



# CAQH CORE Town Hall

Wednesday,  
August 24th, 2016  
2:00 – 3:00 PM ET

# Session Outline

- Welcome and Introduction
- Latest Developments
- Mandated Rule Maintenance: CORE Code Combination Activities to Improve Denial Management
- Phase IV Implementation: Why and How
- Go Above and Beyond: Voluntary CORE Certification
- Education & Outreach
- Q&A

CAQH  
CORE

# Latest Developments

**Gwendolyn Lohse**  
Managing Director, CAQH CORE

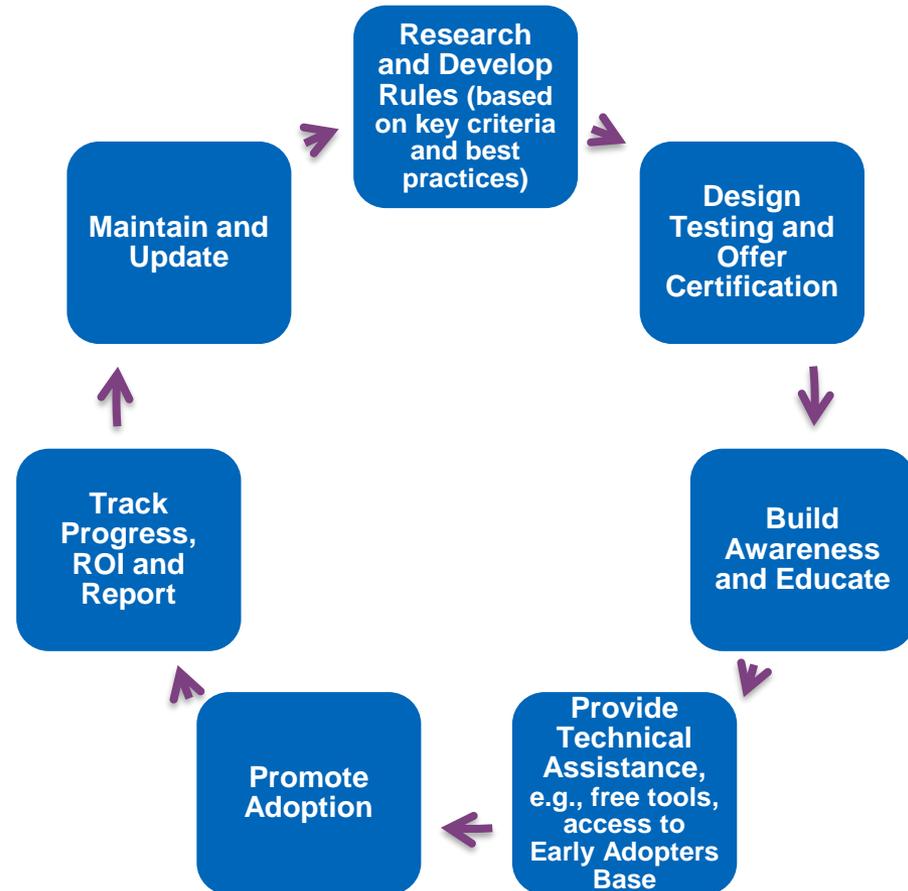
# Mission and Vision

**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.

**VISION** An industry-wide facilitator of a trusted, simple and sustainable healthcare data exchange that evolves and aligns with market need.

