CAQH CORE Training

Market Based Review (MBR) for the CORE Code Combinations

December 20, 2013
2:00 pm – 3:00 pm ET
Participating in Today’s Interactive Event

• Download a copy of today’s presentation [HERE](#)
• The phones will be muted upon entry and during the presentation portion of the session
• At any time throughout today’s session, you may communicate with our panelists via the web
  – Submit your questions on-line **at any time** by entering them into the Q&A panel on the right-hand side of the WebEx desktop
  – On-line questions will be addressed first
• There will be an opportunity for the audience to submit questions through the telephone during today’s presentation
  – When directed by the operator, press * followed by the number one (1) on your keypad
Session Topics

• Welcome Introduction
• CAQH CORE 360: Uniform Use of CARCs and RARCs Rule
  – Brief Overview of CAQH CORE 360 Rule
  – CORE Code Combination Maintenance Process
• Overview of 2013 Market Based Review (MBR)
  – General information and Submission Process
• Example of MBR Submission #1
  – Outline Part 1 of the Online MBR Form
• Demo of MBR Submission #2
  – Live Demo to Complete Part 2 of the Online MBR Form
• Q&A
CAQH CORE 360:
Uniform Use of CARCs and RARCs Rule
CORE 360 Rule: Uniform Use of CARCs and RARCs

Scope & High-level Rule Requirements

• Foundational requirements
  – HIPAA covered entities should currently support the X12 v5010 835 transaction

• Scope of the rule
  – Applies to entities that use, conduct or process the X12 v5010 835 transaction
    • Builds on your existing X12 v5010 835 implementation bringing consistency and uniformity by establishing uniform business scenarios and code combinations

• High-level rule requirements
  – Identifies minimum set of four CORE-defined Business Scenarios with a maximum set of code combinations to convey claim denial/adjustment details (codes in separate document)
  – Establishes quality improvement maintenance process to review and update the CORE Code Combinations
  – Enables health plans and PBM agents to:
    • Use new/modified codes with CORE-defined Business Scenarios prior to CAQH CORE Compliance-based Review
    • Develop additional, non-conflicting business scenarios when CORE-defined Business Scenario do not meet business needs
  – Requires receivers of the X12 v5010 835 (e.g., a vendor’s provider-facing system or solution) to make available to the end user (i.e. the provider) text describing the CARC/RARC/CAGCs included in the remittance advice and text describing the corresponding CORE-defined Business Scenario
  – Identifies applicable CORE-defined Business Scenarios for retail pharmacy
**CORE 360 Rule: Uniform Use of CARCs and RARCs**

**Four Business Scenarios**

<table>
<thead>
<tr>
<th>Pre-CORE Rules</th>
<th>243 CARCs</th>
<th>899 RARCs</th>
<th>4 CAGCs</th>
<th>Inconsistent Use of Tens of Thousands of Potential Code Combinations</th>
</tr>
</thead>
</table>

**Four Common Business Scenarios**

1. **CORE Business Scenario #1:** Additional Information Required – Missing/Invalid/Incomplete Documentation (332 code combos)
2. **CORE Business Scenario #2:** Additional Information Required – Missing/Invalid/Incomplete Data from Submitted Claim (306 code combos)
3. **CORE Business Scenario #3:** Billed Service Not Covered by Health Plan (453 code combos)
4. **CORE Business Scenario #4:** Benefit for Billed Service Not Separately Payable (40 code combos)

Code Combinations not included in the CORE-defined Business Scenarios may be used with other non-CORE Business Scenarios.

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CARCs and RARCs Code List Maintenance

External to CAQH CORE

As the recognized Federal standard/code authors, ASC X12 and the Code Maintenance Committees (which are separate from ASC X12) are responsible for maintaining CARC/RARC/CAGC definitions and meet in-person on a tri-annual basis. Adjustments to the definition of such codes must be addressed via the specific author.

