Committee on Operating Rules for Information Exchange (CORE™)

Phase III CORE Health Insurance Identification Card Rule Certification/Testing Subgroup Draft – March 23, 2010

DOCUMENT CHANGE HISTORY

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1   Background Summary

CORE Phase I Rules focused on improving real time electronic eligibility and benefits verification, as eligibility is the first transaction in the claims process. CORE Phase II Rules focused on extending the value of electronic eligibility by adding additional data content requirements that deliver more robust patient financial liability information, including remaining deductibles and adding more service type codes that must be supported. Building on this, CAQH also determined that CORE Phase II should be extended to include rules around the claim status transaction to allow providers to check in real time the status of a claim electronically, without manual intervention, or confirm claims receipt.

The inclusion in Phase III CORE of a rule establishing basic minimum requirements for issuers of health insurance identification cards can serve as the foundation for reducing the industry's current myriad variations in the format of and information found on today's cards.

2   Issue to be Addressed and Business Requirement Justification

It is an industry practice for healthcare insurance organizations or their delegated administrators to provide identification (ID) cards to covered individuals. Currently, there is little uniformity and automation capability in the identification cards distributed by various stakeholders within the healthcare industry. This is in contrast to credit and bank cards issued by the banking/financial industry. Whether it is a credit, debit or automated teller machine (ATM) card, issuers emboss on the front of these cards the cardholder's name, card expiration date and a number which identifies both the bank and the cardholder's account number at the bank. All card issuers place this information in the same format and location. The back of the cards contain 2-track magnetic stripe (at a minimum) for encoding machine-readable information, which is the same information embossed on the front of the bank card. Other specific information and capabilities may be placed on the card, such as a customer service phone number and security devices, while still maintaining the card issuers' unique branding schema. Achieving uniform implementation of standard human/machine-readable cards along with agreed upon operating rules and business practices was a key step for the banking/financial industry in realizing an efficient, automated and interoperable system of exchanging information through the use of electronic transactions.

Health ID cards are used by healthcare professionals to identify the card issuer (i.e., health plan/payer) and the card holder (i.e., beneficiary or dependent) to facilitate the administration of healthcare services. There are an estimated 100 million health ID cards in circulation which can vary considerably in physical characteristics, content, format, and technology depending upon the various stakeholders' (i.e., card issuer, sponsor/employer, provider, state, covered individuals) requirements, business decisions and requests. These factors contribute to inefficiencies in the practice of utilizing a health ID card as a tool to identify and access a patient's healthcare coverage/benefits, file a claim, and/or conduct other administrative transactions (e.g., prior authorization).

Standards for health ID cards exist, but uniform industry adoption remains elusive. In 1997, the American National Standard Institute (ANSI) approved the International Committee for Information Technology Standards (INCITS) uniform health identification card standard, *Identification Cards - Health Care Identification Cards, INCITS 284*. Concurrently, the National Council for Prescription Drug Programs (NCPDP), Standard Identifiers Work Group formed a task group to establish a standard pharmacy ID card. Ultimately, this NCPDP task group adopted the INCITS standard and work began on an implementation guide (IG). The NCPDP Board approved the first release of the *Health Care Identification Card – Pharmacy ID Card Implementation Guide Version 1.0* in 1998. The most current published release of this guide is *Health Care Identification Card – Pharmacy and/or Combination ID Card Implementation Guide Version 3.0.* Subsequent collaboration between the Work Group for Electronic Data Interchange (WEDI) and NCPDP yielded another implementation guide based on the INCITS 284 standard, which incorporates elements necessary for the administration (i.e., eligibility verification, claims processing, etc) of medical and pharmacy benefits, as well as other dual-use cards such as combined healthcare ID card and bank card. The *Health Identification Card Implementation Guide* Version 1.0 was approved by the WEDI Board in November 2007. The WEDI IG characterizes the use of a standard human/machine-readable

47 health ID card "as an **access key** to obtain information and initiate transactions." This characterization applies
48 equally across both human and machine-readable aspects of the card.

