIPAA. Counties under the HIPAA regulations are, in certain situations, considered a Payer. That puts them in the same position as an insurance company when it comes to medical claims. This realization meant that counties would be forced to abide by HIPAA regulations and a deadline of October 15, 2003 for the ability to accept medical claims electronically.

As a result the HIPAA Committee was formed in Fall 2002. The committee was made up of auditors, supervisors, CPC administrators and IT personnel from counties of varying sizes. This was done purposely so that all viewpoints would be represented. The HIPAA Committee quickly determined that an affordable solution needed to be created that would work for all counties large or small. There were pre-existing software solutions available; however, they proved to be too costly for most counties. Existing clearinghouses were not interested in us because of our small volume of claims. Due to these reasons the committee decided to collaborate and create a solution that would be available to all 99 counties. As a result of this decision, a subcommittee, the future "ETC Committee," was formed to create and design a solution for counties. After analysis of the situation, the subcommittee decided to create an Internet-based, HIPAA-compliant electronic claims system.

How does an Internet-based system become HIPAA compliant? It relies on encryption. Encryption is the process to convert plaintext into ciphertext or "disguised" text. Thus, when a medical claim is submitted by a provider or medical facility to a county for payment, to protect personal information the claim must become encrypted sometime during the electronic transmission. The creation of this web-based system enables providers to submit claims to the member counties electronically and in a manner that meets all of the HIPAA regulations.

Once the analysis was determined and the decision made to proceed with an Internet-based system, the next

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task for the ETC Committee was to select a company that had the ability to quickly design and host this type of system. After some thought and analysis, the committee decided to enter into an agreement with Quilogy. Quilogy is a company based in 13 cities from Chicago to San Diego with excellent references for top quality work. Jim Vernon became the project manager from Quilogy and worked closely with Randy Snyder, Warren County IT Director and ISAC's project manager. Together with a team of IT gurus, they developed a system that is relatively simple to use.

Throughout the development process, the ETC Committee gave periodic reports and updates to the HIPAA Committee, thus keeping the full HIPAA Committee informed and allowing them the opportunity to change or add features as they felt necessary to make the system work properly. This sharing of information allowed input from different affiliates in various sized counties, creating an end result that is suitable for everyone's use no matter how large or small your county is.

The website was up and running by the October 15, 2003 deadline, an achievement in itself. This accomplishment was due to the tremendous effort and time put in by the HIPAA Committee and the ETC subcommittee. Their hard work and effort paid off. It allowed the member counties to be assured of being HIPAA compliant and avoiding any type of penalty that could have incurred if they were not.

Current Status of ETC

Counties

Currently 67 counties have joined the ETC project via 28E agreements approved and signed by their boards of supervisors. To participate in the ETC website, each county was required to pay a one-time startup fee of \$2,500. They were also required to pay an annual fee that varies based on the size of a county's budget. These

fees were used to pay the initial development cost of the website and the ongoing hosting costs. The majority of these counties are now set up in the system and ready to take in electronic claims with just a click on the mouse.

Providers

No providers have signed on as of this date. This is in large part because the mid-sized to smaller providers have no software to upload claims electronically and lack funding to go out and purchase software. The larger providers and hospitals which do have the software capability have yet to expend the effort/manpower to set up counties in their system which would enable them to send their claims electronically for payment. Currently there are no HIPAA regulations requiring providers to send in their claims electronically; however, there are HIPAA requirements mandating that counties and other entities be set up and ready to accept claims if providers choose to submit them electronically - thus the necessity for the ETC website. We must never lose sight of the fact that no matter what, counties are required by federal regulations to be able to accept electronic claims.

ETC's Future

ETC's future is wide open. Technology is ever changing, thus allowing limitless possibilities. To justify future spending on this project, we must show actual usage of the site. An ETC Advisory Committee, formed as a result of the 28E agreements signed by each of the member counties, has been assigned the task of looking at the direction the ETC website project should go. The ETC Advisory Committee is made up of 10 members: Randy Snyder, Warren County IT Director; Joe Pfeffer, Polk County System Administrator; Wayne Chizek, Marshall County GIS Director; Marsha Carter, Shelby County Auditor; Jill Marlow, Benton County Auditor; Mary Dubert, Scott County CPC Administrator; Steve Kerber, Appanoose/Monroe County CPC Administrator; Wayne Northey, Dickinson County Supervisor; and Cheryl Jahnel, Mitchell County Supervisor. The purpose of the committee is to provide input and technical assistance. The committee met for the first time in May. The objective of the meeting was to review the history, current status and the future of the ETC website project. One of the ideas that came out of the meeting was the ability to enable providers to use the website at little or no cost. Cur-

rently, Randy Snyder is working with Quilogy to develop a tool that will enable the providers to send in their claims, and the counties to approve or deny them, in one simple process. It looks promising that with some additional programming and minimal costs we should be able to provide this service to providers. The consensus is that if we are able to provide a means for the providers to submit their claims electronically, they will use it - thus ensuring the life of this project.

ETC and Beyond...

Can the ETC website be used for purposes other than submitting medical claims from providers? The answer is yes. Will it be done? That is yet to be determined. First, we must keep the ETC website project alive and we must do this by enabling providers to actually use the site. The majority of the providers that submit claims currently to our counties tend to be the small to mid-sized providers, thus the need to provide an economical method for them to complete this process. It looks like HIPAA is here to stay. Now, how can we make this a benefit to us? We take the technology that was created because of federal regulations that were foisted upon us and use it to our advantage. But how? We use the ETC website for purposes other than just processing medical claims. We can process claims from other entities to any office in the courthouse. We can approve or deny claims to other counties, agencies or vendors.

How can this be done? The ETC website is an EDI based system, the same type of system currently used by many companies in the corporate world to manage their invoicing and inventory systems. This will benefit counties by saving them time and money. Can this be done yet? No. These are just possibilities that the ETC Advisory Committee will look at. Ultimately, their job is to ensure that whatever the future holds for the ETC website, it will benefit the member counties by saving them money, time and effort.

Please take a moment and view the ETC information on the ISAC website, under 'Electronic Transactions Clearinghouse (ETC).' If your county is interested in becoming part of the ETC website program, please contact Tammy Norman at 515-244-7181 or tnorman@iowacounties.org.