### CARCs
(CARC Code Committee)
- Total # of CARCs: 243
  - not all in CORE Code Combinations
- There are approximately 35 CARC Committee members representing a variety of stakeholder including health plans, associations, vendors, and government entities
- Entities can complete the CARC Change Request Form found [HERE](#)

### RARCs
(RARC Code Committee)
- Total # of RARCs: 899
  - not all in CORE Code Combinations
- The RARC Committee members represent various components of CMS
- Entities can complete the RARC Change Request Form found [HERE](#)

### CAGCs
(ASC X12)
- Total # of CAGCs: 4
  - All are in CORE Code Combinations
- Part of the ASC X12 standard, therefore, can only be revised when a new HIPAA mandated version of X12 standards is issued; current version is ASC X12 v5010
- Entities can submit a request to ASC X12

*Before submitting a CARC Change Request Form, entities are first encouraged by the Committee to contact a member of the committee to “facilitate their request by allowing someone familiar with the approval process to discuss an alternate solution (if appropriate) for their need, or enabling that committee member to obtain additional background information which could help with the request”. Committee list is available [HERE](#).*
CAQH CORE Code Combinations Maintenance Process

CORE Business Scenario #1:
Additional Information Required – Missing/Invalid/Incomplete Documentation (332 code combos)

CORE Business Scenario #2:
Additional Information Required – Missing/Invalid/Incomplete Data from Submitted Claim (306 code combos)

CORE Business Scenario #3:
Billed Service Not Covered by Health Plan (453 code combos)

CORE Business Scenario #4:
Benefit for Billed Service Not Separately Payable (40 code combos)

Stability of CORE Code Combinations maintained

CAQH CORE Compliance-based Reviews

- Occur 3x per year
- Triggered by tri-annual updates to the published CARC/RARC lists by code authors
- Include only adjustments to code combinations to align with the published code list updates (e.g. additions, modifications, deactivations)

CAQH CORE Market-based Reviews

- Occur 1x per year
- Considers industry submissions for adjustments to the CORE Code Combinations based on business needs (addition/removal of code combinations and potential new Business Scenarios)
- Opportunity to refine the CORE Code Combinations as necessary to ensure the CORE Code Combinations reflect industry usage and evolving business needs

Supports ongoing improvement of the CORE Code Combinations
CORE Code Combinations Task Group (CCTG)

- Any CORE participating entity can join the CCTG and any entity can join CAQH CORE
- Composed of more than 40 CAQH CORE Participating Organizations from a wide variety of stakeholders; led by four multi-stakeholder Co-Chairs:
  - Shannon Baber, UW Medicine
  - Janice Cunningham, RelayHealth
  - Heather Morgan, Aetna
  - Deb Smith-Fedon, United Healthcare
- Conducts three Compliance-based Reviews and one Market-based Review per year using teleconferences and tools such as online surveys to ensure maximum participation; representatives from any CORE Participating Organization are eligible to join
- Compliance-based Review Work Efforts in 2013
  - Completed a Compliance-based Review based on the 03/01/13 published code list updates and published the May 2013 CORE Code Combinations
  - Completed a Compliance-based Review based on the 07/01/13 published code list updates and published the October 2013 CORE Code Combinations
  - Began Compliance-based Review of the 11/01/13 published code list updates and plan to publish updated CORE Code Combinations on 02/01/14
- Market-based Review Work Efforts
  - Agreed on scope of 2013 Market-based Review
  - Developed the content for the Market-based Review Form which entities will use to submit potential Market-based code additions/removals or potential new business scenarios
  - Distributed call for Market-based submissions on 12/13/13
Rationale for Structure and Design of Online MBR Form

• The CCTG spent significant time and effort designing the MBR form and reaching agreement on evaluation criteria to ensure meaningful submissions from the industry and useful supporting information to inform their review process and achieve the goal of CAQH CORE 360 Rule to enable more uniform use of the codes across the industry using a national set of code combinations that clearly convey the reason for an adjustment/denial while avoiding redundant code combinations

