Committee on Operating Rules
For Information Exchange
(CORE®)

Public Town Hall Call

June 12, 2012

Additional information/resources available at www.caqh.org

This document is for educational purposes only; in the case of a question between this document and CAQH CORE Operating Rule text and/or Federal regulations, the latter take precedence.
Agenda

• Brief Overview of CAQH CORE
  – For more information contact Omoniyi Adekanmbi at oadekanmbi@caqh.org

• Update on Non-Rule Development Activities
  – Voluntary CORE Certification
  – CORE Transition Committee
  – Measures of Success: ROI Tracking

• Update on Mandated Healthcare Operating Rules
  – ACA Section 1104 Highlights and Timeline
  – First Set: Eligibility & Claim Status Operating Rules
  – Second Set: EFT & ERA Operating Rules
  – Third Set: Health Care Claims, Coordination of Benefits, Enrollment, Premium Payment, Referral and Authorizations

• Stay Involved with CAQH CORE
Polling Question #1: *Entity Stakeholder Type*

*What is your organization’s stakeholder type?*

a. Provider  
b. Health Plan  
c. Vendor  
d. Clearinghouse  
e. Government Entity  
f. Consulting Firm  
g. Other
Brief Overview of CAQH CORE
Multi-stakeholder collaboration of over 130 participating organizations that is developing industry-wide operating rules, built on existing standards, to streamline administrative transactions. Cover 75% of the commercially insured, plus Medicare and some Medicaid.

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). More than 1 million providers self-report their information to UPD and over 650 organizations access the system, including a range of public and private entities.

An objective industry forum for monitoring business efficiency in healthcare. Tracking progress and savings associated with adopting electronic solutions for administrative transactions across the industry.
Committee on Operating Rules for Information Exchange

- **Integrated model**
  - Rule writing, certification and testing, and outreach/education

- **Mission**: To build consensus among healthcare industry stakeholders on a set of operating rules that facilitate administrative interoperability between providers and health plans
  - Enable providers to submit transactions from the system of their choice (*vendor agnostic*) and quickly receive a standardized response
  - Enable stakeholders to implement in phases that encourage feasible progress in resolving industry business needs while minimizing barriers to adoption
  - Facilitate administrative and clinical data integration

- **CAQH CORE is not:**
  - Replicating the work being done by standard-setting bodies, e.g., ASC X12, HL7, OASIS, W3C
  - Developing software or building a database
What Are Operating Rules?

- The Patient Protection and Affordable Care Act (ACA) defines operating rules
  - Operating rules address gaps in standards, help refine the infrastructure that supports electronic data exchange, and recognize interdependencies among transactions; they do not duplicate standards
  - Current healthcare operating rules build upon a range of standards – healthcare specific (e.g., ASC X12) and industry neutral (e.g., OASIS, W3C, ACH CCD+) – and support the national HIT agenda

- Operating rules encourage an interoperable network and, thereby, are vendor agnostic
Operating Rules and Standards Work in Unison: Both Are Essential

- Operating rules always support standards – they already are being adopted together in today's market and have been since 2006
  - The two should and can be implemented together without conflict
- Benefits of operating rules co-existing with and complementing standards are evidenced in other industries
  - Various sectors of banking (e.g., credit cards & financial institutions)
  - Different modes of communications and transportation
- Focus is ROI: Operating rules are built to be adaptive and responsive to administrative simplification needs before, during, and after versions of standards are formally adopted
  - Coordination between operating rules and standards will be iterative as already demonstrated, e.g., new operating rules may be issued using the same version of a standard and items required by the operating rules will, in some instances, be moved into the next version of a standard and removed from rules

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Update on Non-Rule Development Activities
New Voluntary CORE Certifications

• Newly pledged entities for expected CORE certification by Q3 2012
  – Dorado Systems, Insurance Validator Product: Phase I & II Committed
  – Rocky Mountain Health Plans: Phase I & II Committed
  – NextGen Healthcare: Phase I Committed