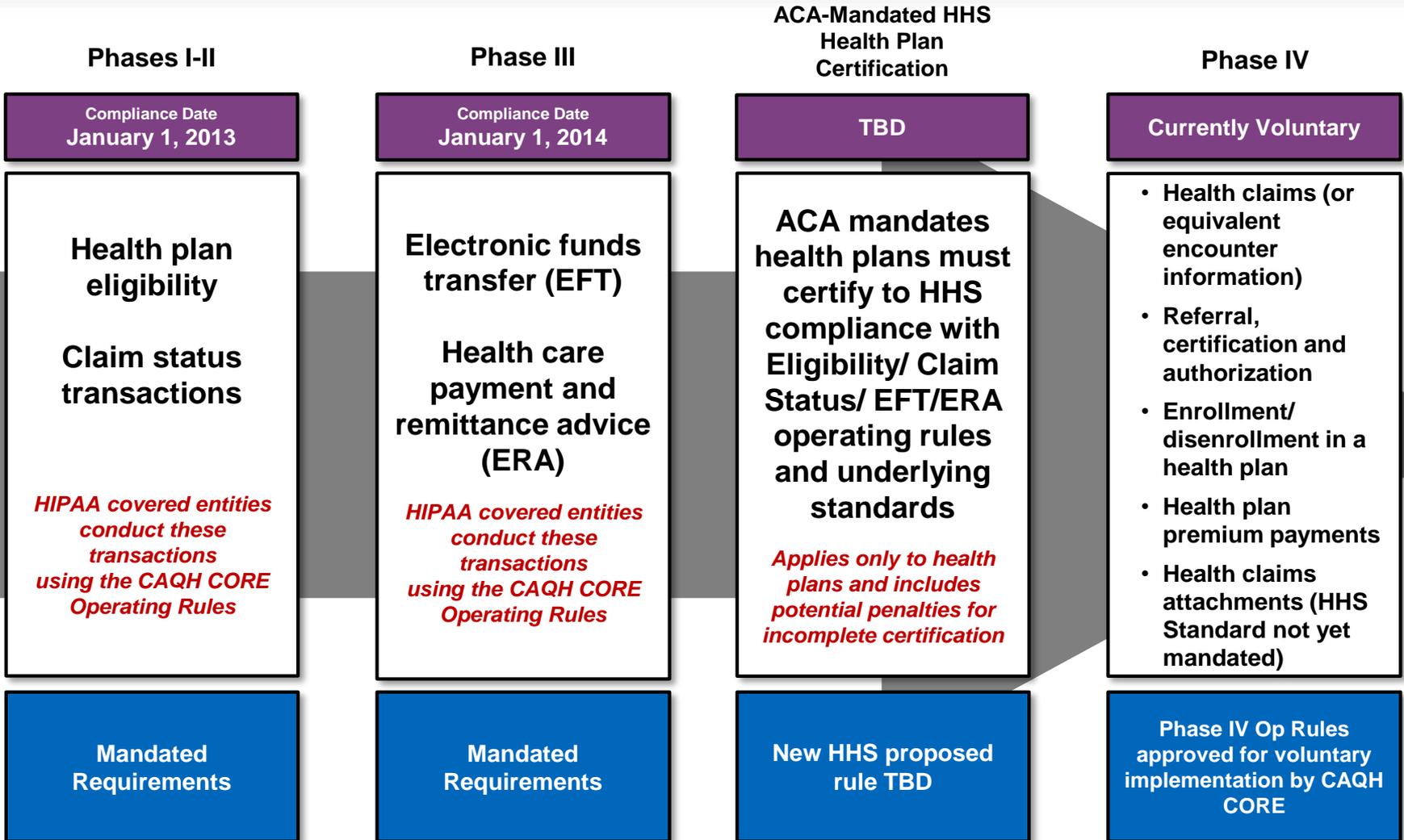
**DESIGNATION** Established in 2007. Named by Secretary of HHS to be national author for three sets of operating rules mandated by the Affordable Care Act.

**BOARD** Multi-stakeholder. Voting members are HIPAA covered entities, some of which are appointed by associations such as AHA, AMA, MGMA. Advisors are non-HIPAA covered, e.g. SDOs.



# ACA Mandated Operating Rules and Certification

## Significant Change over Short Period of Time



# CAQH CORE Operating Rule Requirements

INFRASTRUCTURE	CONTENT
Connectivity & Security	Supports use of recognized standards that can deliver valuable structured data, e.g., remaining deductible via X12, trace number in NACHA CCD+
Response Time (Batch/Real-time)	
System Availability	
Exception Processing Error Resolution	
Roles & Responsibilities	
Companion Guides	
Acknowledgements	

Developed to facilitate administrative interoperability by building upon recognized standards and ensuring benefit for each critical stakeholder.

Compliment and support healthcare and industry neutral standards— they *do not repeat or reiterate standards*.

Used by other industries.