49 From a federal regulatory standpoint, these implementation guides and underlying standards are voluntary,
50 although the Medicare Part-D Prescription ID Card Guidelines are based on the NCPDP implementation guide.
51 The NCPDP requirements have also been included, directly or indirectly via reference, in the laws/regulations of
52 more than 20 states. The underlying *INCITS 284* standard, upon which both the WEDI and NCPDP IGs are
53 predicated, is being revised by INCITS to address additional considerations outlined by the WEDI and NCPDP ID
54 card workgroups. The current WEDI and NCPDP IG's incorporate these additional specifications, which include
55 the addition of PDF417 technology as a machine-readable format and removes requirements that the card issuer
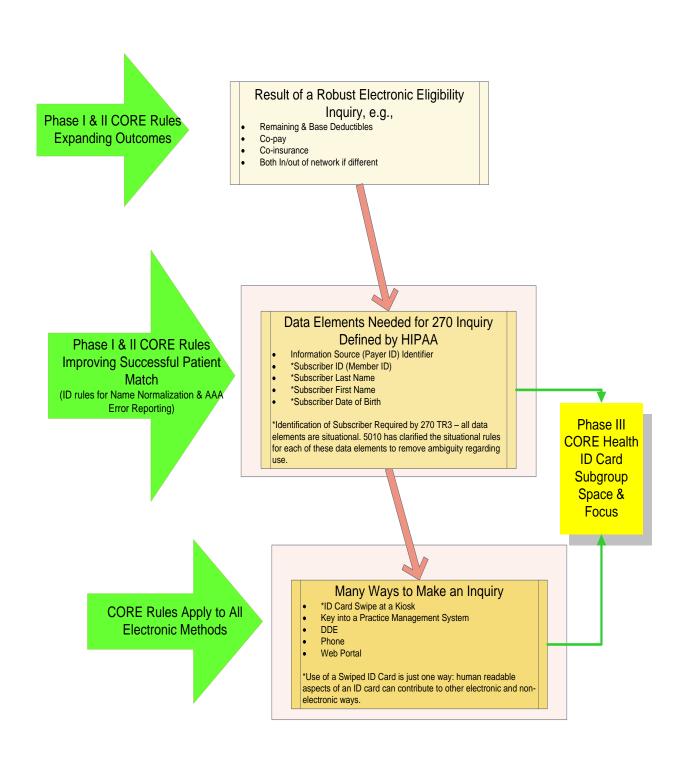56 identifier be the HIPAA national plan identifier.

57 The main objective of standard human/machine-readable ID cards, within the context of the administrative duties
58 of healthcare, is to help streamline inefficient processes and minimize error prone steps that exist in the
59 marketplace today. By enabling more streamlined healthcare administrative processes, some of the efficiency
60 benefits that may be realized through the use of standard human/machine-readable ID cards include:

61 • Improved efficiency in eligibility verification, claim submission and/or other administrative processes
62   (e.g., auto-capturing of data, real-time eligibility verification and claims adjudication facilitation);

63 • Increased automation of administrative processes (e.g., auto-populate or locate patient in provider's
64   database, auto-populate prior authorization requests);

65 • Reduction in claim submission errors as a result of improved eligibility verification processes (10-12% in
66   some cases as cited by CAQH CORE Phase I Measures of Success[1]);

67 • Reduced amount of time patients must spend at point of service waiting for keying/validating.

68 Visual 1 below illustrates how the adoption of standard human/machine-readable ID cards paired with CORE
69 rules could improve various steps within the healthcare administration process. This diagram is a high-level
70 overview and does not include detailed prescription or medical claims transaction workflows.

71 The Phase III CORE Health ID Card Subgroup examined the access key function and analyzed the minimum
72 WEDI IG requirements for human and machine-readable data elements. As a result of this analysis the Subgroup
73 agreed that a Phase III CORE rule should not include requirements for card issuer identifier as industry
74 expectations for role and implementation of this element are unclear at this time. When utilizing the card issuer
75 ID, the WEDI IG should be considered. After Phase III, CORE will continue to work with WEDI and others to
76 address issues related to card issuer ID.

77 CORE members participating in the development of this rule achieved substantial consensus that a Phase III
78 CORE Health Insurance Identification Card Rule should address establishing a foundation for the consistent use
79 of aspects of the WEDI *Health Identification Card Implementation Guide, Version 1.0*, dated November 30, 2007.

80 CORE members further agreed that CAQH-CORE should collaborate with WEDI and other organizations after
81 Phase III CORE rule-writing is completed to identify current industry requirements for both the content and use of
82 health insurance identification cards so that appropriate steps can be taken to resolve outstanding issues.