• Several additional entities are in the process of pre-implementation analysis and planning to achieve voluntary CORE Certification before the end of 2012

• Other entities have created a *free* testing profile on Edifecs test site (the CORE-authorized testing vendor) for voluntary CORE certification, which is a typical step before submitting CORE Certification Pledge
Measures of Success: *ROI Tracking*

**CAQH CORE Eligibility & Claim Status Operating Rules Assessment**

- To access the impact of the CAQH CORE Operating Rules, CAQH CORE has been and will continue to conduct ongoing *retrospective studies* based on direct data collection from health plans, providers, and vendors.
  - Pre-CORE Certification, Phase I Certification, and Phase II Certification.
- Cost and impact for Phase I Certification/adoptions available;
  - Cost also available for Phase II adoption by small size of health plans.
- Examples of early findings for most recent report that includes five provider groups that included CORE-certified plans in their payer mix.
  - Rates and percentages of electronic transactions increased over the three periods with substantial increases in cost savings.
  - Eligibility verification rates suggest most services are now being verified.
    - Generally higher for provider communications with CORE-certified versus non-certified plans.
**CORE ROI Tracking: Eligibility and Claim Status**  
**Example of Payer Participant Responsibility**

<table>
<thead>
<tr>
<th><strong>Payer Overview and Instructions</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What is the survey about?</strong></td>
</tr>
<tr>
<td><strong>How is the survey structured?</strong></td>
</tr>
<tr>
<td><strong>How is each tab structured?</strong></td>
</tr>
<tr>
<td><strong>How are the questions structured?</strong></td>
</tr>
<tr>
<td><strong>What if you do not have the data requested?</strong></td>
</tr>
</tbody>
</table>
CORE ROI Tracking: Eligibility and Claim Status

Example of Payer Participant Responsibility (cont’d)

<table>
<thead>
<tr>
<th>Item #</th>
<th>Question</th>
<th>Instructions / Notes</th>
<th>Your Response to the Question</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What was your total one-time CORE certification cost?</td>
<td>Include costs of any systems or operational changes needed to achieve CORE-certification, including those that you would have made even without CORE certification. Do not include costs of related systems or operational changes that are not required by CORE.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>What amount of this was for staff involved in making system changes?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>What amount of this was involved in addition of staff needed for revised administrative processes?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>What amount of this was for consultants involved in making system changes or developing revised administrative processes?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>What amount of this was involved in one-time additional cost for software licensures or hardware acquisition/lease?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CAQH will be:
- Placing tools to track CORE rule adoption cost/impact on website for use by interested entities;
  CAQH studies will continue to focus on CORE-certified entities.
- Aligning this effort with adoption rate tracking done via US Efficiency Index.
CAQH CORE Prospective Studies: EFT/ERA

• **Why?**
  – If industry-wide improvement is to occur in use of EFT/ERA, there is a need to establish a current baseline from which to assess progress and for a methodology that is simple enough to be used by payers and providers for ongoing assessment.

• **How?**
  – Three phases:
    • In the first phase, an expert panel that includes representatives of key stakeholders will review a methodology document and associated survey instruments and agree upon the methodology for evaluation of costs and benefits of the draft operating rules and collection of needed data.
    • In the second phase, panel participants from provider, health plan, and vendor organization members of the expert panel will use the survey instruments to collect data on current and projected use, costs, and benefits of EFT and ERA.
    • In the third phase, this data will be analyzed and a draft report created for review and finalization by the expert panel.