**Infrastructure rules** apply across transactions – establishing basic expectations on how the US data exchange “system” works, e.g. ability to track response times across all trading partners, safe harbor security. *Infrastructure rules can be used with any version of a standard.*

**Content rules** support the exchange of valuable data that allow stakeholders to access information needed to manage an agile process; rules can address ongoing maintenance, setting expectation of evolution. *Content supports further use of base standards.*

# CAQH CORE Phase I – IV

## Establishing National Expectations

	Addressed as part of Phase I-III				Addressed as part of Phase IV			
	Eligibility*	Claim Status	ERA* <small>(aligns with EFT)</small>	EFT <small>(aligns with ERA)</small>	Prior Authorization	Claims	Enrollment/ Disenrollment	Premium Payment
<b>Processing Mode</b>	<i>Real Time <u>Required</u>; Batch <u>Optional</u></i>		<i>Batch <u>Required</u></i>	CORE EFT Rules support the ACH CCD+. The CCD+ transaction uses the ACH Hub/Network.  NACHA writes Operating Rules that refer to/are aligned with CAQH CORE operating rules, e.g., the NACHA Operating Rules require delivery of key data required for EFT/ERA reassociation.	<i>Batch OR Real Time <u>Required</u></i>	<i>Batch <u>Required</u>; Real Time <u>Optional</u></i>		
<b>Batch Processing Mode Response Time</b>	If Batch Offered		X		If Batch Offered	X	X	X
<b>Batch Acknowledgements</b>	If Batch Offered		X		If Batch Offered	X	X	X
<b>Real Time Processing Mode Response Time</b>	X	X	N/A		If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered
<b>Real Time Acknowledgements</b>	X	X	N/A		If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered
<b>Safe Harbor Connectivity and Security</b>	X	X	X		X	X	X	X
<b>System Availability</b>	X	X	X		X	X	X	X
<b>Companion Guide Template</b>	X	X	X		X	X	X	X
<b>Other Infrastructure</b>	Enhanced patient identification and error reporting requirements	N/A	Dual delivery with paper remittance Access to key EFT/ERA reassociation data Elapsed time between release of EFT & ERA Max set of enrollment data and electronic enrollment method	Elapsed time between release of EFT & ERA  Max set of enrollment data and electronic enrollment method  Access to key EFT/ERA reassociation data	N/A	Include guidance for COB in companion guide	Timeframe requirements to process data after successful receipt and verification of transaction	Timeframe requirements to process data after successful receipt and verification of transaction

\*CAQH CORE Operating Rules for Eligibility and ERA also address data content requirements, e.g. year to date deductibles, claim denial/remark code combinations.

# Phase IV CAQH CORE Operating Rules

## Timeline

November 2013-  
October 2015

### CAQH CORE Phase IV Rule Writing

- Updated NCVHS on progress throughout the rule writing process, including testifying on the status at three hearings, and sharing both an overview and copies of the draft rule requirements (draft rules also on public website).
- In October 2015, the final Phase IV rules were submitted to NCVHS for consideration, along with a letter from CAQH CORE outlining support; 90% participation, 88% approval in final voting, including health plans representing over 70% of the commercially insured and Medicare/Medicoids. Of the nearly 140 participants, 98% cast a ballot during process.

February – March  
2016

### NCVHS Hearing on Phase IV Operating Rules

- The final NCVHS hearing on Phase IV was in February 2016. Some testifiers recommended that NCVHS wait, add or reduce Phase IV requirements.
- In response, the multi-stakeholder CAQH CORE Board [sent a letter to NCVHS on March 31<sup>st</sup>](#) addressing concerns about waiting or expanding scope, and support for Phase IV for federal mandate.

June - July 2016

### NCVHS Recommendation and CAQH CORE Response

- On June 7<sup>th</sup>, NCVHS issued a [draft letter to the Secretary of HHS](#) recommending the support of voluntary adoption and use of the Phase IV rules, and that CAQH CORE modify or remove specific requirements, and pursue new ones.
- In response, the CAQH CORE Board Chair and Vice Chair [sent a letter to NCVHS on June 13<sup>th</sup>](#) requesting NCVHS recognize the consensus and positive momentum built by CAQH CORE and clarify if NCVHS was questioning the ACA statutory language or existing operating rule regulations.
- On July 5<sup>th</sup>, NCVHS issued a [final letter to the Secretary of HHS](#) on the electronic healthcare attachment standard, and on July 6<sup>th</sup>, NCVHS issued a [final letter to the Secretary of HHS](#) on the Phase IV rules.
- The CAQH CORE Board [submitted a letter to HHS on July 29, 2016](#) reiterating its full support for mandating the adoption of the Phase IV CAQH CORE Operating Rules and rationale

# Memo from CORE Chair: Phase IV General Update

## NCVHS Recommendation and CAQH CORE Board Response

On July 6, 2016, the National Committee on Vital and Health Statistics (NCVHS) delivered a [letter](#) to the Health and Human Services (HHS) Secretary outlining its recommendations regarding adoption of the Phase IV CAQH CORE Operating Rules, per Section 1104 of the Affordable Care Act (ACA). In summary, NCVHS recommended that the Secretary *strongly support voluntary* industry adoption and use of the Phase IV Rules and not adopt the rules via federal regulation at this time.

