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Committee on Operating Rules for Information Exchange

A CAQH Initiative

June Town Hall Call

June 24, 2014

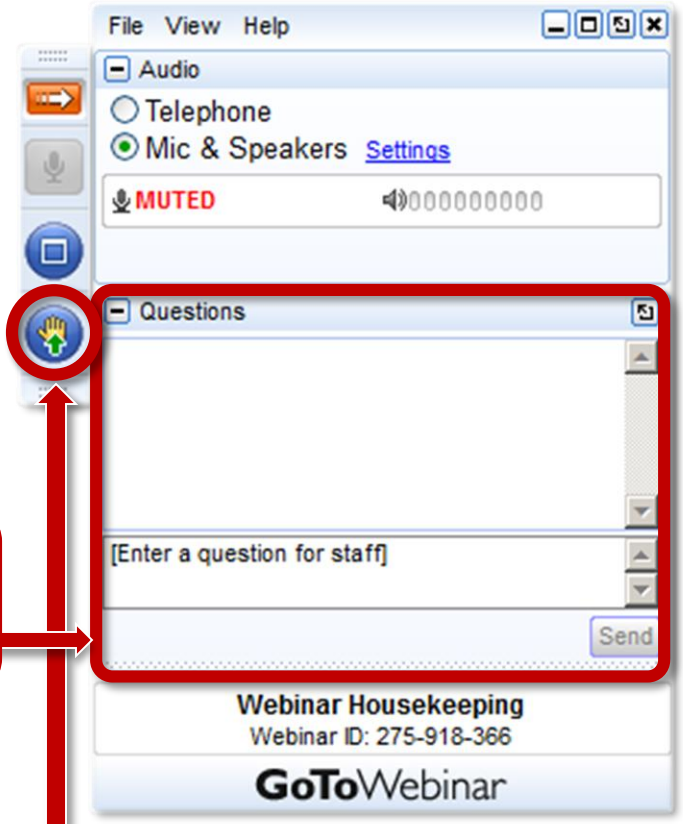
2:00 pm – 3:00 pm ET

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.

Participating in Today's Session

- Download a copy of today's presentation on the CAQH.org website
  - Navigate to the CORE Education Events page and access a pdf version of today's presentation under the list for today's event
- The phones will be muted upon entry and during the presentation portion of the session
- At any time throughout the session, you may communicate a question 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 GoToWebinar desktop**
  - On-line questions will be addressed first
- There will be an opportunity today to submit questions using the telephone
  - **When directed by the moderator**, **press the "raise hand" button** to join the queue for audio questions



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Session Topics

- Welcome Introduction
- ACA Mandate and HHS Health Plan Certification NPRM
- CAQH CORE Operating Rules
  - Industry Adoption
  - Available CAQH CORE Implementation Resources
  - CORE Operating Rule Maintenance
    - Uniform Use of CARCs and RARCs Rule
    - EFT & ERA Enrollment Data Sets
- Third Set of ACA-mandated Operating Rules
- Q&A

New CAQH CORE Vision, Mission and "About"

The new CAQH CORE Board, which formed last year, revisited the CAQH CORE's vision, mission and "about" statements. Their review identified a need to include consumers, a desire to seek administrative and clinical alignment, an ongoing multi-stakeholder focus, and continuing to support standards and interoperability through operating rules. The new statements are below, and will be posted to the CAQH CORE website:

Vision → An industry-wide facilitator of a trusted, simple and sustainable healthcare data exchange that evolves and aligns with market needs.

Mission → Drive the creation and adoption of healthcare operating rules that support standards, accelerate interoperability, and align administrative and clinical activities among providers, payers, and consumers.

About CAQH CORE → CAQH CORE is an industry-wide stakeholder collaboration committed to the development and adoption of national operating rules for administrative transactions. The more than 140 CORE Participants represent all key stakeholders including providers, health plans, vendors, clearinghouses, government agencies, Medicaid agencies, banks and standard development organizations.

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ACA Mandate and HHS Health Plan Certification

Scope and Updates

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Scope: ACA Mandated Operating Rules and Certification Compliance Dates

Mandated Requirements available and should be in use in market

Compliance in Effect as of January 1, 2013

- Eligibility for health plan
- Claim status transactions

HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules

Compliance in Effect as of January 1, 2014

- Electronic funds transfer (EFT)
- Health care payment and remittance advice (ERA)

HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules

HHS NPRM and deadline adjustment issued 12/31/13

***Proposes an adjusted Implementation*: December 2015**

Proposes health plans certify via either CORE certification or HIPAA Credential; applies to Eligibility/ Claim Status/EFT/ERA operating rules and underlying standards

Applies only to health plans and includes potential penalties for incomplete certification; existing voluntary CORE Certification is for vendors/PMS/large providers, and health plans

CAQH CORE in Process of drafting rules

Implement by January 1, 2016
(Draft Rules available in Late 2014)

- Health claims or equivalent encounter information
- Enrollment/disenrollment in a health plan
- Health plan premium payments
- Referral certification and authorization
- Health claims attachments (HHS Standard not yet mandated)

Who Must Comply with Standards and Operating Rules?
Required of All HIPAA Covered Entities[1]

- ACA Section 1104 mandates that all HIPAA covered entities comply with *healthcare operating rules*; additional guidance on HIPAA covered entity designations may be found HERE
- HIPAA Administrative Simplification standards, requirements and implementation specifications apply to[2]:
  - Healthcare Providers: *Any person or organization who furnishes, bills, or is paid for healthcare in the normal course of business*[3]
    - Covered ***ONLY*** *if they transmit protected health information electronically (directly or through a business associate) in connection with a transaction covered by the HIPAA Transaction Rule*[2]
    - Examples include but are not limited to: Doctors, Clinics, Psychologists, Dentists, Chiropractors, Nursing Homes, and Pharmacies
  - Health Plans *(including Self-insured and Group Health Plans, Long-term Care, Medicare, Medicaid, etc.)*
  - Healthcare Clearinghouses

[1] Understanding HIPAA Privacy: For Covered Entities and Business Associates
[2] HIPAA Administrative Simplification: 45 CFR §§ 160.102, 164.500
[3] HIPAA Administrative Simplification: 45 CFR § 160.103

HHS NPRM on Health Plan Certification
Background

- Level-set Definitions
  - **Controlling health plan** (CHP, definition from HPID regulation 45 CFR 162.103) a health plan that controls its own business activities and policies, or is controlled by an entity that is not a health plan
  - **Subhealth plans** (SHPs) A health plan whose business activities, actions or policies are directed by a CHP
- **ACA Administrative Simplification: Certification of Compliance for Health Plans**
  - Mandated under the Affordable Care Act (ACA), Section 1104
  - Although compliance with the Standards and Operating Rules is required of all HIPAA-covered entities, ***certification of compliance is only required of Controlling Health Plans (CHP)***
    - See Appendix for comparison between enforcement and associated penalties that ***currently*** apply to all HIPAA covered entities for standards and operating rules, and the additional certification penalty that will apply to health plans
  - First Federal regulation on certification of entities that conduct administrative transactions; NPRM indicates that program will evolve over time
  - Penalty-driven using snapshot of time

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HHS NPRM on Health Plan Certification
Background cont'd

- **Notice of Proposed Rule Making (NPRM)** published in *Federal Register*, December 31, 2013. Comment period ended April 3, 2014 (see comments: www.regulations.gov)
  - Proposed requirement of health plan certification, and reporting number of covered lives, required by December 31, 2015

