

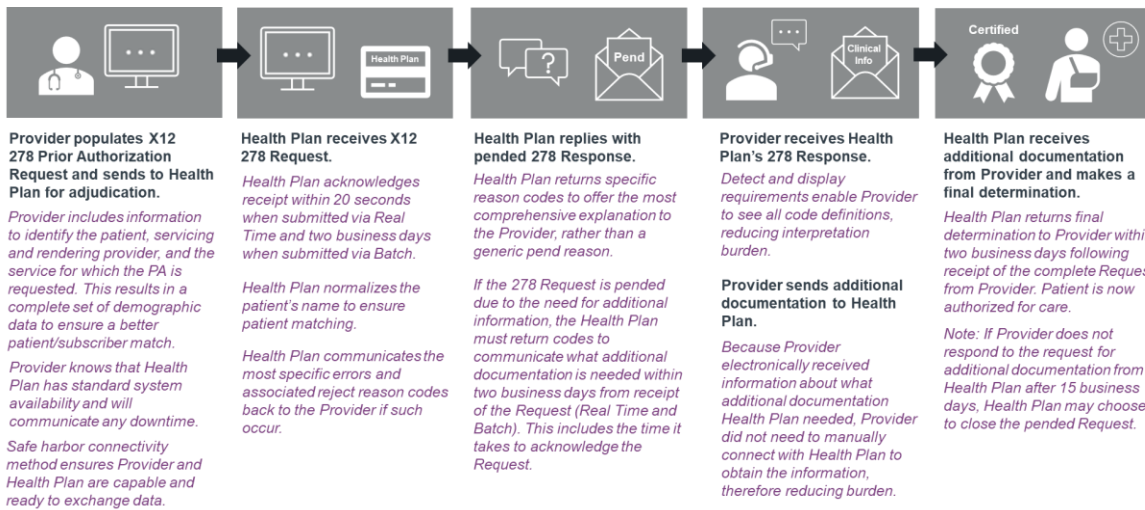
Impact of the Proposed CAQH CORE Prior Authorization & Connectivity Operating Rules

In a [February 2020 letter](#) to NCVHS, CAQH CORE proposed three Prior Authorization & Connectivity Operating Rules for federal mandate under HIPAA that standardize components of the prior authorization process by closing gaps in electronic data exchange to enable a more automated adjudication of a request. Additionally, the CAQH CORE Connectivity Rule vC3.1.0 establishes a safe harbor connectivity method that drives industry alignment by converging on common transport, message envelope, security, and authentication standards.

CAQH CORE Operating Rules Proposed to NCVHS – 2020 ¹	
Old Phase-based Operating Rule Name	Updated Business Transaction-based Operating Rule Name
CAQH CORE Prior Authorization (278) Data Content Rule v5.0.0 (Phase V)	CAQH CORE Prior Authorization & Referrals (278) Data Content Rule vPA.1.0
CAQH CORE Prior Authorization (278) Infrastructure Rule v4.1.0 (Phase IV)	CAQH CORE Prior Authorization & Referrals (278) Infrastructure Rule vPA.2.0
CAQH CORE Connectivity Rule v4.0.0 (Phase IV)	CAQH CORE Connectivity Rule vC3.1.0

- The Prior Authorization (278) Infrastructure & Data Content Operating Rules:**
 - Ensure electronic prior authorization information is shared in an organized and trusted way, consistent with CAQH CORE infrastructure requirements for other administrative transactions.
 - Set clear expectations on response times for initial response, requests for additional documentation, and final determinations enabling timelier patient care.
 - Enhance and standardize the data shared between plans and providers, eliminating unnecessary back and forth, enabling shorter adjudication timeframes and fewer resources spent on manual follow-up.
 - Enable the health plan to clearly communicate next steps in the prior authorization process, including what additional documentation is needed.
- The CAQH CORE Connectivity Rule vC3.1.0 (applied to eligibility, claim status, ERA, and prior authorization):**
 - Ensures Provider and Health Plan are capable and ready to exchange data via safe harbor connectivity method – reducing trading partner onboarding. The rule does not require entities to remove existing connections.
 - Reduces complexity and simplifies interoperability by requiring a single envelope standard.
 - Improves security by requiring use of digital certificates for authentication and removing the security vulnerable username + password in machine to machine data exchange.
 - Enhances the communication of errors with updated error codes.
 - Enables a common connectivity method across transactions with federally mandated operating rules.