In response to this NCVHS recommendation, the multi-stakeholder, executive-level [CAQH CORE Board](#) issued a [letter](#) to the HHS Secretary reiterating their support for federal adoption of the Phase IV Rules. The letter was addressed to HHS, as HHS is the entity responsible for determining any next steps for ACA regulations. In its letter, the CAQH CORE Board outlined how the NCVHS recommendation to support only *voluntary* adoption of Phase IV at this time challenges the spirit, scope and purpose of operating rules as outlined in the ACA. Moreover, the Board emphasized that the entities that actively participated in rule writing – including entities that represent more than 70% of the commercially insured – wrote the Phase IV Rules as a key and achievable step towards a national set of “rules of the road” for exchanging HIPAA transactions. In sum, the CAQH CORE Board noted that the Phase IV Operating Rules:

- Meet the spirit and legislative requirements of the ACA with respect to operating rules;
- Meet the statutory definition for operating rules;
- Support the goals of administrative simplification, including efficiency and cost savings;
- Provide a much needed set of foundational requirements that are proven good business practices and, as reiterated by the Board, an initial step towards more advanced steps; and
- Received an unprecedented approval by an overwhelming 90% of the CAQH CORE Participating Organizations, which are entities that implement the operating rules.

## Next Steps for CAQH CORE

In its role as designated ACA operating rules author, and as a voluntary industry-driven collaboration, the CAQH CORE Board is committed to maintaining momentum and building on the tremendous support established by Phases I-IV. Current efforts to adopt Phases I-III will move forward (e.g., see [map](#) of CORE-certified Medicaid agencies), while a number of additional efforts are underway to specifically support CAQH CORE’s ongoing commitment to Phase IV including:

- *Phase IV implementation support, adoption and tracking:* Early adopters are currently beta testing the Phase IV Voluntary CORE Certification test site; industry-wide certification is expected to be available in early Fall 2016. Additionally, a range of implementation tools are being made available such as case studies by early adopters, FAQs and Gap Analysis tools.
- *Building on the Phase IV rule set:* The CAQH CORE Board and the CAQH CORE Participants were very clear with NCVHS and HHS that Phase IV is an initial step for some of the transactions with lower adoption. Specifically, Phase IV establishes a foundational set of requirements and industry expectations for prior authorization such as response time, connectivity, companion guides, and system availability. To achieve full cost savings in moving to electronic transactions, additional operating rules (e.g., data content, format requirements, etc.) are needed. A catalogue of potential opportunities based on a range of sources, including NCVHS testimonies, has been drafted. A small advisory group of CAQH CORE Participants is being established to help design the approach for evaluating these opportunities.

We look forward to collaborating with you on this important work as well as on other future focus areas such as value-based payments. Thank you, again, for your continued support for and commitment to the Phase IV CAQH CORE Operating Rules.

# CAQH CORE Future Focus

## Evolve Ongoing Efforts

**Meet its strong commitment to its role as HHS designated operating rule author: Rule maintenance, and understanding/ adoption of Phase I-IV and, when appropriate, Attachments.**

## Identify, Prioritize and Execute Future Work

**Based on its collaborative mission, develop potential new operating rules, e.g., Prior Authorization.**

**Address the potential need for new operational activities and approaches to support data exchange in emerging payment models.**

