



**American Hospital  
Association**

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Walter Suarez, M.D., MPH  
Director, Health IT Strategy & Policy  
Kaiser Permanente  
2221 Broadburch Drive  
Silver Spring, MD 20904

and

Judith Warren, Ph.D., R.N.  
Director of Nursing Informatics  
University of Kansas School of Nursing  
KUMC Center for Healthcare Informatics  
3901 Rainbow Blvd., Mail Stop 4043  
Kansas City, KS 66160-7502

Dear Dr. Suarez and Ms. Warren:

As co-chairs of the NCVHS Subcommittee on Standards, I write today to express our support for designation of the Committee on Operating Rules for Information Exchange (CORE) of the Council for Affordable Quality Healthcare (CAQH) as the entity responsible for the development of “operating rules” for all HIPAA transaction standards as authorized by the *Patient Protection and Affordable Care Act (ACA)*.

The AHA has long supported creation of operating rules for the HIPAA transaction standards as a means of eliminating much of the user variability that exists today in the interpretation of HIPAA transaction standards. Operating rules also will help create improved communication between providers and health plans through standardized processing of electronic transactions.

As indicated in AHA’s July 19, 2010 statement to the Subcommittee, the effective and equitable development and adoption of operating rules requires that the entity assigned this responsibility understand the importance of the ACA requirements of following a multi-stakeholder and consensus-based process, operate from a public set of guiding principles, and allow for public review.



Specifically, we believe that it is vitally important that the NCVHS assign the responsibility for development of operating rules to an entity that is structured to:

- Meet all of the legislative requirements of the ACA.
- Have an organizational governance and functional structure that provides a balance among stakeholders, especially providers (hospitals, physicians and others) and health plans/vendors, with respect to both the development and approval of operating rules for submission into the NCVHS process. Such a balanced approach allows for the creation of operating rules that make sense for providers and health plans alike. It also ensures the adoption of best practices that improve administrative transactions between providers and health plans.
- Coordinate and collaborate with the Designated Standards Maintenance Organization (DSMO) prior to the submission of proposed operating rules to NCVHS to ensure that they are consistent with the relevant underlying transaction standards developed by the DSMO.

In the course of many conversations with the leadership of the CORE initiative and CAQH, we are satisfied with their assurances that they agree with and intend to wholeheartedly abide by these three basic principles. Just as important, we believe that the CORE initiative is the only one that already has the development, testing, and certification experience and capacity to take on this major task under ACA within the time constraints imposed by ACA. The AHA has pledged to organize the expansion of hospital input into the development and governance of CORE to broaden provider participation in this multi-stakeholder activity.

The AHA hopes that you will offer the same support to CORE in your recommendation to the Secretary of the Department of Health and Human Services. We believe that administrative simplification holds some of the best opportunities to reduce costs for everyone and, in the process, reduce the confusion often experienced by enrollees and beneficiaries in government and public health plans. If you have any additional questions, please contact George Arges, AHA Senior Director, Health Data Management, at (312) 422-3398 or Ellen Pryga, AHA Director, Policy, at (202) 626-2267.

Sincerely,



Rich Umbdenstock  
President and CEO

cc: Lorraine Tunis Doo, Senior Policy Advisor, Office of eHealth Standards and Services, CMS  
Ronald A. Williams, Chairman and Chief Executive Officer, Aetna Inc.