• Retrospective studies will follow prospective after industry adoption.
The U.S. Healthcare Efficiency Index™ (USHEI)
Tracking Efficiency and Electronic Adoption Across the Industry

Purpose
• Create an independent industry forum for monitoring business efficiency in healthcare

Vision
• Raise awareness of potential savings through administrative simplification of electronic transactions

Goals
• Establish single national reference
• Track progress across the industry
• Remove barriers
• Take costs out of healthcare

Potential Savings: $300 Billion Over 10 Years
CORE Transition Committee: *Model Created*

- In 2011, the **CORE Transition Committee** was launched with the charge to recommend a model to extend both CAQH CORE multi-stakeholder governance and funding
  - CAQH CORE’s rule writing process is already multi-stakeholder
- **Status:** A draft new CORE Governance Model has been developed by the CORE Transition Committee
  - The proposed governance structure expands existing CORE process for multi-stakeholder operating rules development by creating a new multi-stakeholder CORE Board to oversee budget, policy developments, etc.
  - Draft model proposes a Board that is provider/health plan focused, executive leadership-driven and results-oriented; vendors and others also serve on the Board but providers/health plans need consensus to move positions forward
  - Draft model addresses governance and not funding; CAQH will continue to fund CORE until new CORE Board determines other revenue streams that enable CORE to fully resource its integrated model (rules development, certification, and tracking ROI/outreach)
- **Next Steps:**
  - CORE Transition Committee will then seek feedback from wider range of entities before transition begins to the new Board
Update on Mandated Healthcare Operating Rules:
ACA Section 1104
Administrative Simplification: ACA Section 1104

Section 1104 of the ACA (H.R.3590)
“…Establishes new requirements for administrative transactions that will improve the utility of the existing HIPAA transactions and reduce administrative costs”

Highlights

• Updates initial August 2000 HIPAA regulation for transaction standards and code sets given landscape has significantly changed, and unnecessary healthcare costs/burden must be removed from the system

• Requires Department of Health and Human Services (HHS) to appoint a “qualified non-profit entity” to develop a set of operating rules for the conduct of electronic administrative healthcare transactions

• Administrative and financial standards and operating rules must:
  – Enable the determination of eligibility and financial responsibility for specific services prior to or at the point of care
  – Be comprehensive, requiring minimal augmentation by paper or other communications
  – Provide for timely acknowledgment, response, and status reporting

• HIPAA covered entities and business associates engaging in HIPAA standard transactions on behalf of covered entities must comply

• Health plans must file a statement with HHS confirming compliance; financial penalties for health plans are significant
ACA Mandated Operating Rules Approach

Operating rule writing and mandated implementation timeframe per ACA legislation

Adoption deadlines to finalize operating rules

July 2011 Eligibility and Claim Status

July 2012 Claims payment/advice and electronic funds transfer

July 2014 Enrollment, Referral authorization, attachments, etc.

Compliance dates to implement operating rules

January 2013

January 2014

January 2016

NOTES:
2. Operating rules apply to HIPAA covered entities; beyond HIPAA compliance penalties, certification penalties for health plans.
3. Per statute, documentation of compliance for health plans may include completion of end-to-end testing (i.e., certification and testing).
4. Statute states compliance with the applicable standard/operating rule is required no later than its effective date.
Mandated Operating Rules:
First Set - Eligibility & Claim Status
Mandated Eligibility & Claim Status Operating Rules: Status

• **Status**: The first set of operating rules have been adopted into Federal regulation
  - July 2011, CMS published [CMS-0032-IFC](#) with the following key features:
    • Adopted Phase I and II CAQH CORE Operating Rules for the Eligibility & Claim Status transactions, *except for rule requirements pertaining to Acknowledgements*
    • Highlights CORE Certification is *voluntary*; further defines relationship between standards and operating rules and analysis of ROI from operating rules implementation
  - December 2011, CMS adopted above as a Final Rule; industry implementation efforts underway for the **January 1, 2013 effective date**
    • CAQH CORE is committed to assisting with roll-out of the Final Rule and continuing to support maintenance of the rules, e.g., coordinating with CMS on FAQs, hosting education sessions
• ACA Section 1104 requires *all HIPAA covered entities* be compliant with applicable HIPAA standards and associated operating rules

The complete set of CAQH CORE Eligibility & Claim Status Operating Rules are available free of charge [HERE](#).