• Thus, the online MBR form includes collection of critical supporting information related to each individual entry on a submission
  – i.e. an assessment of the CORE Code Combination Evaluation Criteria, a business case, and discretionary Real World Usage Data

• The purpose of collecting this supporting information for each entry is two-fold:
  – It prevents submitters submitting lists of code combinations without fully considering the rationale for addition/removal, or value added to, the CORE Code Combinations; goal is to ensure a

<table>
<thead>
<tr>
<th>Submitters - Plan Ahead!</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submitters will need to spend significant time on each entry of their MBR submission given the requirements to include the supporting information to assist the CCTG in its review. Submitters should expect it will take approximately 15 minutes to submit each entry (i.e. code addition, deletion, or potential new business scenario) on the online MBR form, e.g. if you have 10 entries, it will take approximately 2 ½ hours to complete submission of these entries.</td>
</tr>
</tbody>
</table>
CCTG Evaluation of MBR Submissions

- The CCTG will review all entries and supporting information (i.e. evaluation criteria, business case, and discretionary usage data) submitted via the Market-based Review submission process.

- Using the [CORE Code Combinations Evaluation Criteria](#), the CCTG will discuss and conduct straw polls as needed to determine CCTG support for Market-based code combination additions and removals to the [CORE Code Combinations](#)

- **NOTE:** The CCTG may not approve all MBR submissions from the industry given the goal of CAQH CORE 360 Rule is to enable more uniform use of the codes across the industry and not necessarily increasing the number of code combinations but identifying code combinations that clearly convey the reason for an adjustment/denial while avoiding redundant code combinations.
CORE Code Combinations Maintenance Process
2013 Market-based Review
Key Terms for Market-based Review Process

- **Entry**: a single code addition, code removal, or potential new business scenario included on an entity’s online MBR Form
- **Submission**: An entity’s complete Market-based submission including all entries (e.g. all code additions, code removals, and new business scenarios included in the submission)
- **Supporting Information**: Additional information requested on the online MBR Form for each entry i.e. an assessment of the CORE Code Combination Evaluation Criteria, a business case, and discretionary Real World Usage Data
Level Set: Scope of 2013 Market-based Review

• Per the CAQH CORE Code Combination Maintenance Process, the 2013 Market-based Review (MBR) collects two types of industry submissions – Code Combination additions/removals and ideas for potential New Business Scenarios

1. Code Combination Additions/Removals
   • Scope: Includes code additions/removals for existing CORE-defined Business Scenarios
   • High-Level Approval Process: Submissions are reviewed and approved by CAQH CORE Code Combinations Task Group
   • Status for 2013 MBR: Task Group is collecting industry submissions for code combination additions/removals

2. New Business Scenarios
   • Scope: Includes addition of new CORE-defined Business Scenarios and/or substantive adjustments to existing CORE-defined Business Scenarios
   • High-Level Approval Process: Any adjustment or addition to the CORE-defined Business Scenarios will require substantive adjustment to CAQH CORE 360 Rule and thus require formal CAQH CORE Approval and Voting Process:
     Task Group ➔ Rules Work Group ➔ All-CORE Vote
   • Status for 2013 MBR: Includes an “Early Call for Submissions of New Business Scenario Ideas”; Task Group is only collecting ideas for potential New Business Scenarios in 2013 – no voting will occur and a second, “Formal Call” will occur later in 2014
MBR Submission Process

• **Eligible Submitters:**
  – All CORE Participants plus *non-CORE Participants* that create, use, or transmit HIPAA-covered transactions may submit potential Market-based entries
  – NOTE: Each organization is limited to ONE SUBMISSION (may contain multiple entries); please coordinate with your colleagues

• **How to Submit:**
  – The CAQH CORE Code Combinations Task Group designed content for an online *Market Based Review submission form* (MBR Form) to collect the necessary input from the industry

• **When to Submit:**
  – All qualified entities can access the online MBR Form NOW!