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[1] *CAQH CORE Phase I Measures of Success Executive Summary and Industry-wide Savings Projection is available at*
http://www.coreconnect.org/pdf/COREIBMstudy.pdf

Visual 1: CORE Contribution to Robust Data Elements Improves Matching and Connection to ID Card Access to this Information

Phase I & II CORE Rules Expanding Outcomes

Result of a Robust Electronic Eligibility Inquiry, e.g.,
- Remaining & Base Deductibles
- Co-pay
- Co-insurance
- Both In/out of network if different

Phase I & II CORE Rules Improving Successful Patient Match
(ID rules for Name Normalization & AAA Error Reporting)

Data Elements Needed for 270 Inquiry Defined by HIPAA
- Information Source (Payer ID) Identifier
- *Subscriber ID (Member ID)
- *Subscriber Last Name
- *Subscriber First Name
- *Subscriber Date of Birth

*Identification of Subscriber Required by 270 TR3 – all data elements are situational. 5010 has clarified the situational rules for each of these data elements to remove ambiguity regarding use.

Phase III CORE Health ID Card Subgroup Space & Focus

CORE Rules Apply to All Electronic Methods

Many Ways to Make an Inquiry
- *ID Card Swipe at a Kiosk
- Key into a Practice Management System
- DDE
- Phone
- Web Portal

*Use of a Swiped ID Card is just one way: human readable aspects of an ID card can contribute to other electronic and non-electronic ways.

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85
86

3   Scope

3.1   Time Frame for Rule Compliance

Not later than the date that is 24 months after the date of certification, a CORE-certified entity which issues medical health insurance identification cards must ensure that at least 90% of all cards for beneficiaries with active coverage comply with this rule.

If a CORE-certified entity that does not issue medical health insurance identification cards at time of certification begins issuing cards subsequently, the timeframe for compliance with this rule is based on the date of certification.

3.2   Assumptions

The WEDI *Health Identification Card Implementation Guide*, Version 1.0, dated November 30, 2007[2,3] (hereafter referred to as WEDI IG) *is used as a source of information for determining the data element requirements specified in §4.1 and §4.2* of this CORE rule since it represented general industry consensus at the time of its publication. Therefore, this CORE rule is not adopting the WEDI IG and rather is requiring compliance only with portions of the WEDI IG which address the data elements specified in §4.1 and §4.2.

3.3   When the Rule Applies

This rule applies when a CORE-certified entity issues a medical health insurance identification card for beneficiaries with active coverage.

3.4   What the Rule Applies To

This CORE rule applies only to the data elements specified in §4. 1 and §4.2 of this rule which are described and defined in the WEDI IG. See the WEDI IG for a complete listing of all data addressed by the WEDI IG.

This rule does not apply to the Card Issuer Identifier which is defined in the WEDI IG.

3.5   What the Rule Does Not Require

This rule does not require any CORE-certified entity to issue a medical health insurance identification card for all beneficiaries with active coverage. Some self-funded employers may have specific requirements for medical health insurance identification cards that do not comply with this rule.

If a CORE-certified entity issues a health insurance identification card, this rule does not

- Require the use of any data element from a health insurance identification card to populate the HIPAA-adopted 005010X279 Health Care Eligibility and Benefits Inquiry and Response (270/271) Transaction Technical Report Type 3

Or

- Prohibit the use of any data element from a health insurance identification card to populate the HIPAA-adopted 005010X279 Health Care Eligibility and Benefits Inquiry and Response (270/271) Transaction Technical Report Type 3.

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[2] *The WEDI IG can be downloaded from the WEDI web site at http://www.wedi.org/snip/public/articles/WEDI-Health-ID-Card-Approved.pdf*
[3] *CORE rules will be considered for modification when an underlying standard, or specification version referenced in the rule changes based on a CORE review of the newer version. The WEDI IG is an example of one such reference.*

120 If a CORE-certified entity issues a health insurance identification card, this rule does not require the card to
121 contain any machine-encoded data.

3.6 Outside the Scope of This Rule

123 The Card Issuer Identifier data element specified in the WEDI IG is out of scope and not addressed by this CORE
124 rule.

125 The technology (See §6.1 Abbreviations and Definitions) for machine-encoding of any data is out of scope and
126 not addressed by this CORE rule.

127 All other specifications, requirements and aspects of the WEDI IG beyond the explicit requirements specified in
128 §3 and §4 of this rule are out of scope and not addressed by this CORE rule (See §4.3 for guidance if issuing
129 machine-readable ID cards).

3.7 How the Rule Relates to CORE Phase I and II

131 This rule adds to the Phase I and II CORE rules by specifying the minimum requirements for CORE-certified
132 entities that issue health insurance identification cards.