# CAQH CORE Operating Rules Future Work

## *Prior Authorization – Additional Rules*

- The Phase IV CAQH CORE Operating Rule addressing the ASC X12N v5010 278 establishes a foundational set of requirements and industry expectations for prior authorization, e.g. response time, connectivity, companion guides, etc.
  - Given this transactions low adoption rate of about 10% (see [2015 CAQH Index Report](#)), basic expectations for the exchange of this transaction are a needed initial step.
- Per its commitment, CAQH CORE is launching an effort to consider additional, voluntary prior authorization operating rules that will build off the Phase IV requirements given:
  - Phase IV represents multi-stakeholder compromise and consensus on a foundational set of requirements, exactly as the ACA intended. This approach is especially important for prior authorization, a complex transaction that calls for an iterative process and successive milestones. Without basics like response times and time stamping, more advanced goals will be even more difficult to define and implement, and cost savings will continue to elude the industry.
  - The CAQH CORE Board is committed to developing additional operating rules that will promote standardization of the complex prior authorization process and accelerate industry adoption of this HIPAA transaction. The Phase IV Operating Rules are the initial foundation of this commitment.
  - The NCVHS recommended additional prior authorization operating rules in its July letter to the Secretary of HHS; moreover, CAQH CORE has collected a range of potential opportunities.
  - Given current adoption data, there is significant opportunity to improve industry ROI for prior authorization through increased adoption.

# CAQH CORE Operating Rules Future Work

## *Prior Authorization - Timeline*

- The CAQH CORE Participants will consider additional, voluntary operating rules for the ASC X12N v5010 278 beyond infrastructure requirements using its consensus-based, transparent rule development processes. Prior to the launch of any rule development efforts, CAQH CORE will conduct outreach via a two-part environmental scan to ensure understanding of the current barriers to adoption and how operating rules might have an impact to drive adoption.
- Three categories of requirements will be considered to increase electronic prior authorization:
  - Data content operating rules, formats, and/or role of the prior authorization “hubs”.
- Key activities:
  - **September:** Form a Prior Authorization Advisory Group of four to six organizations that have implemented and are using the ASC X12N v5010 278
  - **October-December:** Conduct environmental scan via CORE Participant survey and interviews
  - **By end of 2016:** Launch effort via a CAQH CORE Subgroup (Focus/process TBD)

Interested in participating in the environmental scan? Email [core@caqh.org](mailto:core@caqh.org)

# CAQH CORE Operating Rules Future Work

## *Value-based Payments – Timeline*

- While CAQH CORE will continue its focus on driving down unnecessary costs from fee-for-service (FFS) data exchange, future focus also needs to address new operational activities to support data exchange for evolving Value-based Payment (VBP) models.
- CAQH CORE is undertaking its work on VBP in four stages:
  - **Stage 1 (Q4 2015 – Q1 2016):** Study of VBP operational capabilities via secondary research and Board dialogue. Identified seven potential operational areas for industry action.
  - **Stage 2 (Q1 – Q3 2016):** Conduct primary research. Interview ~30 entities experienced in VBP to confirm, refute, and/or add to identified potential areas for industry action.
  - **Stage 3 (Q3 2016):** Publish outcomes. Prioritize focus for CAQH CORE action and/or recommendations for others in industry to take action.
  - **Stage 4 (Q4 2016 and Onward):** Develop CAQH CORE effort and/or support industry in implementing recommendations.
- CAQH CORE Participating Organizations and industry engagement are key to this work; participants will need to prioritize potential VBP efforts and consider alignment with prioritization of ongoing FFS needs.

# CAQH CORE Operating Rules Future Work

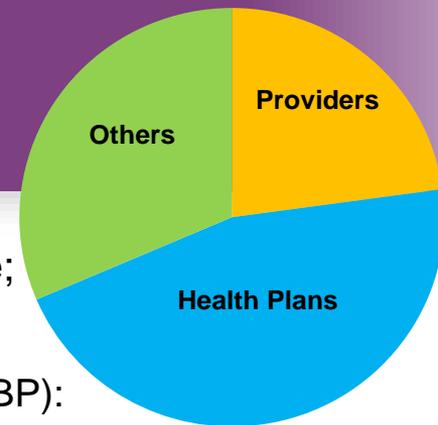
## *Value-based Payments – Potential Areas for Industry Action*

### **Stage 1 Research Identified Seven Potential Areas for Industry Action to Achieve Success with VBP**

- Common data sets (e.g., numerators and denominators for defining patient, population, etc.)
- Standard terms/processes for patient/beneficiary/provider identification
- Infrastructure rules needed (e.g., security, connectivity, etc.)
- Process rules (e.g., task definitions, workflows)
- Library of strategies for patient risk stratification (including rules used and scenarios for patient attribution)
- Directory of VBP best practices
- Catalog for VBP (quality and/or business) measures