- **NPRM Proposed Certification Options**
  1. **CAQH CORE Certification Seal** for Phase III (includes Seals for Phase I and II and testing with independent testing entity) – *Existing Process*

     or

  2. **HIPAA Credential:** Requirements outlined by the NPRM include attestation-based documents – *process in development*

Draft HIPAA Credential Forms
Background on Industry Feedback Process

- Samples of the three key HIPAA Credential forms were developed by CAQH CORE for comment and are publicly available on the CAQH website
  - CAQH CORE developed content for the Draft HIPAA Credential Forms based on the HHS Health Plan Certification of Compliance NPRM
- Goals of feedback:
  - Use industry input (CORE and non-CORE participants) to revise the three Draft HIPAA Credential Forms prior to publication of the Final Rule to help prepare for the proposed HIPAA Credential, and inform HHS in development of the Final Rule
- Process:
  - Gathered industry input during ***one-month public comment period*** (May 6th -June 3rd)
  - Comments on draft forms are being reviewed by the CAQH CORE Certification & Testing Subgroup, comprised of CORE Participants*, and a revised set of forms will be published after the review is complete
- For more information on the Draft HIPAA Credential Forms please visit the discussion slides on our website HERE

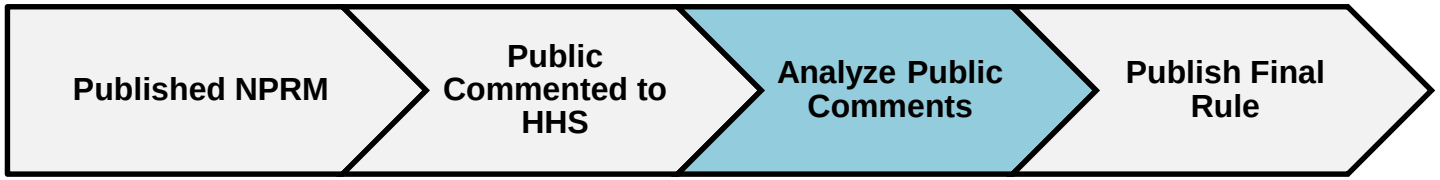
*Not a CORE Participating Organization and would like more information on how to become one? Please visit our website HERE

Industry Input Period on Draft HIPAA Credential Forms
Summary of feedback

- Received comments from both CORE and non-CORE Participants
- Total of **264** comments; **180** are unique (meaning there were a number of duplicative comments)
  - Approximately **80% are In Scope** (i.e. comments addressing the usability and user friendliness of the draft forms) for consideration and **20% Out of Scope** (i.e. comments regarding the structure of the HIPAA Credential program such as increasing the NPRM requirement to report testing was done with at least 30% of a CHPs trading partners)
- Subgroup is focused on adjudicating both the substantive and non-substantive comments:
  - Substantive: Significant modifications to instructions, layout/formatting, addition of key data fields & deletion of fields to promote alignment with NPRM provisions
  - Non-Substantive: Minor formatting, changes to address typographical/ grammatical errors, word-smithing, addition of references, etc.
- Subgroup is also focused on creating a list of topics for which Supporting Materials will be useful to and appropriate for the industry to have
  - Subgroup will determine its role and process in creating such materials, e.g. FAQs, sample trading partner scenarios

Status of Draft HIPAA Credential Form
Context of Overall HHS Health Plan Certification

HHS Proposed Health Plan Certification Activities



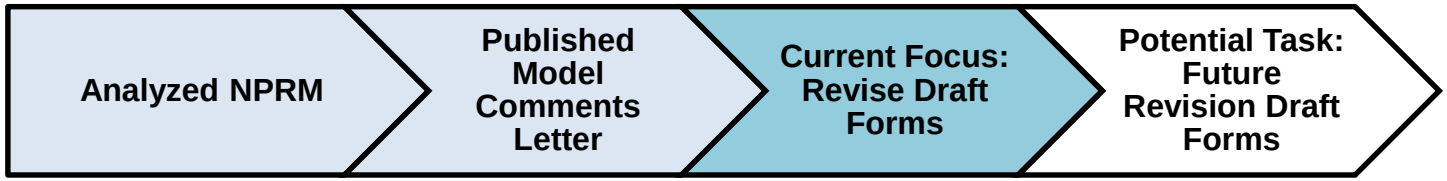
- Published 12/31/13
- NPRM is available on the Federal Register website

- Comments period closed 4/3/14
- Public comments appear on www.regulations.gov*

- Presently ongoing

- The publication date of the Final Rule is yet to be determined

CAQH CORE Activities Related to HHS Proposed Health Plan Certification



- Initial List of NPRM Comments (Also sent via email to CAQH CORE Contacts): 1/13/14
- Open CAQH CORE Call on Initial List (see CAQH CORE Education Events): 1/22/14

- Draft Model Comment Letter: 2/3/14
- (Also sent via email to CAQH CORE Contacts): 2/3/14
- Final Model Comment Letter: 2/21/14

- Industry input period (CORE and non-CORE participants): 5/6/14 – 6/3/14
- **CAQH CORE Certification/Testing Subgroup Meetings: 5/2/14 – 8/5/14**
- Publish revised Draft Forms: August 2014

- Based on industry input, determine if Subgroup would like to produce supporting materials, such as a "tip sheet," to help self-insured organizations apply for the HIPAA Credential
- Potential future revision will likely be necessary after the Final Rule publication

*http://www.regulations.gov/#!docketDetail;D=CMS-2014-0004

Voluntary CORE Certification

A CAQH Initiative

- Since its inception, CAQH CORE has offered a *voluntary* CORE Certification to health plans, vendors, clearinghouses, and providers
  - *Voluntary* CORE Certification provides verification that your IT system or product operates in accordance with the federally mandated Operating Rules
  - CORE Certification is stakeholder-specific
    - Each entity completes testing specific to their stakeholder type in order to become CORE Certified
  - **149** CORE Certifications have been achieved with 17 Certifications currently pending. Access a list of these organizations HERE
- CAQH CORE Certification is available for the following transactions
  - Eligibility and Claim Status (Phase I and Phase II)
  - EFT and ERA (Phase III)
- Key Benefits
  - Provides all organizations across the trading partner network useful, accessible and relevant guidance in meeting obligations under the CAQH CORE Operating Rules
  - Encourages trading partners to work together on data flow and content needs
  - Offers vendors practical means for informing potential and current clients on which of their products – ***by versions*** - follow Operating Rules, including Practice Management Systems
  - Achieves maximum ROI because all entities in data exchange follow the Operating Rules; once CORE-certified need to follow Operating Rules with all trading partners
  - Means for voluntary enforcement dialog and steps

Note: Learn more about *voluntary* CORE Certification here

Polling Question #1:
Certification - Coordinating with Vendors

In many instances, Health Plans may outsource key responsibilities for transactions to vendors; In these scenarios, the vendor must be compliant with whatever aspects of the CAQH CORE Operating Rules and underlying standards for which they are responsible and be involved in the testing components of CAQH CORE Certification process

If you are a health plan who outsources responsibilities for the transactions associated in the CAQH CORE Operating Rules, have you begun conversations with your vendor(s) about coordinating with them as a necessary part of CORE Certification?

