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**STUDY RESULTS SHOW CAQH CORE CERTIFICATION DRAMATICALLY  
CUTS ADMINISTRATIVE COSTS, ACCELERATES I.T. ADOPTION  
BY PROVIDERS AND HEALTH PLANS**

**Industry-wide Implementation Could Yield \$3 Billion of Savings in Three Years**

**Washington, DC** – (June 2, 2009) – CAQH<sup>®</sup> announced today that a study of results achieved by health care providers and health plans that are certified to use the Phase I rules of its Committee on Operating Rules for Information Exchange<sup>®</sup> (CORE) showed dramatic cost savings, accelerated use of real-time electronic transactions, improved claims verifications and reduced claims denials.

The findings confirm the value of using national standards for streamlined administrative data exchange as a key component of creating a national ehealth solution, which is a priority of the \$20 billion in designated stimulus funding for health I.T.

Based on results from the study, the estimated potential savings from an industry-wide implementation of the CORE Phase I rules are more than \$3 billion in three years. These savings could grow exponentially as additional phases of CORE rules are implemented.

“As the federal stimulus seeks to be a catalyst to fund workable health I.T. solutions that benefit all stakeholders, CORE is a model for the real results that can be achieved by streamlining routine administrative tasks and promoting interoperability,” said Ronald A. Williams, Chairman and Chief Executive Officer of Aetna, Inc., an early adopter of CORE. “The results demonstrate that CORE is a practical solution that is already paying dividends.”

Conducted for CAQH by IBM’s Global Business Services, the study assessed six CORE-participating health plans that represent 33 million covered lives (Aetna, AultCare, BlueCross BlueShield of North Carolina, BlueCross BlueShield of Tennessee, Health Net, and WellPoint affiliated health plans), as well as leading provider groups and vendors using the CORE Phase I rules. Key findings of the study show:

- Electronic insurance eligibility verifications took approximately seven minutes less than telephone verifications, saving providers \$2.10 per verification. There are more than 1 billion claims verified for eligibility each year in the U.S.
- Providers working with CORE-certified health plans saw 10-12% fewer claims denials, resulting in improved practice payment.
- Providers working with CORE-certified health plans saw a 20% increase of patients verified prior to a visit, significantly reducing administrative burden at the point of care.
- Health plans that became CORE-certified had a payback in less than 12 months. For example, by switching from telephone to real-time electronic claims verification, the average annual reduction in administrative costs can be more than \$2.5 million per plan.

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## *CAQH IBM Study/2*

“CORE is invaluable for reducing the paper chase and telephone tag that has plagued our profession for far too long,” said Joel Perlman, CFO, EVP Finance of Montefiore Medical Center in New York. “Having this national solution will make it easier for everyone perform real-time electronic transactions, and devote more staff resources to patient care.”

“The study shows that when a health I.T. solution like CORE benefits both providers and health plans, adoption of electronic data interchange accelerates and ROI increases. This scenario advances the goals of the American Reinvestment and Recovery Act, including the need to lower overall healthcare costs and improve the quality of care,” said Barbara Archbold, Healthcare Sales and Solutions Leader for IBM's Global Business Services. "Meeting such goals becomes easier and more attractive when everyone in the industry is playing by the same rules."

A synopsis of results from the CAQH CORE study is available at [www.coreconnect.org](http://www.coreconnect.org).

### **About CORE**

CORE is a collaboration of more than 100 industry stakeholders developing a multi-phase set of uniform business rules to streamline administrative data exchange, which enable consistent provider access to patient insurance information prior to or at the time of service. To date, CORE has created and promulgated two phases of rules, which are built on national standards such as HIPAA.

The CORE rules address data critical to the healthcare revenue cycle, such as patient eligibility and benefits, patient financial liability for various service types, patient deductibles/co-pays and year-to-date patient accumulators. The rules also cover specific requirements for exchanging that data, including system connectivity, system availability, patient identification, claims status, maximum response times (batch and real-time), and the consistent use of standard acknowledgements.

CORE participants have begun the process to develop Phase III rules, which will focus on improving the electronic exchange of additional administrative transactions, such as prior authorization and remittance advice.

### **About CAQH**

CAQH, a nonprofit alliance of health plans and trade associations, serves as a catalyst for healthcare industry collaboration on initiatives that simplify and streamline healthcare administration. CAQH solutions help promote quality interactions between plans, providers and other stakeholders, reduce costs and frustrations associated with healthcare administration, facilitate administrative healthcare information exchange and encourage administrative and clinical data integration. Visit [www.caqh.org](http://www.caqh.org) for more information.

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