*On September 22, 2011, NCVHS issued a letter recommending Acknowledgements be adopted as formally recognized standards and the CAQH CORE Operating Rules for these standards also be recognized.*
## ACA Federal Compliance Requirements: Highlights & Key Dates

- The following **three** dates are critical for industry implementation of the Federally mandated CAQH CORE Eligibility & Claim Status Operating Rules
  - **Note:** There are **two** types of penalties related to compliance with the mandated operating rules

<table>
<thead>
<tr>
<th>Key Area</th>
<th>January 1, 2013 Compliance Date</th>
<th>December 31, 2013 Health Plan Certification Date</th>
<th>No Later than April 1, 2014 Health Plan Penalty Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIPAA Mandated Implementation</td>
<td></td>
<td>ACA-required Health Plan Certification</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td><strong>Who:</strong> All HIPAA-covered entities</td>
<td><strong>Who:</strong> Health plans</td>
<td><strong>Who:</strong> Health plans</td>
</tr>
<tr>
<td><strong>Action:</strong> Implement CAQH CORE Eligibility &amp; Claim Status Operating Rules</td>
<td><strong>Action:</strong> File statement with HHS certifying that data and information systems are in compliance with the standards and operating rules</td>
<td><strong>Action:</strong> HHS will assess penalties against health plans that have failed to meet the ACA compliance requirements for certification and documentation</td>
<td></td>
</tr>
<tr>
<td>Applicable Penalties</td>
<td><strong>Amount:</strong> Due to HITECH, penalties for HIPAA non-compliance have increased, now up to $1.5 million per entity per year</td>
<td><strong>Amount:</strong> Fee amount equals $1 per covered life until certification is complete; penalties for failure to comply cannot exceed on an annual basis an amount equal to $20 per covered life or $40 per covered life for deliberate misrepresentation</td>
<td></td>
</tr>
</tbody>
</table>

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1 CMS OESS is the authority on the HIPAA and ACA Administrative Simplification provisions and requirements for compliance and enforcement. The CMS website provides information on the ACA compliance, certification, and penalties and enforcement process.

2 According to CMS, regulation detailing the health plan certification process is under development, and they will release details surrounding this process later this year; CAQH CORE will continue to offer its voluntary CORE Certification program and will share lessons learned with CMS as the Federal process is developed.

3 Covered life for which the plan’s data systems are not in compliance; shall be imposed for each day the plan is not in compliance.
Upcoming NCVHS Meetings: June 20th-22nd

- June 21st-22nd: Full Committee meeting (agenda available)
- June 20th: Subcommittee on Standards meeting, includes two agenda items related to operating rules
  - Review industry status, and identify opportunities and milestones regarding the pending January 1, 2013 implementation of operating rules for eligibility and claim status; multiple entities providing testimony on status
    - CAQH CORE testimony
      - Role of an operating rule author with regard implementation and driving adoption
      - Activities, outreach and education efforts to date
      - Opportunities and challenges identified to date
      - Ongoing and new activities given challenges and opportunities
  - Review and discuss industry perspectives on possible approaches for achieving ACA health plan compliance certification, as input to HHS proposed regulations on the topic
Polling Question #2: Implementation Efforts

At which stage is your organization in the eligibility and claim status operating rules implementation process?

a. Have not started
b. Analysis and planning (budgeted, resources assigned, impact analysis)
c. Systems design (software/hardware upgrades identified, coordinating with vendors)
d. Systems implementation (software, hardware and vendor services upgrades fully implemented)
e. Integration & testing (internal and trading partners testing)
f. Deployment/maintenance (full production use with one or more trading partners)
g. N/A
CAQH CORE Resources for Implementing the Mandated Eligibility & Claim Status Operating Rules
Meeting the January 1, 2013 Deadline: Programming Venues Year-to-Date