1. Yes
2. No
3. Not sure

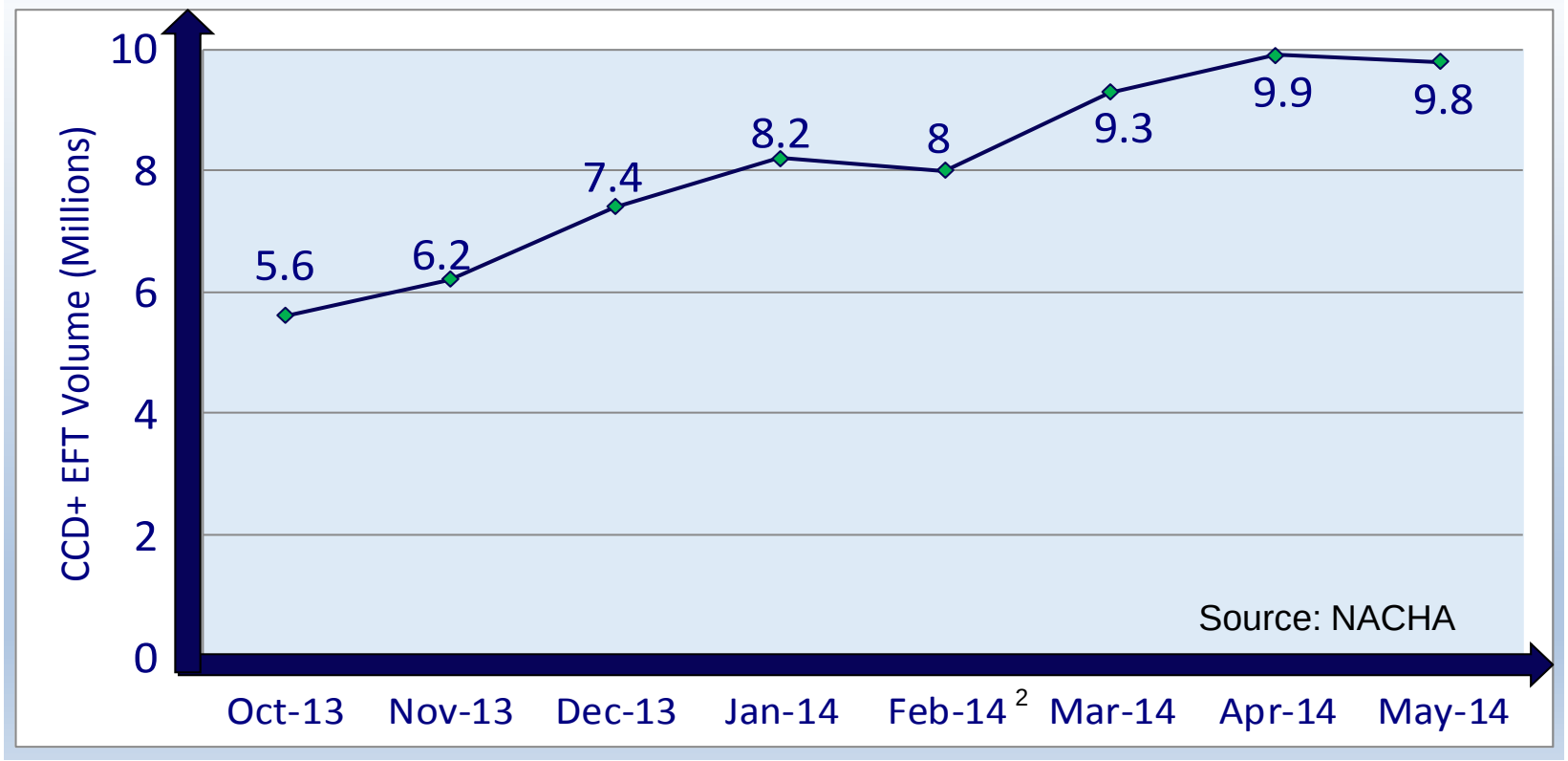
CAQH CORE Operating Rules
Industry Adoption Update

Sources to Track Industry Engagement of Operating Rules *Examples*

- CORE Certification
  - Although current focus is tracking industry adoption of EFT & ERA Operating Rules, the industry continues to realize the benefits of Phase I and II Eligibility and Claims Status Operating Rules
    - Recent certifications include ikaSystems, Meditech, Florida Medicaid, etc.
  - Phase III EFT & ERA CORE Certifications
    - A number of entities have completed Phase III CORE certifications with many more in the pipeline. Recent examples include Centene Corp, PaySpan and Florida Medicaid
- CORE Request Process data (more than 1,100 requests in 2013)
  - In Q4 2013, Request Process saw an increase in the number of in-depth rather than early stage EFT/ERA questions – majority from health plans and vendors/clearinghouses
  - In Q1 2014, requests are transitioning to HHS Certification Program and compliance
- CORE education session polling on industry status
  - Polling data from Q1 & Q2 2014 education sessions shows steady EFT & ERA Operating Rule implementation progress across all stakeholder group
    - Polling and registration information is always BLINDED and is taken in aggregate to protect personal information of registrants/attendees
- NACHA EFT transaction volume
  - Unlike for other HIPAA transactions, use of the ACH network for CCD+ enables tracking of this transaction (if entities use trace number)

Healthcare EFT CCD+ Volume
Based on NACHA Data

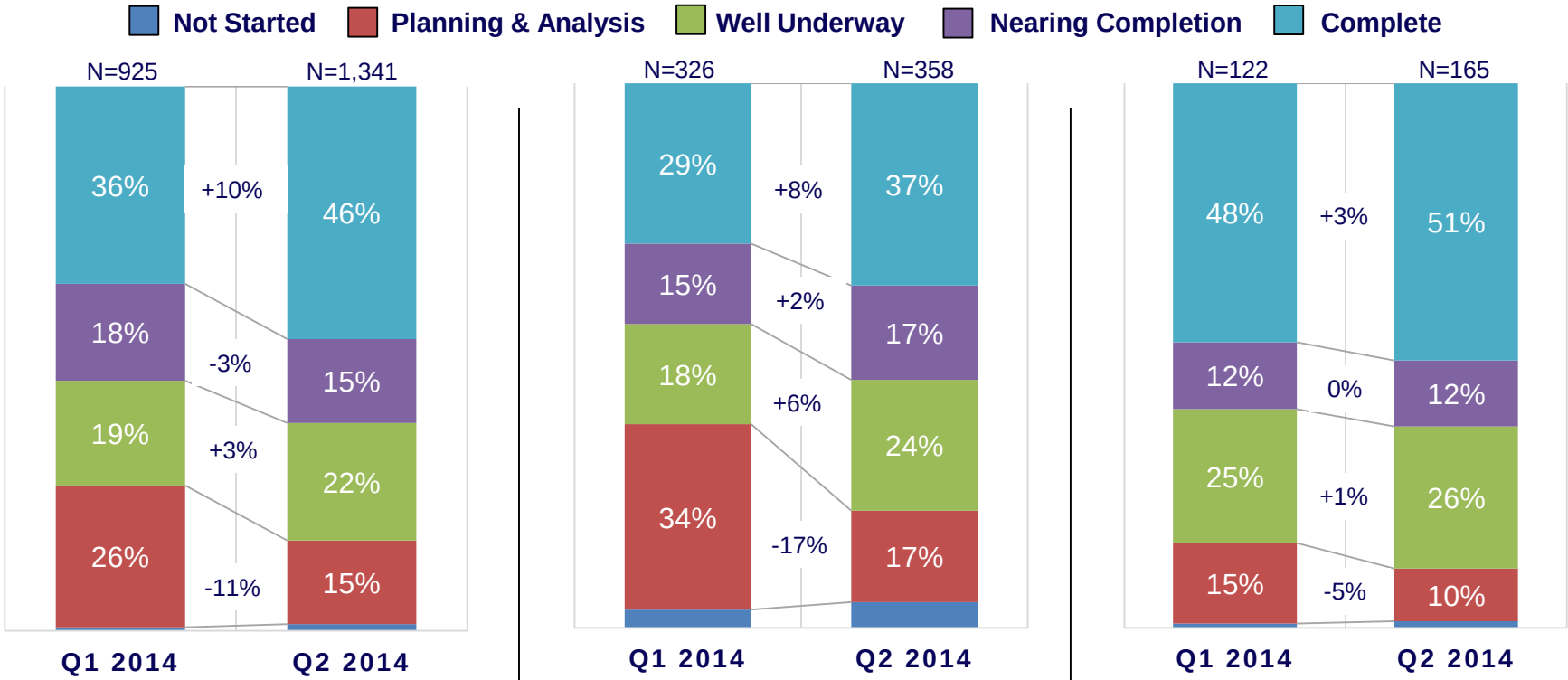
- These numbers reflect EFT payments that are clearly identified as healthcare payments by the use of the specific identifier "HCCLAIMPMT"[1] in the CCD+ transaction
- There has been steady growth in the use of CCD+ for healthcare EFT payments with roughly a 75% net increase in CCD+ volume from the beginning of Q4 2013 and the beginning of Q2 2014



