

General Requirements For Adoption of Standards

SEC. 1172.

(a) **APPLICABILITY.**--Any standard adopted under this part shall apply, in whole or in part, to the following persons:

(1) A health plan.

(2) A health care clearinghouse.

(3) A health care provider who transmits any health information in electronic form in connection with a transaction referred to in section 1173(a)(1).

(b) **REDUCTION OF COSTS.**--Any standard adopted under this part shall be consistent with the objective of reducing the administrative costs of providing and paying for health care.

(c) **ROLE OF STANDARD SETTING ORGANIZATIONS.**--

(1) **IN GENERAL.**--Except as provided in paragraph (2), any standard adopted under this part shall be a standard that has been developed, adopted, or modified by a standard setting organization.

(2) **SPECIAL RULES.**--

(A) **DIFFERENT STANDARDS.**--The Secretary may adopt a standard that is different from any standard developed, adopted, or modified by a standard setting organization, if-

(i) the different standard will substantially reduce administrative costs to health care providers and health plans compared to the alternatives; and

(ii) the standard is promulgated in accordance with the rulemaking procedures of subchapter III of chapter 5 of title 5, United States Code.

(B) **NO STANDARD BY STANDARD SETTING ORGANIZATION.**--If no standard setting organization has developed, adopted, or modified any standard relating to a standard that the Secretary is authorized or required to adopt under this part--

(i) paragraph (1) shall not apply; and

(ii) subsection (f) shall apply.

(3) **CONSULTATION REQUIREMENT.**--

(A) IN GENERAL.--A standard may not be adopted under this part unless--

(i) in the case of a standard that has been developed, adopted, or modified by a standard setting organization, the organization consulted with each of the organizations described in subparagraph (B) in the course of such development, adoption, or modification; and

(ii) in the case of any other standard, the Secretary, in complying with the requirements of subsection (f), consulted with each of the organizations described in subparagraph (B) before adopting the standard.

(B) ORGANIZATIONS DESCRIBED.--The organizations referred to in subparagraph (A) are the following:

(i) The National Uniform Billing Committee.

(ii) The National Uniform Claim Committee.

(iii) The Workgroup for Electronic Data Interchange.

(iv) The American Dental Association.

(d) IMPLEMENTATION SPECIFICATIONS.--The Secretary shall establish specifications for implementing each of the standards adopted under this part.

(e) PROTECTION OF TRADE SECRETS.--Except as otherwise required by law, a standard adopted under this part shall not require disclosure of trade secrets or confidential commercial information by a person required to comply with this part.

(f) ASSISTANCE TO THE SECRETARY.--In complying with the requirements of this part, the Secretary shall rely on the recommendations of the National Committee on Vital and Health Statistics established under section 306(k) of the Public Health Service Act (42 U.S.C. 242k(k)), and shall consult with appropriate Federal and State agencies and private organizations. The Secretary shall publish in the Federal Register any recommendation of the National Committee on Vital and Health Statistics regarding the adoption of a standard under this part.

(g) APPLICATION TO MODIFICATIONS OF STANDARDS.--This section shall apply to a modification to a standard (including an addition to a standard) adopted under section 1174(b) in the same manner as it applies to an initial standard adopted under section 1174(a).