# CAQH CORE Operating Rules Future Work

## Value-based Payments – Scope of Interviews



- Nearly 15 structured interviews completed to date with more in pipeline; interviewees include:

- Different types of organizations (including a few that have discontinued VBP):

Providers	Health Plans	Vendors	Consumers	Policy Leaders
-Hospitals -Systems -Physicians	-Medicare/Medicaid/MA -Blues -Commercials	-Data banks/ analytics -HIEs -Population health	-Employers -Patients	-CMS Innovation Center -Associations -Think Tanks

- Different types of VBP structures:

Fee-For-Service	Pay-For-Performance	Patient-centered Medical Home	Shifting Financial Risk/ACO				Provider-Sponsored Health Plan
			One-Sided (Shared Savings)	Bundled (Episode) Payments	Two-Sided (Shared Risk)	Full Risk (Capitation)	
Incentive Payment			Transfer of Risk				

- Mix of organizations that are/are not part of an ACO, Clinically Integrated Network (CIN), Patient Centered Medical Home (PCMH)
- Mix of duration of VBP experience; proportion of patients/beneficiaries included in VBP; market types (e.g., competitive/not competitive); and level of success
- Geographical diversity and affiliation with/without HIEs

# CAQH CORE Operating Rules Future Work

## *Value-based Payments – Mid-way Findings*

- Industry is challenged by lack of shared terminology for terms used for value-based programs, including how specific VBP models are defined.
- Still a very significant proportion of payments in FFS; some interviewees suggest PPO and HMO models are VBP models that have existed for a long time.
- Predominant VBP models in use:
  - Pay-for-performance (i.e., FFS model with incentives/bonuses) is the norm, although entities recognize that this is not fully shifting risk
  - Bundled payments advancing more rapidly than other forms of shifting risk
- Wide range of variation in adoption status with a lot of experimenting and innovation.
- Potential areas for action identified by CAQH CORE resonate well, especially definitions and data sets, e.g., Provider data including who is PCP, who is at-risk, physician/entity contract/location relationship.

# Polling Question #1

**Assuming the Phase IV foundational infrastructure requirements are in place, what do you consider the greatest ROI opportunity for additional prior authorization operating rules?**

1. Data content
2. Format requirements
3. Prior authorization “hubs”
4. Other

CAQH  
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# **Mandated Rule Maintenance**

## **CORE Code Combination Activities to Improve Denial Management**

**Robert Bowman**  
Associate Director

**Omoniyi Adekanmbi**  
Project Manager

# CAQH CORE Code Combinations Maintenance

## What is this?

CAQH CORE is responsible for maintaining the *CORE Code Combinations* via the CORE Code Combinations Maintenance Process.

Health plans deny or adjust claims via combinations of claim denial/adjustment codes sets that are meant to supply the provider with the necessary detail regarding the payment or denial of the claim.

### CARC

Claim  
Adjustment  
Reason  
Codes

Provides the reasons for positive/negative financial adjustment to a claim.

- This list is maintained by the Codes Maintenance Committee.

### RARC

Remittance  
Advice  
Remark  
Codes

Provides supplemental information about why a claim or service line is not paid in full.

- This list is maintained by CMS.

### CAGC

Claim  
Adjustment  
Group  
Codes

Categorizes the associated CARC based on financial liability. There are only 4 CAGCs identified for use with the claim: PR-Patient responsibility; CO – Contractual Obligations; PI – Payor Initiated Reductions and OA – Other Adjustments.

- This list is maintained by the ASC X12 Standards.

# CAQH CORE Code Combinations Maintenance

## *Why was this needed?*

There was extensive confusion throughout the healthcare industry regarding the use of these codes.

Providers did not receive the same uniform and consistent CARC/RARC/CAGC combinations from all health plans requiring manual intervention.

Providers were challenged to understand the hundreds of different CARC/RARC/CAGC combinations, which can vary based upon health plans' internal proprietary codes and business scenarios.

Decisions on the CARC and/or RARC used to explain a claim payment business scenario were left to the health plans, lending a high level of subjectivity and interpretation to the process.

Codes are updated three times a year, so many plans and providers were not using the most current codes and continued to use deactivated codes.

The industry determined that the healthcare industry required operating rules to establish requirements for the consistent and uniform use of these codes.