[1]NOTE: Some providers are receiving EFT payments without the HCCLAIMPMT identifiers in the CCD+. To identify an EFT payment as a healthcare EFT, originators of the transaction (i.e. Health Plans/Payers) need to include the HCCLAIMPMT identifier in the CCD+Addendum

[2]Fewer processing days in February 2014; may account for lower numbers.

Status of EFT & ERA Operating Rule Implementation
CAQH CORE 2014 Self-Reported Polling Response Data



Health Plan/TPA/Payer

Health Plans have had the biggest increase in Completed implementations between Q1 and Q2 (+10%).

PMS/Vendor

PMS/Vendors have increased in all categories from Well Underway through Completion between Q1 and Q2 (+16% total).

Clearinghouse

Clearinghouses still have the highest number of organizations in the key categories of Well Underway, Nearing Completion or Complete (89% for Q2)

NOTE: Response percentages less than 5% are not displayed

CAQH CORE EFT & ERA Operating Rules
Available CORE Resources

Promote Provider Adoption of EFT & ERA Operating Rules

Take Action Now!

Contact Your Health Plans!

- To benefit from new EFT and ERA mandates, ensure your provider organization has requested the transactions from its health plans and EFT & ERA Operating Rule implementation status
- To help facilitate this request, CAQH CORE developed the ***Sample Provider EFT Request Letter***
- Providers can use this sample letter as template email or talking points with health plan contacts to request enrollment in EFT/ERA and benefits of operating rules
- The tool includes background on the benefits EFT, key steps for providers, an actual letter template, and glossary of key terms

Contact Your Banks!

- To maximize the benefits available through the CAQH CORE Reassociation Rule, providers must request delivery of the necessary data for EFT and ERA reassociation
- To help facilitate this request, CAQH CORE developed the ***Sample Provider EFT Reassociation Data Request Letter***
- Providers can use this sample letter as template email or talking points with bank contacts to request delivery of the reassociation data
- The tool includes background on the benefits of the letter, key steps for providers, an actual letter template, and glossary of key terms

Implementation Steps for HIPAA Covered Entities
EFT & ERA Tools and Resources

Free Tools and Resources Available

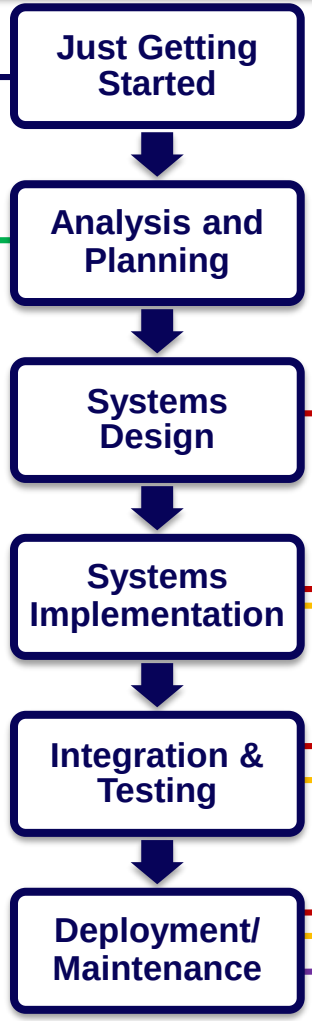
Education is key

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.



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

CAQH CORE Operating Rule Maintenance
Uniform Use of CARCs and RARCs

CORE 360 Rule: Uniform Use of CARCs and RARCs
Four Business Scenarios

Pre-CORE Rules

244 CARCs × 812 RARCs × 4 CAGCs = Inconsistent Use of Tens of Thousands of Potential Code Combinations

Post CORE Rules

Four Common Business Scenarios

CORE Business Scenario #1: Additional Information Required – Missing/Invalid/ Incomplete Documentation (414 code combos)

CORE Business Scenario #2: Additional Information Required – Missing/Invalid/ Incomplete Data from Submitted Claim (347 code combos)

CORE Business Scenario #3: Billed Service Not Covered by Health Plan (645 code combos)

CORE Business Scenario #4: Benefit for Billed Service Not Separately Payable (60 code combos)

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

CAQH CORE Code Combinations Maintenance Process

CORE Business Scenario #1: Additional Information Required – Missing/Invalid/ Incomplete Documentation (414 code combos)

CORE Business Scenario #2: Additional Information Required – Missing/Invalid/ Incomplete Data from Submitted Claim (347 code combos)

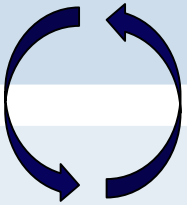
CORE Business Scenario #3: Billed Service Not Covered by Health Plan (645 code combos)

CORE Business Scenario #4: Benefit for Billed Service Not Separately Payable (60 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)



Supports ongoing improvement of the *CORE Code Combinations*

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

Maintenance: Uniform Use of CARCs and RARCs Rule
CORE Code Combinations Task Group (CCTG)

- 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*
  - David DuBay, *UnitedHealth Group*
- Conducts three Compliance-based Reviews (CBR) and one Market-based Review (MBR) per year
  - **NOTE**: although there are three CBRs and one MBR per year, only three updated CORE Code Combination Lists are released annually as the MBR updates coincide with one of the three CBR updates (as was the case with the June 2014 Code Combinations Update)

Recent Compliance-based Review Work Efforts

- Completed Compliance-based Review for code adjustments published by WPC on **March 1, 2014**