• **Submission Deadline:**
  – The Call for Industry Submission for the 2013 Market-based Review will be open for 60 days; all organizations must complete their submissions by **02/14/2014**
    • An email was distributed from CAQH CORE on 12/13/13
  – No submissions will be accepted after that date
MBR Submission Process: Entries for Market-based Code Additions and Removals

- The 2013 online MBR Form will only consider the addition/removal of CORE Code Combinations in the existing four CORE-defined Business Scenarios; the current version of the CORE Code Combinations can be found HERE.
- Potential code(s) additions and removals to the CORE-defined Business Scenarios for CAQH CORE 360 Rule may include:

<table>
<thead>
<tr>
<th>Types of Additions</th>
<th>Types of Removals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Add CARC and RARC along with a CAGC(s)</td>
<td>1. Remove CARC and all associated RARCs and CAGC(s)</td>
</tr>
<tr>
<td>2. Add CARC along with a CAGC(s)</td>
<td>2. Remove RARC and associated CAGC(s) from existing CARC</td>
</tr>
<tr>
<td>3. Add RARC to an existing CARC along with a CAGC(s)</td>
<td>3. Remove CAGC(s) from existing CARC</td>
</tr>
<tr>
<td>4. Add CAGC(s) to an existing CARC</td>
<td>4. Remove CAGC(s) from existing CARC and associated RARC</td>
</tr>
<tr>
<td>5. Add CAGC(s) to an existing CARC and its associated RARC</td>
<td></td>
</tr>
</tbody>
</table>
MBR Submission Process: Supporting Information for Each Requested Code Addition/Removal

• Submitters are also asked to include additional information to support their request for each potential code addition and/or removal including:
  ✓ An assessment of whether the requested addition or removal meets the CORE Code Combination Evaluation Criteria
  ✓ A Strong Business Case for the addition or removal
  ✓ A summary of Real World Usage Data to support the Business Case for each requested code(s) addition or removal
  • NOTE: Submitters can exercise discretion whether or not to provide Real World Usage Data, recognizing that providing such an analysis can strengthen a Business Case for the requested addition or removal.
MBR Submission Process: Early Call for New Business Scenarios

• Online MBR Form will also allow entities to submit ideas for potential New Business Scenarios

• To support a request for a New Business Scenario, submitters must provide:

  ✓ Name and description of potential New Business Scenario
  ✓ One or more examples of CARC(s) that meet the Potential New Business Scenario
  ✓ An assessment of whether the Business Scenario meets the CORE New Business Scenario Evaluation Criteria
  ✓ A simple Business Case to support rationale for adding New Business Scenario
  ✓ A summary of Real World Usage Data to support rationale for adding New Business Scenario

  • NOTE: Submitters can exercise discretion whether or not to provide Real World Usage Data, recognizing that providing such an analysis can strengthen a Business Case.
Online MBR Submission Form: Overview of Structure

• The online MBR Form is divided into **two parts** to enable the submitter to start, stop, resume, and complete multiple entries at their convenience

• **Part One**
  – Submitters provide basic demographic information and the number of entries that their organization plans to submit; this link can be used by multiple individuals; however entities should coordinate internally on all entries in their submission

• **Part Two**
  – After completion of part one, you will be sent a unique link that **MUST** be used to access part two of the online MBR Form
    • This link can be used as many times as needed in order to submit each entry and can be used by multiple individuals at your organization; however you should coordinate internally on all entries in your submission
  – Submitters complete an entry for a code addition, a code removal, or suggest a Potential New Business Scenario
    • Each code addition/removal or potential new business scenario submitted is considered a **single entry**. An entity’s **final submission may have multiple entries**
    • Submitters will receive a confirmation email for each entry; this email will contain a unique entry ID which can be used to delete any erroneous submissions by entering the ID on Part 2 of the online MBR Form
Online MBR Submission Form: 
*A Step-by-Step Process*

- After completion of the steps below, the total submission (all code additions, code removals, and proposed new business scenarios) will be sent to CAQH CORE for analysis and review by the CORE Code Combinations Task Group
Demo #1:

Online MBR Submission Form

Outline of Part One
Part 1 of Online MBR Submission Form

- Part 1 of the Online MBR Submission Form asks submitters to provide basic demographic information and the number of entries that their organization plans to submit
  - It is strongly suggested that a submitting entity outline the entries your organization intends to submit *prior* to completing Part 1 of the online MBR Form
- Part 1 is divided into three sections:

<table>
<thead>
<tr>
<th>Online MBR Submission Form: Part 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 1</strong></td>
</tr>
<tr>
<td><strong>Section 2</strong></td>
</tr>
<tr>
<td><strong>Section 3</strong></td>
</tr>
</tbody>
</table>
Part 1, Section 2: Submitter Information

After reading the background information and instructions outlined in Section 1, you will be prompted to provide some demographic information about yourself and your organization.

Date (MM/DD/YYYY): 12/18/2013

Entity Name:

Contact First Name:

Contact Last Name:

Title:

Phone (NNN-NNN-NNNN) + ext:

E-mail Address:
After entering your Submitter Information you will be asked to re-enter your email address to confirm it is correct. This is an essential step in order for you to receive your unique URL/link to Part 2.

NOTE: This link can be used by multiple individuals at your organization; however you should coordinate internally on all entries in your submission.
Part 1, Section 2: Submitter Information cont’d

**Entity Type (select one):**
- Health Plan
- Provider
- Government Health Plan
- Government Provider
- Clearinghouse
- Vendor
- Other Business Associate
- SDO/Association
- Other: [ ]

**Entity is a CORE Participant?**
- Yes
- No

**Entity Creates, Uses, or Transmits the HIPAA Mandated Transactions in its daily business (HIPAA covered entity or Business Associate)?**
- Yes
- No

Targeted education sessions are offered via webinar by CAQH CORE on the CAQH CORE 360 Rule and the Market-based Review process. It is highly recommended that anyone involved in preparing or approving the submission of this Market-based Review Form attend this training. Please indicate attendance at a CAQH CORE education session specific to this Market-based Review.

- Yes
- No

Additional information about your organization is required before you can move onto Section 3.
Part 1, Section 3: Summary of Submission Types

Summary of Type of Submissions for Business Scenarios

Summarize your entity's complete submission for each CORE-defined Business Scenario by inserting the total number of ADDITIONS into the appropriate box below.

<table>
<thead>
<tr>
<th>BS1</th>
<th>BS2</th>
<th>BS3</th>
<th>BS4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Add CARC and RARC along with a CAGC(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Add CARC along with a CAGC(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Add RARC to an existing CARC along with a CAGC(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Add CAGC(s) to an existing CARC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Add CAGC(s) to an existing CARC and its associated RARC</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Summarize your entity's complete submission for each CORE-defined Business Scenario by inserting the total number of REMOVALS into the appropriate box below.

<table>
<thead>
<tr>
<th></th>
<th>BS1</th>
<th>BS2</th>
<th>BS3</th>
<th>BS4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Remove CARC and all associated RARCs and CAGC(s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Remove RARC and associated CAGC(s) from existing CARC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Remove CAGC(s) from existing CARC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Remove CAGC(s) from existing RARC and associated CARC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Summarize your entity's complete submission for a New Business Scenario by inserting the total number of New Business Scenarios into the appropriate box.
Online MBR Submission Form: 
Part 1 COMPLETE

Step 1
Complete Part 1 of the Online MBR Form

After completing Section 3 of Part 1, this message will appear on the next page confirming completion and alerting you that the unique link to Part Two will be sent to you shortly.