# CAQH CORE Code Combinations Maintenance

## *Improve Denial Management Process*

This consistent and uniform use of the codes for electronic reporting of claims denials and adjustments help to mitigate:

Unnecessary manual provider follow up	Faulty electronic secondary billing	Inappropriate write-offs of billable charges	Incorrect billing of patients for co-pays and deductibles	Posting delays
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This effort has led to demonstrated improvements:

Less staff time spent on phone calls and websites and greater process automation	Increased ability to conduct targeted follow-up with health plans and/or patients	More accurate and efficient payment of claims
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More work is still needed....

# CAQH CORE Code Combinations Maintenance

## Body of Work

### CORE Business Scenario #1:

Additional Information Required – Missing/Invalid/Incomplete Documentation (~365 code combos)

### CORE Business Scenario #2:

Additional Information Required – Missing/Invalid/Incomplete Data from Submitted Claim (~390 code combos)

### CORE Business Scenario #3:

Billed Service Not Covered by Health Plan (~810 code combos)

### CORE Business Scenario #4:

Benefit for Billed Service Not Separately Payable (~60 code combos)

## CAQH CORE Compliance-based Reviews

Stability of *CORE Code Combinations* maintained

- 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)

## CAQH CORE Market-based Reviews

Supports ongoing improvement of the *CORE Code Combinations*

- Occur 1x per year
- Considers industry submissions for adjustments to the *CORE Code Combinations based on business needs*
- Opportunity to refine the *CORE Code Combinations* as necessary to ensure the *CORE Code Combinations* reflect industry usage and evolving business needs

Has your organization experienced any benefits?  
We want to hear from you! Reach out to us at [CORE@cqh.org](mailto:CORE@cqh.org).

# CAQH CORE Code Combinations Maintenance

## *CORE Code Combinations Task Group (CCTG)*

- Responsible for ongoing review and adjustment of the *CORE Code Combinations* via the [CORE Code Combinations Maintenance Process](#).
- Composed of more than 40 CORE Participating Organizations from a wide variety of stakeholders; led by four multi-stakeholder Co-Chairs:
  - Shannon Baber, *UW Medicine*
  - Lynn Franco, *UnitedHealth Group*
  - Heather Morgan, *Aetna*
  - Erica Zendell, *RelayHealth*

## STATUS

### Currently conducting

Compliance-based Review in response to code adjustments published on July 1, 2016; per process updated *October 2016 CORE Code Combinations v3.3.1 will be published on 10/3/16.*

### Recently Completed...outcomes presented

Publication of updated version of CORE Code Combinations on June 10, 2016

- Includes both Compliance-based and Market-based Adjustments in response to 2015 Market-based Review and March 2016 Compliance-based Review

# CAQH CORE Code Combinations Maintenance

## *2015 Industry Market-based Adjustments Survey Overview*

- **Basic Information:**

- 60-day Submission Period; launched on 12/10/15 and closed on 02/10/16.
- Required all adjustment recommendations to be submitted via online CAQH CORE 2015 Market-based Adjustments Form.
- Any interested entity could submit; publicly available.

- **Scope:**

- Via online form, entities could only submit potential adjustments (additions, removals, or relocations) to the code combinations in the existing CORE-defined Business Scenarios.
- For each code combination adjustment, submitters required to provide evaluation criteria, a strong business case and, at their discretion, real world usage data.

# CAQH CORE Code Combinations Maintenance

## Summary of Task Group Approved Adjustments – June 2016 v3.3.0

### Summary of Compliance-based & Market-based Adjustments in June 2016 CORE Code Combinations v3.3.0

Adjustment Category	Business Scenario #1: Missing/Invalid/ Incomplete Documentation	Business Scenario #2: Missing/Invalid/ Incomplete Data from Submitted Claim	Business Scenario #3: Billed Service Not Covered by Health Plan	Business Scenario #4: Benefit for Billed Service Not Separately Payable	Total
<b>Task Group-Approved Compliance-based Adjustments</b>					
Additions	5	2	7	0	14
Removals	0	0	0	0	0
<b>Task Group-Approved Market-based Adjustments</b>					
Additions	0	18	87	0	105
Removals	10	2	0	0	12
<b>Total</b>	<b>15</b>	<b>22</b>	<b>94</b>	<b>0</b>	<b>131</b>

**Example of Potential Industry Impact of Compliance-based Adjustments:** Addition of new RARCs N765 and N766 to CARC 96 in Business Scenario #3 conveys a claim denial due to non-coverage of prior payer co-payment or co-insurance.