133 As with other Phase I and Phase II rules, general CORE policies also apply to Phase III rules and will be outlined
134 in the CORE Phase III rule set. The CORE policies include:

135 • Certification testing for each stakeholder wishing to be awarded a CORE-certified Seal;

136 • Entities seeking CORE-certification may use a contracted party to meet CORE rules, e.g., some providers
137 meet CORE connectivity requirements via their vendor products;

138 • A health plan system exemption policy for system migration;

139 This rule supports the CORE Guiding Principles that

140 • CORE rules
141 o will not be based on the least common denominator but rather will encourage feasible progress
142 o are a floor and not a ceiling, e.g., certified entities can go beyond the Phase III rules
143 o are expected to evolve; Phase I was a starting point and each phase builds upon earlier phases

144 • All CORE recommendations and rules will be vendor neutral.

4 Draft Rule Requirements

4.1 Basic Requirements for Specified Health Insurance Identification Card Human-Readable Data Elements

148 A health insurance identification card issued by a CORE-certified entity must comply with the WEDI IG
149 specifications and requirements for the **human-readable data elements** listed in Table 4-1. The use of any data
150 element defined as situational in the WEDI IG shall be determined by the card issuer.

151

153 **Table 4-1 – CORE Requirements for Specified Human-Readable Data Elements**

Data Element Name[4]
Required by WEDI IG
Card issuer name or logo
Cardholder Identifier (See §4.2)
Cardholder Name (See §4.2)
Contact telephone number(s) for benefit eligibility inquiry, patient assistance, claim inquiry, pre-certification, etc.
Name(s) and address(es) *such as* claims submission address
Type, purpose, and supple-mental benefits, e.g. PPO, Vision, Dental
Situational by WEDI IG
Dependent name
Medicare Part-D Logo, CMS contract number, Pharmacy Benefit Package #
Proprietary Policy Number, Group Number, or Account
Recommended by WEDI IG
Cardholder Date of Birth

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155 **4.2   Basic Requirements for Specified Health Insurance Identification Card Machine-Encoded Data**
156 **Elements**

157 When a health insurance identification card issued by a CORE-certified entity **includes machine-encoded data**
158 the machine-encoded data elements listed in Table 4-2 must comply with the WEDI IG specifications and
159 requirements.

160

161 **Table 4-2 – CORE Requirements for Specified Machine-Encoded Data Elements**

Data Element Name[4]
Required by WEDI IG
Cardholder Identifier
Cardholder Name

162

163 **4.3   Guidance for Health Insurance Identification Card Issuers of Machine-Readable Cards**

164 The WEDI IG should (See §6.1 and §6.2) be considered by entities whenever issuing machine-readable medical
165 health insurance identification cards.

166 **5   Conformance Requirements**

167 Conformance with this rule is considered achieved when all of the required detailed step-by-step test scripts
168 specified in the CORE Phase III Certification Test Suite are successfully passed.

169 For Phase III, the certification testing approach is similar to the Phase I and Phase II testing approach. In Phase I
170 and Phase II, entities were not tested for their compliance with all sections of a rule, rather just certain sections as
171 testing is not exhaustive and is paired with the CORE Enforcement policy. CORE certification requires entities to
172 be compliant with all aspects of the rule when working with all trading partners, unless the CORE-certified entity
173 has an exemption. Refer to the CORE Phase III Certification Test Suite for details.

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[4] *Refer to the WEDI IG for definitions and requirements for these data element names.*

6   Appendix

6.1   Abbreviations and Definitions Used in this Rule

Card Issuer – in the context of the WEDI IG, identifies the authority or sponsor who is responsible for issuance of the card.

Discretionary – in the context of the WEDI IG, means the information may or may not be included at the card issuer's discretion.

Required – in the context of the WEDI IG, means that in order to conform the information shall be included.

Recommended – in the context of the WEDI IG, means the information is discretionary, but inclusion is recommended to achieve the card's objectives.

Should – as used in this CORE rule means that valid reasons or circumstances may exist for ignoring the WEDI IG, but the full implications must be understood and carefully weighed before choosing a different course.

Situational – in the context of the WEDI IG, means the information is required if the situation pertains, but it is discretionary otherwise.

Technology – as used in this CORE rule means the method or technique used to encode data for machine readability on a health insurance identification card, e.g., PDF 417 bar code or magnetic stripe.

6.2   References

- ASC X12 005010X279 Health Care Eligibility and Benefits Inquiry and Response (270/271) Transaction Technical Report Type 3

- Internet Engineering Task Force (IETF) *RFC 2119 Key Words* to Indicate Requirement Levels

- WEDI *Health Identification Card Implementation Guide,* *Version 1.0*, dated November 30, 2007

- NCPDP *Health Care Identification Card – Pharmacy and/or Combination ID Card Implementation Guide Version 3.0* (www.ncpdp.org)