Step 2
Receive Unique URL Link to access Part 2 of the online MBR Form

The confirmation email will be sent to the email address you provided in Section 2 and will contain the unique link to Part 2 as well as a summary of all information you provided during Part 1.
Demo #2:

Online MBR Submission Form

Completing Part Two
Online MBR Submission Form: Part Two

- Part Two of the MBR Form is where entities can complete an entry for a code addition, a code removal, or suggest a potential new Business Scenario.
- To ensure the rule maintains a high-level of quality content, submitters are required to include additional information to support their entry including:
  - An assessment of whether the entry meets the CORE Code Combination Evaluation Criteria
  - A Strong Business Case
  - A summary of Real World Usage Data to support the Business Case (if available)
    - NOTE: The Real World Usage Data is discretionary
- Entities will receive a confirmation email for each entry they provide
  - This email will include a Unique Entry ID that can be used to delete that entry if necessary.
- Part Two of the MBR form includes the following sections:

<table>
<thead>
<tr>
<th>Section 4</th>
<th>Codes for Addition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 5</td>
<td>Codes for Removal</td>
</tr>
<tr>
<td>Potential New Business Scenarios</td>
<td></td>
</tr>
</tbody>
</table>
LIVE DEMO – Example Entries

• CAQH CORE staff will walk through a live demo of Part 2 of the online MBR Form using the following example entries:

1. Add CARC 185 with CAGC PR to CORE-defined Business Scenario #3
2. Remove CARC 185 from CORE-defined Business Scenario #2
3. Propose New Business Scenario: Payment Impacted by Coordination of Benefits
Q&A

Please submit your question:

- **Via the Web**: Enter your question into the Q&A pane in the lower right hand corner of your screen
- **By Phone**: When prompted by the operator, press * followed by the number one (1) on your keypad
Thank You for Joining Us!

Appendices: Implementation Resources and Tools
CAQH CORE EFT & ERA Implementation

Resources and Tools
CAQH CORE 360 Rule and the Code Combinations Maintenance Process Website

• A free and accessible “one stop shop” webpage to provide resources and tools to implementers of the CAQH CORE 360 Rule

• Interactive website includes easy to access information and valuable tools for implementers including:
  – Access to current and past versions of the CORE Code Combinations
  – Publication schedule and Compliance Dates for updated versions of the CORE Code Combinations
  – Status of CORE Code Combinations Task Group efforts
  – Process for Market-based Reviews including access to online submission form
  – Outline the impact of updated versions of the CORE Code Combinations for each stakeholder
  – Online submission of questions/feedback regarding the CORE Code Combinations Maintenance Process
  – Lists of internal and external resources related to the CARCs and RARCs

Please send any additional ideas or needs for this website to CORE@caqh.org
Implementation Steps for HIPAA Covered Entities: Tools and Resources

**Free Tools and Resources Available**

**Education is key**

Get executive buy-in early
- Read the [CAQH CORE EFT & ERA Operating Rules](#)
- Listen to archive of past [CAQH CORE Education Sessions](#) or register to attend a future one
- Search the EFT & ERA [FAQs](#) for clarification on common questions
- Use our [Request Process](#) to contact technical experts throughout implementation

**Determine Scope of Project**
- The [Analysis and Planning Guide](#) provides guidance to complete systems analysis and planning for implementation; information attained from the use of this guide informs the impact of implementation, the resources necessary for implementation, as well as, what would be considered an efficient approach to, and timeline for, successful implementation.

**Just Getting Started**

**Analysis and Planning**

**Systems Design**

**Systems Implementation**

**Integration & Testing**

**Deployment/Maintenance**

**Engage Trading Partners Early and Often**
- Provider’s: Use the EFT/ERA [Sample Health Plan](#) and [Sample Financial Institution](#) Letters as a way to help facilitate the request to receive EFT from your health plans and the request for delivery of the necessary reassociation data elements from your financial institutions

**TEST, TEST, TEST!**
- Leverage [Voluntary CORE Certification](#) as a quality check, a way to test with partners, and as a way of communicating compliance to the industry and other trading partners

**Get Involved with CAQH CORE**
- [Join](#) as a Participant of CAQH CORE in order to give input on rule-writing maintenance by joining a task group and to stay up-to-date on implementation developments

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