• Three to four implementation-focused educational presentations/panels per month sponsored or conducted by CAQH CORE

• Program offerings are designed to meet the educational needs of a range of stakeholders, from executives to project managers, in organizations such as health plans, providers, government and others, e.g.,
  – Case study-focused via speaker from an entity that has implemented the CAQH CORE mandated operating rules and is willing to share experiences
  – Drill-down on specific rule requirements
  – Highlights on key challenges or most frequent questions
  – Conducted via web and also in-person
  – Jointly sponsored multi-stakeholder events offered in collaboration, e.g., WEDI, College of Healthcare Information Management Executives (CHIME), National Plan Automation Group (NPAG), and Society of Professional Benefit Administrators (SPBA)
Meeting the January 1, 2013 Deadline: Example of Tools Year-to-Date

- The new *Analysis & Planning Guide for Adopting the CAQH CORE Eligibility & Claim Status Operating Rules* provides guidance for Project Managers, Business Analysts, System Analysts, Architects, and other project staff to complete systems analysis and planning.

  Guide should be used by project staff to:
  - Understand applicability of the CAQH CORE Operating Rule requirements to organization’s systems that conduct the eligibility and/or claim status transactions.
  - Identify all impacted external and internal systems and outsourced vendors that process eligibility and/or claim status transactions.
  - Conduct detailed rule requirements gap analysis to identify system(s) that may require remediation and business process which may be impacted.

- The guide includes three tools to assist entities in completing analysis and planning:
  - Stakeholder & Business Type Evaluation
  - Systems Inventory & Impact Assessment Worksheet
  - Gap Analysis Worksheet
CAQH CORE Analysis & Planning Tools in Guide

**Stakeholder & Business Type Evaluation**

**Objective:** Understand what aspects of your business and/or outsourced functions are impacted by the CAQH CORE Operating Rules (e.g., products, business lines, etc.)

**Systems Inventory & Impact Assessment Worksheet**

**Objective:** Understand how many of your systems/products are impacted by each CAQH CORE Operating Rule and understand with which vendors you will need to coordinate.

**Gap Analysis Worksheet**

**Objective:** Understand the level of system(s) remediation necessary for adopting each CAQH CORE Operating Rule requirement; results of completed *Gap Analysis Worksheet* will allow for development of a detailed project plan.

**NOTE:** Each of the above tools can be found in the CAQH CORE *Analysis & Planning Guide.*
Additional CAQH CORE Implementation Tools

- **FAQs:**
  - CAQH CORE has a list of FAQs to address typical questions regarding the operating rules; updated FAQs being loaded to website as appropriate given mandates

- **Access to past Education Sessions:**
  - CAQH CORE hosts CORE Participant and Industry Education Sessions and also holds frequent sessions with partners (WEDI, provider/payer associations, Medicaid workgroups, etc.) that include speakers from entities that have implemented the rules
    - Past sessions available on CAQH CORE website
  - CAQH CORE participants and staff contribute at many conferences/meetings throughout the year, often with partners, including WEDI Forums, NPAG Conference, GE Centricity Business National Users’ Conference, etc. (upcoming events this Spring see [http://www.caqh.org/](http://www.caqh.org/))

- **Phase I & Phase II CORE Certification and Master Test Suites:**
  - Initially developed for voluntary CORE Certification but same concepts, e.g., role of trading partners, apply for general adoption of the CAQH CORE Operating Rules
  - Provide guidance on the stakeholder types to which the rules apply and working with trading partners

- **General/Interpretation Questions:**
  - After reviewing other tools & resources, information requests can be submitted to CORE@caqh.org
    - All responses complete formal review process by CAQH CORE experts based on request type/complexity
    - More than 275 unique requests (every item is tracked and logged) processes in 2012; average time from request receipt to final response is >5 days
CAQH CORE Formal Request Process: *Key Steps*