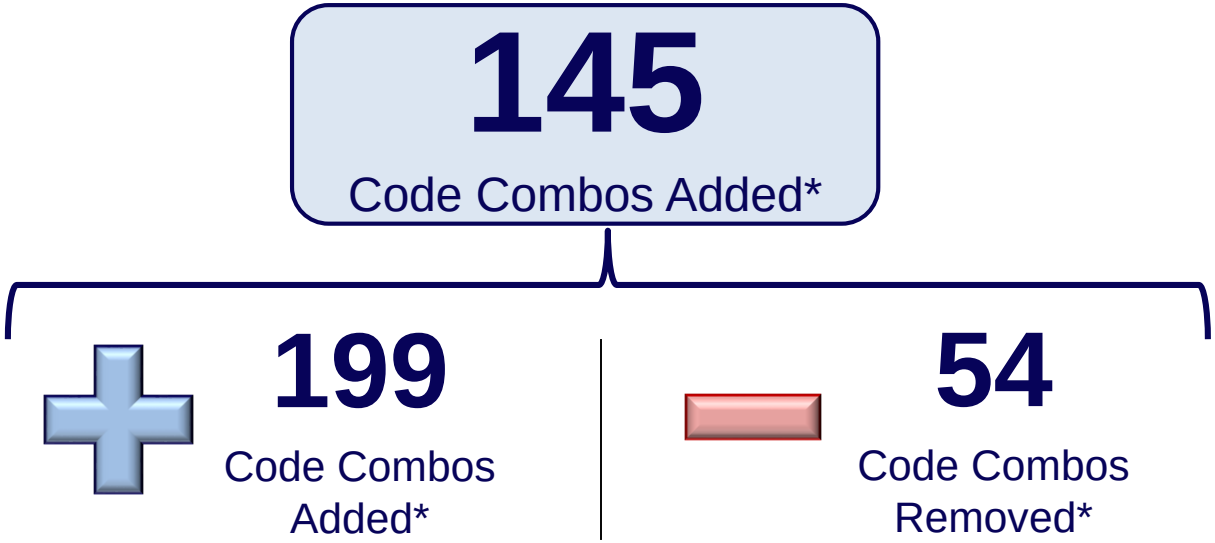
Recent Market-based Review Work Efforts

- Completed first MBR which was launched on **December 13, 2014**

CORE Code Combination updates from most recent CBR and first MBR are reflected in the *June 2014 v3.1.0 CORE Code Combinations List*

Maintenance: Uniform Use of CARCs and RARCs Rule
CORE Code Combinations v3.1.0 Overview

Summary of Adjustments in the Current Version of the *CORE Code Combinations*



Version 3.1.0 of the *CORE Code Combinations* includes updates based on:

- **Compliance-based adjustments** as part of the CAQH CORE Code Combinations Maintenance Process based on published CARC & RARC lists as of March 2014
- **Market Based Adjustments** due to 2013 Market-based Review
- **Emergency Code Combination Additions Requests** approved in 2014 (4 total)

*These totals include 10 Code Combinations that were removed from one Business Scenario and added to another due to the MBR

Maintenance: Uniform Use of CARCs and RARCs Rule
First Market-based Review Adjustments

2013 Market-based Review Process and Scope:

- In December 2013 CAQH CORE initiated a 60 day public period during which industry submissions addressing code combination additions and removals to the existing *CORE Code Combinations* for existing CORE-defined Business Scenarios could be submitted
- This was the first Market-based Review conducted since Federal mandate

Overview of MBR Submissions Received:

- A total of **1,181 submissions** for additions/removals were received
- Of the 1,181 total submissions received, there were **437 unique requests** for additions/removals
- Of the 437 unique requests, there were **80 unique CARCs** to be considered for adjustments

MBR Code Combination Adjustments:

134
Code Combos Added

54
Code Combos Removed

Maintenance: Uniform Use of CARCs and RARCs Rule
Compliance and Resources

Updated Version of the *CORE Code Combinations*	**Compliance Date** *(Applies as of January 1, 2014 to all HIPAA-covered Entities)*
June 2014 v3.1.0 *(released June 4th)*	**September 4, 2014**

HIPAA covered entities have ***90 days*** from the date of publication of an updated version of the *CORE Code Combinations* until compliance with that version is required; any outlier deadlines set by Code Committees, e.g. code isnt deactivated for 180 days, are addressed in CORE policy

Available Resources

- For more information please visit CAQH CORE's dedicated webpage for CAQH CORE 360 Rule and the Code Combinations Maintenance Process
  - You can access and download the June CORE Code Combinations List v3.1.0 on this webpage
    - In addition to current announcements, future versions of the *CORE Code Combinations* will also be announced on the webpage and deprecated versions will be available for reference
  - Entities may email core@caqh.org to request a marked-up version of the *CORE Code Combinations* that highlights adjustments made between versions

Polling Question #2:
CORE Code Combination Updates

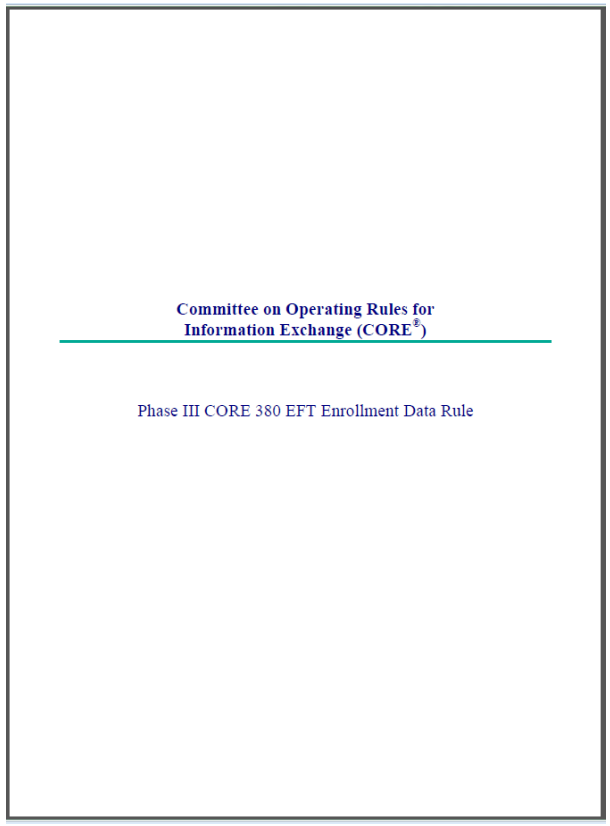
Does your organization currently have a consistent process in place to adjust internal CARC and RARC coding based on the CORE Code Combination updates that occur three times a year?

