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**Committee on Operating Rules For
Information Exchange (CORE®)**

ACA Operating Rules Status for AMA Federation Staff: EFT and ERA

April 2011

Discussion Outline

- “ Overview of CAQH CORE
- “ ACA Section 1104 Mandated Operating Rules
- “ EFT and ERA Operating Rules Development
- “ How To Get Involved

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An Introduction to CAQH® and Its Initiatives

CAQH is a catalyst for industry collaboration on initiatives that simplify healthcare administration for health plans and providers, resulting in a better care experience for patients and caregivers



Industry-wide stakeholder collaboration to facilitate the development and adoption of industry-wide operating rules for administrative transactions. More than 120 participating organizations, covering all segments of the industry; includes SDOs, government, health plans, providers, vendors, associations, etc. The health plans represent approximately 75 percent of the commercially insured.



An industry utility that replaces multiple health plan paper processes for collecting provider data with a single, electronic, uniform data-collection system (i.e. credentialing). Over 900,000 provider participant and over 550 organizations work with the system, including a range of public and private entities.



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CORE Mission and Status

- “ CORE Mission: To build consensus among healthcare industry stakeholders on a set of operating rules that facilitate administrative interoperability between health plans and providers
 - . Enable providers to submit transactions from system of their choice (*vendor agnostic*) & quickly receive a standardized response from any participating stakeholder
 - . Facilitate administrative and clinical data integration
- “ CORE has been authoring operating rules on a voluntary basis since 2005 as well as a certification process for plans, vendors and very large providers
- “ CORE is not:
 - . Replicating the work being done by standard-setting bodies, e.g., ASC X12, HL7
 - . Developing software or building a database
- “ The National Committee on Vital and Health Statistics (NCVHS) has recommended* CAQH CORE as a qualified nonprofit entity to author operating rules for:
 - . Eligibility and Claims Status transactions (non-pharmacy)
 - . Electronic Funds Transfer (EFT) and Electronic Healthcare Payment and Remittance Advice (ERA); in collaboration with NACHA . The Electronic Payments Association

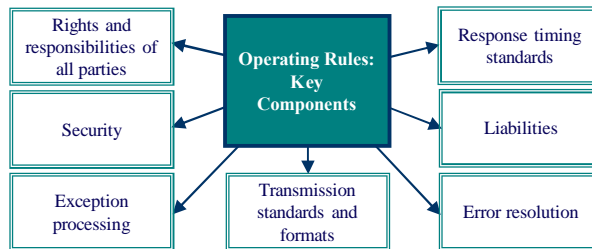
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* As outlined in Section 1104 of the Patient Protection and Affordable Care Act (ACA) NCVHS makes recommendations to HHS regarding operating rules



What are Healthcare Operating Rules?

- “ As defined in the [Patient Protection and Affordable Care Act \(ACA\)](#), the term refers to *the necessary business rules and guidelines for the electronic exchange of information that are not defined by a standard or its implementation specifications...*”
- “ Operating rules encourage an interoperable network and, thereby, can allow providers to use the system of their choosing (*remaining vendor agnostic is a key CORE principle*)
- “ Prior to CORE, operating rules did not exist in healthcare outside of individual trading relationships or regional efforts; current healthcare operating rules build upon a range of standards, healthcare specific, e.g. X12, and industry neutral, e.g. HTTPS



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ACA Section 1104 Mandated Operating Rules

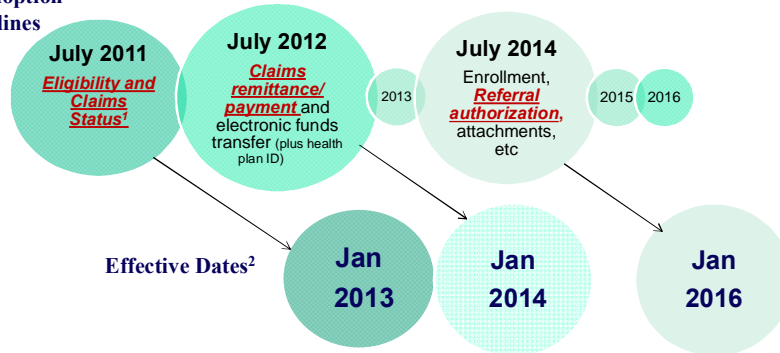
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ACA Section 1104: Mandated Operating Rule Approach

Operating rule writing and mandated implementation as addressed by ACA Section 1104

Rule adoption deadlines



Notes: (1) *Red italicized font indicates* that CORE Phases I–III has placed a focus on these areas. Scope/definition of the Federal regulation is TBD but NCVHS has recommended CORE Phase I and II, with enhancements (2) Documentation of compliance will be identified by Federal regulation and is to include completion of end-to-end testing (i.e., certification and testing).