**Step 1: Request Submission**
- Primarily through core@caqh.org email address
- Requests also sourced from emails/phone calls to CAQH CORE staff

**Step 2: Request Acknowledgement**
- CAQH CORE staff emails submitter acknowledging receipt of request and providing an estimated response time
- Response time depends on request type/complexity
  - Types of requests generally: (1) Operating rule clarifications (2) ACA compliance questions (3) Voluntary CORE Certification inquiries (4) General information requests (links to key resources, updated contact information, etc.)
  - Three levels of complexity: low complexity, medium complexity, high complexity

**Step 3: Request Response**
- Draft responses complete formal review process by CAQH CORE experts depending on request type/complexity; as noted below, CORE participants and coordination with other organizations will be critical

**Step 4: Request Follow-Up as Necessary**
- Requests integrated into rule-development and maintenance processes as appropriate (e.g., development of new CAQH CORE FAQ, potential future operating rule idea, or CAQH outreach to government or other entities)
  - Under CORE’s consensus-based process, rule modifications, should they occur, are categorized as major (e.g., additional requirements) or minor (e.g., changes due to a typo or grammatical error); major changes occur only after the CORE Participants approve, by vote, such modifications
Additional Implementation Resource:

*Voluntary CORE Certification*

- **Consider pursuing voluntary CORE Certification**
  - **WHY:** CORE Certification testing offers a mechanism to test your ability to exchange eligibility and claim status transaction data with your trading partners

- **Key benefits of voluntary CORE Certification**
  - Demonstrates to the industry adoption of the CAQH CORE Operating Rules via a recognized industry “Seal” due to multi-stakeholder collaboration
  - Encourages trading partners to work together on transaction data content, infrastructure and connectivity needs
  - Independent testing of operating rules implementation can reduce the amount of work required for successful trading partner testing
  - Promotes maximum ROI when all stakeholders in the information exchange are known to conform with the CAQH CORE Operating Rules

- **Currently, 60 organizations/products** CORE-certified

- **Certification and testing are separate activities**
  - Testing is performed online by CAQH CORE-authorized testing vendor; Certification is completed by CAQH CORE and occurs after successful testing is completed

*NOTES:*
1. The voluntary CORE Certification Program offered by CAQH CORE is separate from the CMS Federal operating rules compliance program mandated by the ACA. Information on the CMS compliance program regarding operating rules is under development and can be found [HERE](#).
2. Entities are required to complete the rule requirements pertaining to acknowledgements to achieve voluntary CORE Certification.
Polling Question #3: Implementation Challenges

What is the biggest implementation challenge faced by your organization?

a. Vendor readiness
b. Internal system upgrades
c. Understanding rule requirements
d. Access to knowledgeable resources
e. Other
f. N/A
Polling Question #4: Additional Education

Similar to the CORE Connectivity Education Session, what type of education session would you find most useful (select top priority)?

a. Rule-specific: Eligibility/Benefits Data Content Rules
b. Rule-specific: Companion Guide and Real-time Requirements
c. Rule-specific: Claim Status requirements
d. Stakeholder-type specific (e.g., focus on rule requirements/implementation best practices for health plans only)
e. Case studies from CORE-certified Entities that have implemented rules
f. Open Q & A
Furthering Industry Process Improvement: Repackaging of CAQH CORE Operating Rules

- **Assumptions**
  - CAQH CORE Operating Rules are now part of the healthcare landscape for improving and evolving administrative data exchange; CAQH CORE Operating Rules support guiding principles such as alignment with clinical efforts.
  - The scope of operating rules is defined by the ACA and HHS regulations; CAQH CORE is committed to ongoing process improvement of ACA-required operating and beyond.
  - Packaging of HIT requirements can help improve HIT understanding and adoption, and thus support HIT process improvement, e.g. what are Federal mandates versus best practices being supported by CORE Participants.