A “Day in the Life” of an X12 278 Using the Proposed Operating Rules²



¹ In May 2020 CAQH CORE adopted a [New Operating Rule Structure](#) organized by business transaction rather than phases. No substantive changes were made to the rule requirements.

² Purple text indicates impact of the proposed operating rules on the X12 278 request and response.

CAQH CORE Prior Authorization Operating Rules: Requirements & Scope

	Prior Authorization (278) Infrastructure Rule ³	Prior Authorization (278) Data Content Rule ⁴
Requirements	<ul style="list-style-type: none"> A minimal amount of time that systems must be available to receive and send data. Acknowledgement to ensure transaction is received and will be addressed. Required response times for acknowledgement and processing for both real-time and batch submissions including timeframes for initial response, requests for additional documentation, and final determination plus an optional closeout timeframe. Common companion guide template for providing information about proprietary data exchange systems. Offering at least one common method of connectivity (i.e., safe harbor). 	<ul style="list-style-type: none"> Consistent patient identification and verification. Return of specific error and action codes when certain errors are detected on the Request. Return of decision reason codes to provide a clear explanation to the submitter. Use of codes (can be LOINC or PWK) to provide clear direction to the provider on status and what information is needed for adjudication. Detection and display of all code descriptions to reduce burden of interpretation.

Evolution of CAQH CORE Connectivity Rule Requirements & Scope

CAQH CORE proposed that the CAQH CORE Connectivity Rule vC3.1.0 replace current regulations mandating support for CAQH CORE Connectivity Rules vC1.1.0 and vC2.2.0 for eligibility, claims status, and ERA and also apply to prior authorization.

Connectivity Rule Area	CAQH CORE Connectivity vC1.1.0	CAQH CORE Connectivity vC2.2.0	CAQH CORE Connectivity vC3.1.0
Network	Internet	Internet	Internet
Transport	HTTP	HTTP	HTTP
Transport Security	SSL	SSL 3.0 with optional use of TLS 1.x	SSL 3.0, or optionally TLS 1.1 or higher Entities that must also be FIPS 140-2 compliant or that require stronger transport security may implement TLS 1.1 or higher in lieu of SSL 3.0
Submitter (Originating System or Client) Authentication	Name/Password	UserName + Password OR X.509 Digital Certificate	X.509 Digital Certificate based authentication over SSL/TLS <i>Removed Username + Password</i>
Envelope and Attachment Standards	Unspecified	SOAP 1.2 + WSDL 1.1 and MTOM (for Batch) OR HTTP+MIME	SOAP 1.2 + WSDL 1.1 and MTOM (for both Real Time and Batch) <i>Removed HTTP+MIME</i>
Envelope Metadata	Unspecified	Metadata defined (Field names, values) (e.g., <i>PayloadType, Processing Mode, Sender ID, Receiver ID</i>)	Metadata defined (Field names, values) (e.g., <i>PayloadType, Processing Mode, Sender ID, Receiver ID</i>) SHA-1 for Checksum FIPS 140-2 compliant implementations can use SHA-2 for checksum.
Message Interactions/ Routing	Real-time Batch (Optional if used)	Real-time Batch (Optional if used)	Batch and Real-Time processing requirements defined for each transaction Generic push and pull interactions
Acknowledgements, Errors	Specified	Enhanced vC1.1.0, with additional specificity on error codes	Errors Codes updated
Basic Conformance Requirements for Client/Server Roles	Minimally specified	Well specified	Well specified
Response Time	Specified	Maintained vC1.1.0 time requirements	Maintained vC1.1.0 time requirements
Connectivity Companion Guide	Specified	Enhanced vC1.1.0, with additional recommendations	Enhanced vC1.1.0, with additional recommendations

³ Prior authorizations covered by retail pharmacy benefit are out of scope; Section 4.4 and 4.5 requirements do not apply to emergency / urgent requests and retrospective reviews / appeals.

⁴ Prior authorizations covered by retail pharmacy benefit, specific to emergency / urgent requests, and referral requests are out of scope.