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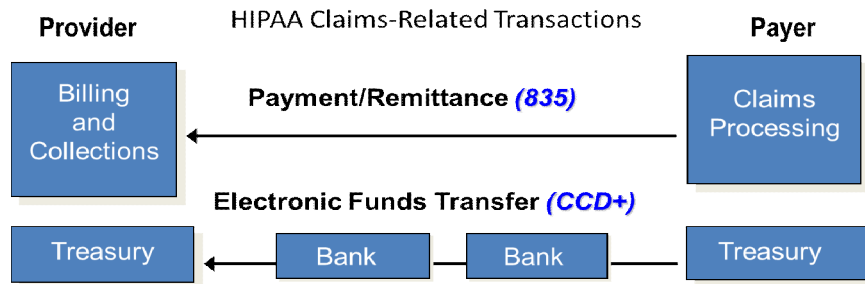
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EFT and ERA Operating Rule Development

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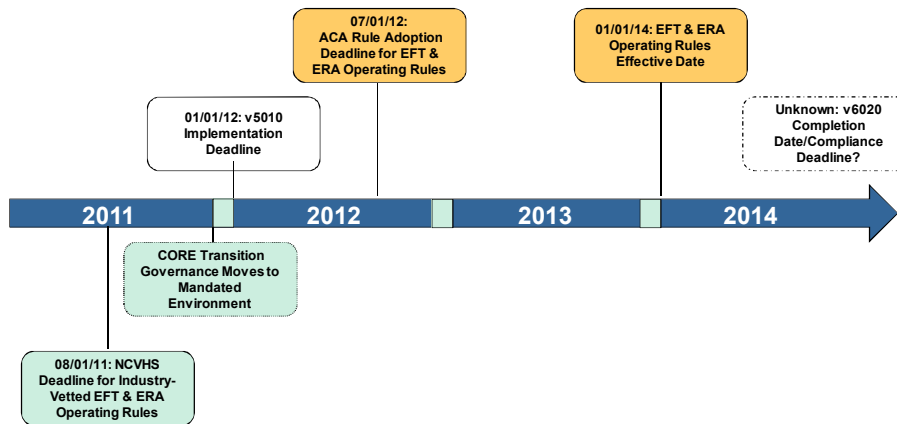
Healthcare Payment and Advice Transactions: EFT and ERA



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EFT and ERA Operating Rule* Development Timeline



* EFT and ERA Operating Rules apply to v5010 and the NACHA CCD+ Standard

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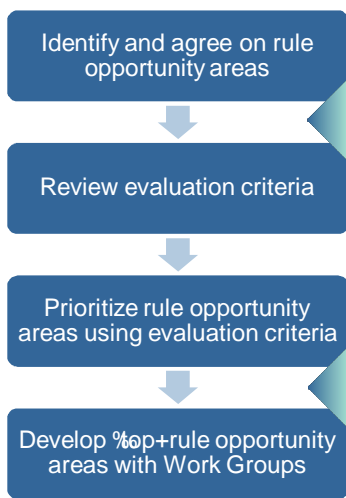
CORE and NACHA Collaboration on Rules

- ~ CAQH CORE has collaborated with NACHA since 2005
 - . NACHA membership and CORE participants represent critical market mass
- ~ NACHA is a non-profit association and private sector rulemaking body *for the financial industry*
 - . Develops and enforces the NACHA Operating Rules, which focus on EFT, and supports the growth of the ACH Network
 - . Administers the ACH Network . the secure electronic network for the direct transfer of funds and data from one depository institution account to another
- ~ CORE and NACHA: Rule writing partnership
 - . Due to the mandated healthcare operating rules on ERA and EFT, there is a convergence of financial services and health care so the partnership has pursued additional activities, e.g. extensive research on EFT and ERA rule opportunity areas
 - . Where appropriate, CORE will write a thin-layer of healthcare EFT operating rules that will complement the existing NACHA Operating Rules, e.g. timing of the delivery of the EFT and ERA
- ~ The two organizations are also conducting joint outreach and education



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CORE Process for Selecting Top EFT/ERA Rule Writing Opportunities



Consider existing industry efforts and applicability to CORE EFT and/or ERA operating rules and align where possible, e.g.

- ~ CAQH CORE and NACHA research
- ~ Existing draft CORE operating rules on ERA
- ~ WEDI
- ~ ASC X12
- ~ UHIN
- ~ Minnesota State Administrative Uniformity Committee
- ~ Washington State Healthcare Forum
- ~ (previous NY effort) LINXUS
- ~ Others?

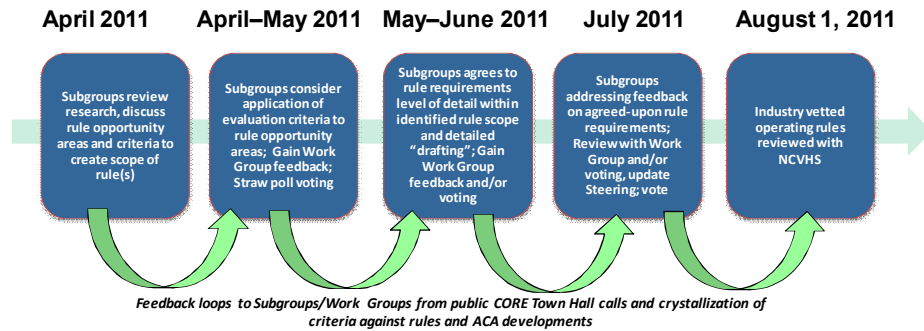
Potential rule opportunity evaluation criteria:

- ~ Be within scope of the operating rules as defined by ACA Section 1104
- ~ Support CORE Guiding Principles, e.g. align with Federal HIT efforts
- ~ Balance between anticipated industry benefit relative to the industry adoption cost (ROI)
- ~ Can be developed within the NCVHS time frame (08/01/11 deadline)



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CORE EFT and ERA Subgroups Roadmap and Timeline



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How to Get Involved In Guiding the Industry

- “ Join your industry colleagues in contributing to the development of operating rules for EFT and ERA transactions by becoming a CORE Participating Organization or communicating your feedback to the AMA, who is a CORE participant
- “ Keep abreast of rules development by referring to the CAQH website
- “ Communicate the benefits of CORE rules adoption and certification
 - Contact your practice management systems vendor to ask them to become CORE-certified
- “ Contact the CAQH CORE staff at CORE@caqh.org for additional information

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