![CAQH CORE logo]

Phase II CAQH CORE 203 Certification Exemption Policy
version 2.1.0 March 2011

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BACKGROUND

This policy addresses certification exemptions that health plans seeking CORE Certification may request when the health plan has a scheduled migration of an existing IT system(s) if the remainder of the health plan's IT systems are CORE compliant. This policy is complementary and does not replace the following CAQH CORE policies, which are already part of the Phase III CAQH CORE 202: Certification Policy version 2.2.0.

- *Entities may seek certification for their subsidiaries versus their corporate entity. The CORE Certification Seal will apply to the subsidiary or the corporation, whichever entity seeks CORE Certification.*

If a CORE-certified entity is acquired by an entity that is not CORE-certified, that company will only be allowed to be CORE-certified if the acquired company is the only business that is applicable to the CAQH CORE Operating Rules. If this is not the case, then the newly merged company will be required to seek certification.

POLICY

Section 1: Required Criteria to be granted a CORE Health Plan IT System Exemption: Any health plan seeking an IT System Certification Exemption must meet the following criteria or gain approval from the CORE Steering Committee for an exception:

Subsection 1.1: Membership Percentage

Percentage of a health plan's full membership eligibility data that is processed by the IT system(s) in question:

- No more than 30 percent of a health plan's total membership can be processed by the IT system(s) to be covered by the exemption.

Subsection 1.2: Timing

Time period for which the IT system(s) in question must be scheduled for migration:

- Migration must be scheduled for completion no later than 12 months from the date of when the health plan is granted CORE certification.

- If migration is not completed within the agreed-upon 12 months from the date of CORE certification, the health plan could be decertified (see below).

Section 2: Deadlines for exemptions and *requests for exceptions*

- IT system exemptions *and exceptions* will be reviewed and granted on an individual health plan basis as decided by the CORE Steering Committee.

- Exemptions that are due to newly acquired entities will only be granted if the same above parameters on time periods and percentage of membership are met.

- Approving exceptions will be the responsibility of the CORE Steering Committee.

Section 3: Exemption Request and Review Process

Subsection 3.1: Exemption Request

Any health plan seeking an exemption must follow the CORE Certification Policy, excluding the IT system(s) for which they are seeking the exemption.

- When providing CAQH with the documentation to prove successful CORE certification testing and attest to HIPAA compliance, the health plan must provide CAQH with an executive-level attestation stating that the health plan meets the agreed-upon IT system exemption criteria and has the ability to identify those transactions to which the exemption applies. As a result, CORE will be able to accurately respond to those Requests for Review of Possible Non-Compliance that are the result of IT system exemptions.

- If possible, the plan will communicate to CAQH, in a way that is most meaningful to the market/providers, the systems/groups/products for which CORE compliant data will not be available until after the exemption time period expires.

- If the proper CORE certification documentation is received, CAQH will be responsible for granting exemptions just as it is responsible for granting CORE Seals.

- The 12-month IT system exemption period will begin on the day that the health plan is granted CORE certification (a CORE Seal) by CAQH.

Subsection 3.2: Review Process

On or before the last business day of the month in which exemption ends, the health plan must communicate to CORE that the migration is/is not complete.

- It is the goal of the CORE Steering Committee to build momentum for CORE certification and this goal will be taken into consideration when reviewing requests for *exceptions t*o the exemption policy.

- If a certified heath plan with an exemption communicates to CORE that the IT system migration was not completed in the agreed-upon timeframe, the CORE Steering Committee will determine how to address the issue.

- Decisions by the CORE Steering Committee to remove the CORE Seal or to provide an exception shall be conducted within 20 business days. Decisions by the Steering Committee shall be final.

- If decertified, the health plan will need to reapply for CORE certification.

- The Phase II CORE 205 Enforcement Policy outlines the steps to become recertified after being decertified. Health plans wanting to become recertified due to non-compliance with an IT exemption rule will need to be recertified for all transactions for which CORE certification exists.

Section 4: Communication Concerning Which CORE-certified Systems Have Exemptions

- All CORE-certified entities will be listed on the CAQH website (see Phase II CORE 202 Certification Policy version 2.1.0). In addition, Phase II certified vendors and clearinghouses will have the transaction(s) listed for which they have certified.

- There will be an asterisk (*) next to those certified health plans that have an IT system exemption. The asterisk will indicate that a portion of the plan's membership systems are not CORE compliant; detailed information identifying those systems/groups/products specific to each plan will be provided, if available.

- The asterisk will only be removed when the health plan communicates to CAQH that its exempted system(s) are in compliance.