- **Goals**
  - User friendliness for all adopters.
  - Support for Federal mandates and working in alignment with Federal HIT efforts.
  - Support for CAQH CORE integrated model (operating rules, voluntary testing/certification, tracking/outreach).

- **Parameters**
  - (1) No adjustments to CORE rule requirements (2) CORE rules will remain **FREE** (3) support both mandated and voluntary rules that go above and beyond mandates (4) support for voluntary CORE Certification (5) Support CORE Guiding Principles, e.g. alignment with other industry initiatives, update rules to recognize Federal mandates (6) Recognize adjustments will evolve with milestones, as experienced by other industries (7) Recognize CORE can not edit other HIT requirements, and (8) Consider resource allocation versus benefit.

- **Potential options identified by CORE/non-CORE Participants (not mutually exclusive)**
  - Remove references to voluntary CORE Certification (e.g., “A CORE-certified entity must…”) and adjust Conformance Requirements section of each rule to clarify CMS will determine conformance with the Federal mandates (done with EFT/ERA).
  - When/as appropriate, merge sets of Federally mandated operating rules (e.g., Phase I & II rules).
  - Package to highlight rules that are focused on data content and/or infrastructure.
  - As appropriate, renumbering rules.
Mandated Operating Rules: Second Set - EFT & ERA
EFT & ERA: Healthcare and Financial Services Collaboration

• The Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) healthcare operating rules mandate has encouraged coordination between healthcare and financial services

• NACHA – *The Electronic Payments Association*
  – Established in 1974; a financial services entity whose rules are used by 15,000 banks; *NACHA Operating Rules* are used by bank throughout the country
  – NACHA manages the development, administration, and governance of the ACH Network, the backbone for the electronic movement of money and data
  – The ACH Network is a batch processing electronic payments system governed by the *NACHA Operating Rules*; it provides for the interbank clearing of electronic payments for participating depository financial institutions

• CAQH CORE has and continues to coordinate with NACHA
  – Began working together in 2005; began coordinating operating rule writing in 2010
  – CORE Participants identified in the CAQH CORE 835/CCD+ Reassociation Rule key areas where new or modified *NACHA Operating Rules* could address current issues in use of the NACHA CCD+ transaction for EFT healthcare payments over the ACH Network
Mandated EFT & ERA Operating Rules: Status

- Spring 2011 - NCVHS recommended:
  - NACHA as healthcare EFT SDO and ACH CCD+ as healthcare EFT standard
  - CAQH CORE, in collaboration with NACHA, as author for EFT and ERA operating rules (pharmacy to be addressed as appropriate)

- Fall 2011:
  - Draft CAQH CORE EFT & ERA Rule Set approved by CORE Rules Work Group
  - Draft CORE EFT & ERA Voluntary Certification Test Suite approved by CORE Technical Work Group

- Winter 2011:
  - NCVHS issued letter recommending HHS adopt Draft CAQH CORE EFT & ERA Rule Set
  - January 2012: CMS released Interim Final Rule for the Healthcare EFT standard; CAQH CORE commented on IFC (model letter shared with participants)

- Spring 2012:
  - CAQH CORE updated Draft EFT & ERA Operating Rules (not changing requirements) to reflect CMS recognition of EFT standard and NCVHS guidance to remove references to voluntary CORE Certification
  - NACHA issued RFC on potential adjustments to NACHA Operating Rules
    - May 18th: CORE Rules Work Group held a call on which NACHA staff provided insight/rationale for proposed enhancements and answered questions on the framework of the ACH Network
  - CAQH CORE Steering Committee approved Draft CAQH CORE EFT & ERA Rule Set & Voluntary CORE Certification Test Suite for Final Full CORE Membership Vote*

- Currently:
  - Final Full CORE Membership ballot of Draft CAQH CORE EFT & ERA Rule Set & Voluntary CORE Certification Test Suite (last step of the CORE Rules Approval Process)