1. Yes
2. No
3. Not sure

CAQH CORE Operating Rule Maintenance
EFT & ERA Enrollment Data Set

Enrollment Data Sets Maintenance Process: *CAQH CORE Rule Requirements*

CAQH CORE 380: EFT Enrollment Data Rule & CAQH CORE 382: ERA Enrollment Data Rule specify maximum enrollment data sets to achieve uniform and consistent collection of data required for EFT/ERA transactions



- Maximum Enrollment Data Sets were developed based on extensive research of existing on-line/paper forms and extensive dialog from a range of health plans, clearinghouses, etc. for individual/group enrollments
- **DO NOT** preclude health plans or their agents from:
  - Adding capabilities to the electronic enrollment method designed to improve functionality and ensure data integrity and comprehensiveness
  - Collecting additional data elements in locations beyond the enrollment form for other purposes beyond EFT/ERA enrollment
- Include direct recognition that experience and learning gained from increased EFT/ERA enrollment may identify ways in which the maximum data sets need to be modified, e.g.,
  - Meet emerging, new, or changing industry needs
  - Business rationale to add/remove data elements, sub-elements, and/or Data Element Groups (DEGs)

Enrollment Data Sets Maintenance Process: *Recognized by CMS*

Rule Section 3.4: *CORE Process for Maintaining CORE-required Maximum Enrollment Data Set*

- CAQH CORE will apply a process to review the Enrollment Data Sets annually
- Any substantive changes will be reviewed and approved by the CORE Participants
- First review will commence one year after the passage of a Federal regulation requiring implementation of the rule

Enrollment Data Set Maintenance Process

Recognized by CMS/HHS

- Section 3.4 of CAQH CORE 380/382 Rules is adopted by federal regulation, CMS recognizes the Enrollment Data Set in the rule will be updated via a Maintenance Process
- Updates to the data set will be recognized under HIPAA and do not require a new federal regulation

Non-Data Set Adjustments to CAQH CORE 380/382 Rules

Requires New Federal Regulation

- Maintenance Process is specifically scoped to the Enrollment Data Sets in the rule language.
- Any substantive revisions/updates to CAQH CORE 380/382 Rules beyond the data sets require recognition via the federal rule making process

Maintenance: EFT & ERA Enrollment Data Rules
Task Group that does Maintenance

- **CAQH CORE Enrollment Data Maintenance Task Group**
  - Kick-off call is **Wednesday, July 9th**; any individual from a CORE Participating entity can join the Task Group
- Task Group Co-Chairs include:
  - Wendy Hanson, UNMC Physicians - University of Nebraska Medical Center
  - Joanne Hoagland, Horizon Blue Cross Blue Shield of New Jersey
  - Minil Mikkili, Kaiser Permanente
  - Vendor, Invited
- Based on market-readiness scan, the focus of the Task Group's first review in 2014 will be to:
  - Identify and address any non-substantive adjustments in the CORE-required Maximum EFT & ERA Enrollment Data Sets
  - Finalize procedures for an ongoing annual CAQH CORE Enrollment Data Sets Maintenance Process including:
    - Identifying substantive (e.g. addition of new Data Element Groups) and non-substantive (e.g. adjustments to address formatting and presentation inconsistencies) evaluation criteria for potential adjustments to the data sets
    - Determining the scope of future maintenance reviews
    - Establishing timeframes for compliance with updated data sets

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Polling Question #3:
Provider ERA Enrollment

Has your organization seen an increase in Provider ERA enrollment since January 1st, 2014 (ACA-mandated compliance date for CORE EFT & ERA Operating Rules)?

1. Yes, we have seen an increase in enrollment
2. No, we have not seen an increase in enrollment
3. Not sure

Third Set of CAQH CORE Operating Rules
Update

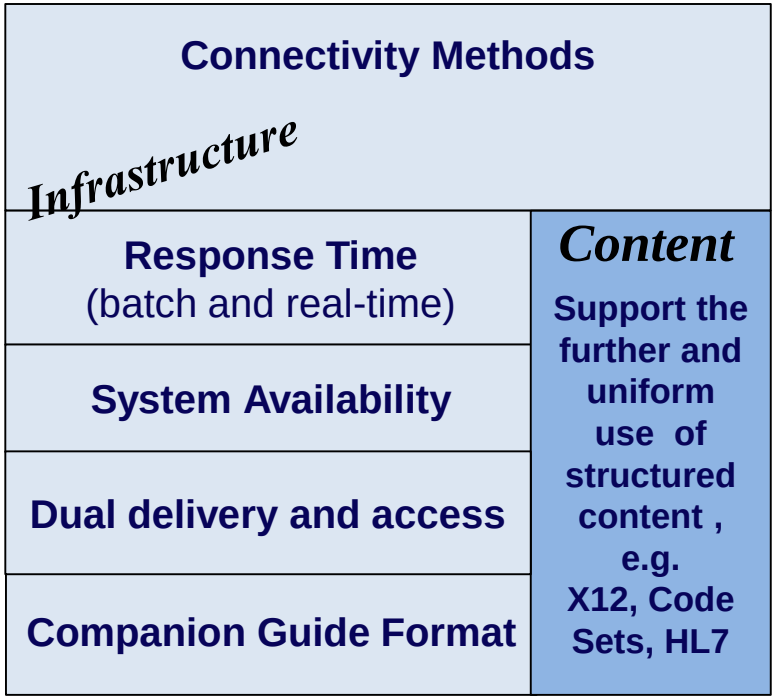
Third Set of ACA Mandated Operating Rules
In Development

- Health claims or equivalent encounter information
- Referral certification and authorization
- *Enrollment and disenrollment in a health plan
- *Health plan premium payments
- Health claims attachments

- Goal: Draft of rules by end of 2014; will primarily be infrastructure.
  - Infrastructure rule development underway.
    - Infrastructure requirements will apply across transactions; built on existing draft rules, e.g. real time processing mode and/or batch processing mode required
  - *Both of these transactions are being heavily used in the Insurance Exchanges (HIXs).
    - Firm with Federal and State HIX experience summarized lessons learned, especially regarding challenges / benefits of requirements set by CMS; report to be shared with CORE Participants in July to verify that findings are consistent with their HIX experience and how it compares to non-HIX
  - Attachment standard(s) not issued by CMS; however, CORE presenting potential vision.
    - Held a series of CORE-only calls to review and verify CORE findings on current volumes, attachment formats, future plans and related ROI, knowledge levels, etc.
    - Research indicates industry neutral standards, e.g., PDF, may have significant benefit and that industry-wide education will be key given current level of knowledge of key standards such as HL7 C-CDA
    - Determining when appropriate timing will be to draft operating rules based on status of standard(s)

CORE Operating Rules: Infrastructure and Content

- Infrastructure
  - Infrastructure applies to all operating rules
  - Infrastructure for third set of Operating Rules ranked highest opportunity by many entities; rule-writing for infrastructure is underway
- Content
  - For agility and improvement, content must address ongoing maintenance, which can be resource intensive.
- Lessons learned focuses resources
  - Need to formally recognize Acknowledgements, e.g. CORE operating rule exists for Claim Acknowledgement and requirement was rated as high priority by CORE participants
  - Must consider experience in other market areas, e.g. Health Insurance Exchanges, Meaningful Use of EHR inclusion of HL7 C-CDA
  - In administrative arena, staff needs education and training on new technologies and standards
  - Prior Authorization very connected to Attachments
  - Agility and maintenance are critical



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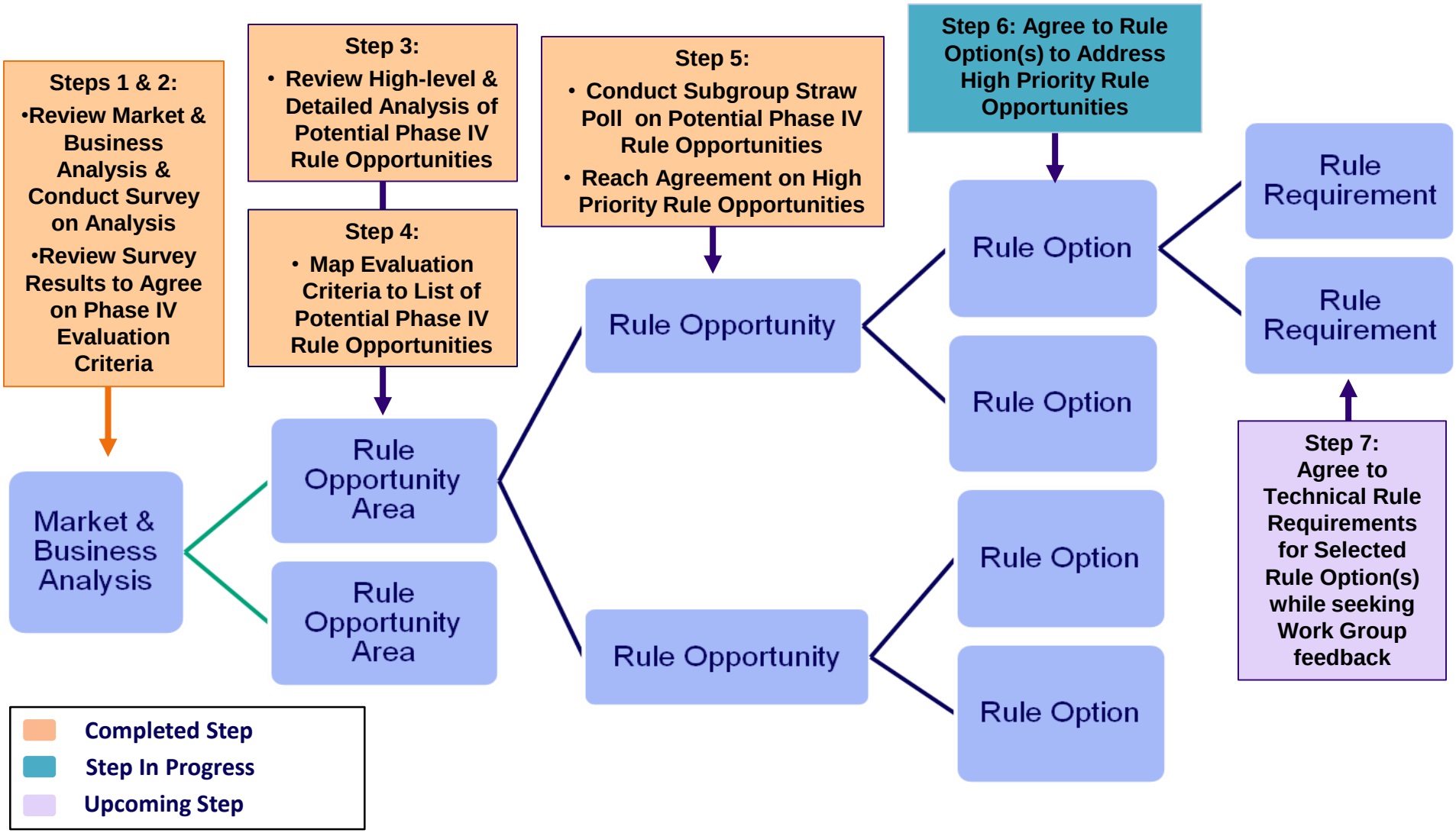
Third Set of ACA Mandated Operating Rules
CORE Connectivity & Security Subgroup

- In November 2013, the Connectivity & Security Subgroup convened to begin drafting the connectivity and related infrastructure options for Third Set of the ACA-mandated operating rules
  - Currently over 80 CAQH CORE Participating Organizations from a wide variety of stakeholders; led by Co-chair S. Luke Webster, *CHRISTUS*
- As part of the Third Set Rule Opportunities, Subgroup is considering how to potentially align with other large scale industry adoption connectivity initiatives given the CORE Guiding Principles for alignment

- ***Join the Discussion***
  - Subgroup calls are open to all CORE Participating Organizations
  - The Subgroup meets bi-weekly on Thursdays from 2:30 – 4 pm EST
    - Next Subgroup meeting will be held on July 3rd
  - If you are not a CAQH CORE Participating Organization but would like more information on how to become one, please visit our website HERE

Work Plan for 3rd Set of ACA Mandated Operating Rules: *Example - Infrastructure & Connectivity Operating Rules*



Priorities: Infrastructure Operating Rules

- Based on detailed environmental scan, Subgroup has identified high-priority opportunity areas, opportunities within the area and specific options for each opportunity, e.g.
  - **Opportunity: *Improve connectivity***
    - Selected Option: Converge on an envelope standard (SOAP+WSDL) to increase interoperability, plug-and-play capabilities, and align with clinical arena
      - Reminder: Connectivity is a Safe Harbor so other connectivity methods can be used
  - **Opportunity: *Improve message interaction/establish processing mode expectations***
    - Selected Option: Batch required; real-time optional for three of the four transactions regardless of connectivity method used
      - To establish expectations, will have requirements for both, if both offered
      - Still debating prior authorization
- Subgroup holding on a few key areas given Attachment standard(s) is yet to be determined, e.g. Consideration of DIRECT for attachments

Standards and Operating Rule Attachments: CAQH CORE Research 2013 - 2014

Is there an innovative approach to how regulatory requirements can help drive the adoption of electronic attachments?

- Purpose: Market Assessment
  - Identify business needs, data content and format requirements, technical infrastructure, and priorities for claims attachments/other additional information
  - Determine value of CAQH CORE moving forward
    - Helping to educate on HL7 standard and drafting Operating Rules focused on industry neutral standards, such as PDF, or waiting until standard(s) are issued to begin work
- Methodology
  - 2013: Gathered information from participation in national forums, public survey, secondary data analysis, and interviews with over 35 leading stakeholders
  - 2014: Follow up listening sessions in April and May with over 300 participants to continue dialogue, trends, obtain current real-life experience data
- Primary Focus
  - Recognize attachments broadly as any additional information supplied upon a request, but focus on administrative vs. clinical attachments
    - Claims attachments, prior authorization/referral certification and other administrative activities (COB, enrollment, post payment audits)

Attachments: Examples of Market Assessment Polling Responses

How are most (Paper/Electronic) Claims Attachments Transmitted	% of Total Responses
US mail (paper)	70%
Fax (paper)	
E-fax (electronic document)	20%
E-mail (electronic document) message content	
E-mail with attached (electronic) document	
DDE with attached (electronic) document	
Structured document: XML, HL-7 C-CDA, or similar format	0%
DDE of structured data into a portal	< 1%
X12 message with structured data	7%
HL7 message with structured data	
Other	3%

Formats Used for Electronic Documents	% of Total Responses
PDF	27%
JPG (for scanned images)	20%
TIF (for scanned images)	16%
Word	12%
XML	8%
C-CDA	6%
PNG (for scanned images)	5%
XML-like	1%
C-CDA (modified version)	0%
Other	5%

Health plans directly access claims attachment information from portal provided by provider or third party supplier of information	% of Total Responses
Provider's EHR	20%
Health information exchange (HIE)	33%
Vendor which hosts HL7 virtual medical records	7%
Vendor which hosts data (e.g., x-rays, lab results)	27%
State-run all-payer databases	13%