*Only CORE Participating entities that create, transmit or use the transactions (thus implement the rules) may vote in Final CORE Membership Vote
Mandated EFT & ERA Operating Rules: Next Steps

• For CAQH CORE
  – Update CMS on final CAQH CORE vote, and as appropriate, begin items such as:
    • Posting FAQs based on lessons learned in CORE rule writing and questions received to date
    • Working with CAQH CORE-authorized testing entity Edifecs to beta and alpha test voluntary CORE certification site for EFT & ERA operating rules which Edifecs has committed to build per the CORE-approved EFT&ERA Certification Test Suite
    • Launch prospective study

• For NACHA
  – Review comments on RFC to determine if there is sufficient support for a ballot (only financial institutions participate in ballot)

• For HHS/CMS
  – Issue Final Rule on Healthcare EFT Standards
  – Determine the appropriateness of the Draft CAQH CORE EFT & ERA Operating Rules for Federal mandate
Mandated Operating Rules:
Third Set - Health Care Claims, Coordination of Benefits, Enrollment, Premium Payment, Referral and Authorizations
Third and Final Set: Status

- November 2011: NCVHS began holding hearings
  - CAQH CORE provided testimony on all three topics and stated interest in serving as operating rule author, key points included:
    - **Claims Attachments**: Communicated current industry landscape implies clinical and administrative coordination is critical, provided examples of potential areas for operating rules; highlighted standards and operating rules will need to work together more than ever if the industry is to meet deadline
    - **Provider Enrollment**: Outlined lessons learned from the CAQH Universal Provider Datasource (UPD) as well as CORE EFT/ERA work
    - **Maintenance of Standards & Operating Rules**: Discussed how these processes can be improved moving forward
  - There is agreement at NCVHS on the following statement:
    - “NCVHS will advise the Secretary to name a single entity that will serve as the responsible body to develop and maintain operating rules in coordination with other entities. Operating rules would be created for the remaining transactions as needed, and will be developed through the coordination and active engagement of individuals or organizations with appropriate expertise.”
Future Rule Opportunity Areas

If you have specific recommendations for operating rule opportunity areas for the transactions identified in the third set of operating rules under ACA Section 1104, please email CORE@caqh.org.
Thank You For Joining Us: *Stay Involved*

- Ensure your organization is ready for the **January 1, 2013** Mandated Eligibility & Claim Status Operating Rules deadline:
  - [HIPAA v5010 Phase I & II CAQH CORE Rules](#)
- Join us at another **CAQH CORE Education Event**
  - Upcoming CAQH CORE Education Sessions – all are free:
    - June 25th, 3:00 – 4:30 pm ET: Joint CAQH CORE/NeHC Education Session on Implementing the Federally mandated *CAQH CORE* Eligibility & Claim Status Operating Rules (registration email forthcoming)
    - June 26th, 2:00 – 3:00 pm ET: Joint CAQH CORE/Edifecs Education Session on Voluntary CORE Certification (registration email forthcoming)
  - Upcoming Public CAQH CORE Town Halls (click to add to Outlook Calendar)
    - July 24th, 3:00-4:00 pm ET
    - September 11th, 3:00-4:00 pm ET
- Learn the basics of *voluntary CORE Certification*
- Contact [CORE@caqh.org](mailto:core@caqh.org) regarding rule interpretations or to submit requests for information/clarification

*NOTE: In the Final Rule for Administrative Simplification: Adoption of Operating Rules for Eligibility for a Health Plan and Health Care Claim Status Transaction, requirements pertaining to Acknowledgements are not included for adoption.*
Town Hall Evaluation

Please rank the usefulness of this CAQH CORE Town Hall (i.e., were your needs/expectations met).

1. Not very useful*
2. Somewhat useful*
3. Mostly useful
4. Very useful

* If you rank the session a “2” or lower, please email CAQH CORE suggestions for improvement (e.g., additional topic areas, more Q&A, etc.)