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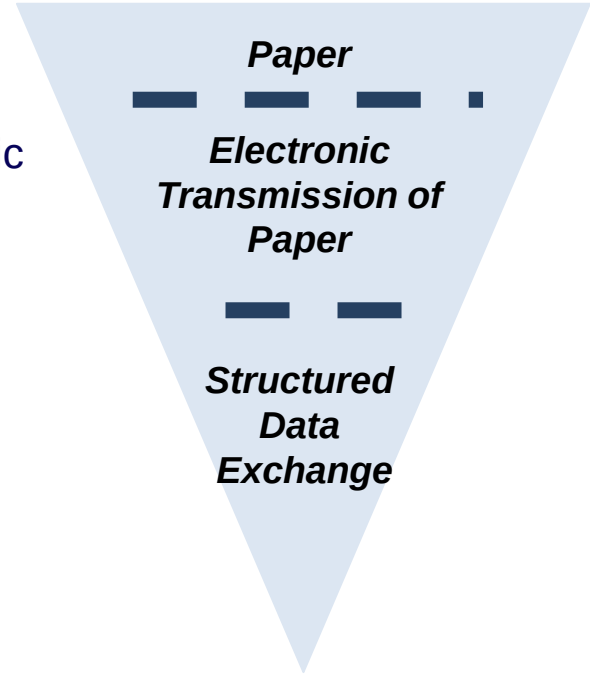
Attachments:
Operating Rule Development

- Opportunities for initial Operating Rules:
  - ***Investigate incremental, flexible roadmap*** approach, as noted by NCVHS in 2013, to move first from paper to electronic documents, e.g.
    - Limited set of industry-neutral electronic document formats to quickly
      (2 yrs.) accelerate improvement, e.g. JPEG
    - Trace number or other tracing mechanism to link attachment to request
  - ***Educate industry*** on anticipated healthcare standard(s) for attachments; focus on HL7



- Opportunities for Operating Rules after healthcare attachment standard adopted:
  - Use of LOINC attachment type codes to identify specific document/information needed
  - Workflow/business rules for unsolicited attachments
  - Business rules for using DDE or other source
  - Scenario-based adoption of structured documents
  - Potential ways to reduce the number of attachments

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Examples: Get Involved!

- Any CORE Participating Organization can join any CORE group
  - If you are a CORE Participating Organization and would like to join one of these group calls, please email CORE@caqh.org
  - If you are not a CAQH CORE Participating Organization but would like more information on how to become one, please visit our website HERE

CORE Group	Current Group Focus	Frequency	Next Meeting
CORE Certification and Testing Subgroup	Reviewing and addressing industry feedback for the Draft HIPAA Credential Forms and creating	Two Calls Remaining: **July 15th** **August 5th**	**Friday, June 27th** 2:00-3:30pm ET
CORE Connectivity and Security Subgroup	Drafting the connectivity and related infrastructure options for Third Set of the ACA-mandated operating rules	Thursdays 2:30-4:00pm ET *bi-weekly*	**Thursday, July 3rd** 2:30-4:00pm ET
EFT/ERA Enrollment Data Set Maintenance Task Group	Identifying and addressing any adjustments to the Enrollment Data Sets, and developing an ongoing annual maintenance process	Wednesdays 3:00-4:30pm ET *bi-weekly*	**Wednesday, July 9th** 3:00-4:30pm ET *(Group Kickoff Call)*
CORE Code Combination Task Group (CCTG)	Compliance-based Review of the (currently unpublished) July CARC/RARC/CAGC code list updates	Cyclical based on CBR and MBR; at least six calls per cycle	See CARC/RARC page

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 of VoIP: When prompted for audio portion of Q&A, please press "Raise Hand" Button to queue up to ask a question

***NOTE**: In order to ask a question during the audio portion of the Q&A please make sure that you have entered the **"Audio PIN"** (which is clearly identified on your user interface) by using your telephone keypad.*

Thank You for Joining Us!

website: www.CAQH.org

email: CORE@caqh.org

@CAQH

APPENDIX

Additional Information and Resources

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Available NACHA Resources

- Healthcare Payments Resources Website
  - Provides a repository of information on a wide variety of topics for both financial institutions and the healthcare industry. Includes links to many other resources, as well as customized information to help “translate” concepts from one industry to the other (FAQs, reports, presentations).
- Healthcare EFT Standard Information
  - Located within the healthcare industry tab of the above website, specific information can be found on the healthcare EFT standard.
- Healthcare Payments Resource Guide
  - Publication designed to help financial institutions in implementing healthcare solutions. It give the reader a basic understanding of the complexities of the healthcare industry, identify key terms, review recent healthcare legislation, and discuss potential impacts on the financial services industry.
  - Order from the NACHA eStore “Healthcare Payments” section
- Revised ACH Primer for Healthcare Payments
  - A guide to understanding EFT payment processing. Introduces the healthcare industry to the Automated Clearing House (ACH) Network, explains ACH transaction flow and applications, and includes two “next steps checklists,” one each for origination and receipt.
- Ongoing Education and Webinars
  - Check the Healthcare Payments Resource Website for “Events and Education”

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Available CMS OESS Resources

- HIPAA Covered Entity Charts
  - Use the HIPAA Covered Entity Charts to determine whether your organization is a HIPAA covered entity
- CMS FAQs
  - Frequently asked questions about the ACA, operating rules, and other topics
- Affordable Care Act Updates
  - Updates on operating rules; compliance, certification, and penalties; and engagement with standards and operating rules
- CMS eHealth University
  - What Administrative Simplification Does For You – This fact sheet explains the basics behind how Administrative Simplification will help improve health care efficiency and lower costs
  - Introduction to Administrative Simplification – This guide gives an overview of Administrative Simplification initiatives and their purposes
  - Introduction to Administrative Simplification: Operating Rules – A short video with information on Administrative Simplification operating rules
- Additional Questions
  - Questions regarding HIPAA and ACA compliance can be addressed to:
    - Geanelle Herring, Health Insurance Specialist, Geanelle.Herring@cms.hhs.gov

Relationship between Ongoing HIPAA Enforcement and HHS Health Plan Certification

The complaint-driven HIPAA Enforcement Process is an established and existing program that will be maintained ***in addition to*** the HHS Health Plan Certification program; the two programs are complementary

	Complaint-Driven HIPAA Enforcement Process	**Proposed HHS Health Plan Certification of Compliance**
Applicable Entities	All HIPAA covered entities	Health plans
Action Required	Implement CAQH CORE Eligibility & Claim Status and EFT & ERA Operating Rules, and applicable Standards	File statement with HHS that demonstrates health plan has obtained a CAQH CORE Certification Seal for Phase III or HIPAA Credential and thus are in compliance with the standards and operating rules
Compliance Date	*First Set* – **January 1, 2013** *Second Set* – **January 1, 2014**	**December 31, 2015** (proposed)
Applicable Penalties	Due to HITECH, penalties for HIPAA non-compliance have increased, now up to **$1.5 million per entity per year**	Fee amount equals **$1 per covered life until certification is complete**; penalties cannot exceed $20 per covered life or $40 per covered life (for deliberate misrepresentation) on an annual basis
Verification of Compliance	***Ongoing*** complaint-driven process to monitor compliance prompted by anyone filing a complaint via CMS's Administrative Simplification Enforcement Tool (ASET) for non-compliance with the standards and/or operating rules	"***Snapshot***" of health plan compliance based on when the health plan obtains CORE Certification/HIPAA Credential and files statement with HHS

Example of complementary nature of HIPAA Enforcement Process and Proposed HHS Health Plan Certification: An entity could file a complaint for non-compliance against an HHS-certified Health Plan using the HIPAA Enforcement Process if they believe the Health Plan has fallen out of compliance since their certification (e.g. A certified Health Plan acquires another non-compliant Health Plan).