**Example of Potential Industry Impact of Market-based Adjustments:** Removal of RARC MA88, which identifies missing data element, from CARC 250, which identifies missing *attachment/document*. Removal improves the accuracy of the code combinations and provider understanding of remedial action needed to correct the claim.

# Phase IV Implementation: Why and How

**Robert Bowman**  
Associate Director

**Erin Weber**  
Associate Director

# Scope of Phase IV CAQH CORE Rule Requirements

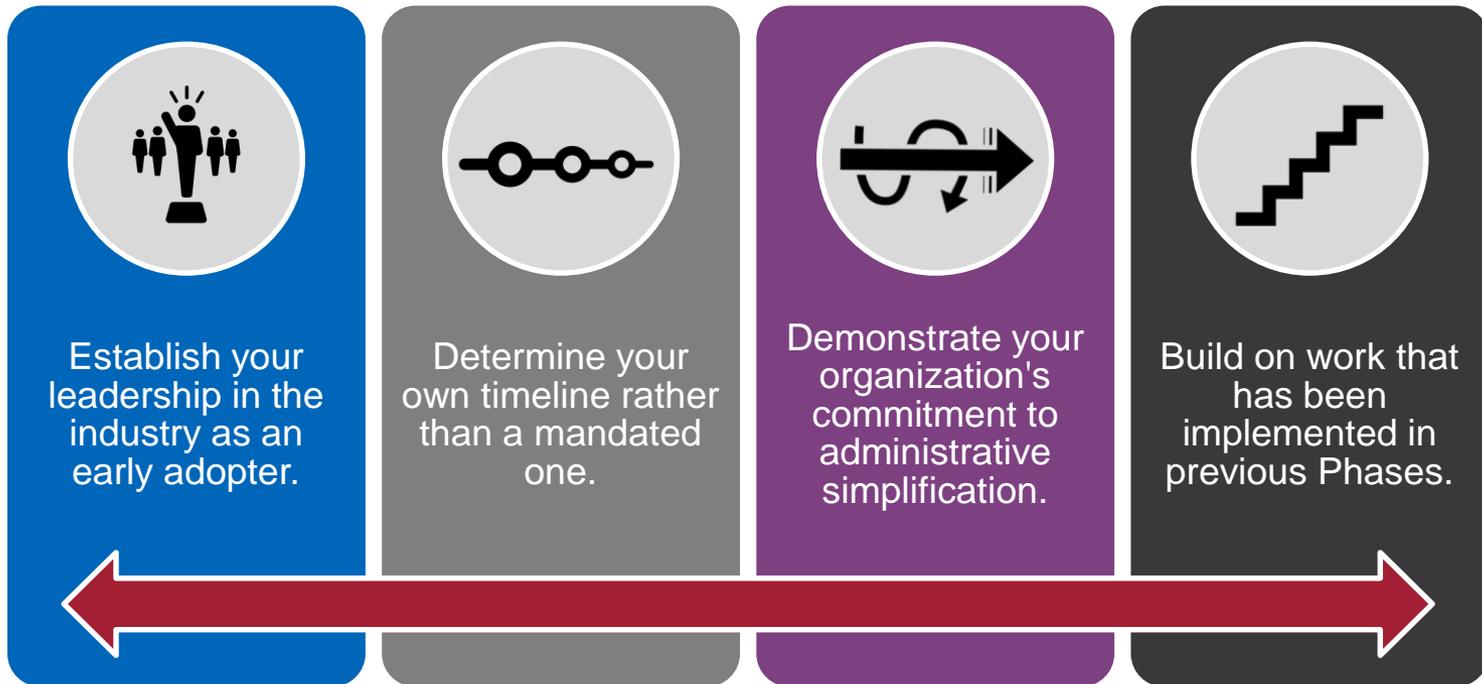
Reminder: Health Claims Attachments transaction not included; there is no formal HIPAA Health Claims Attachments standard(s).

Infrastructure Requirement	Prior Authorization	Claims	Enrollment/ Disenrollment	Premium Payment
Processing Mode	<i>Batch OR Real Time Required</i>	<i>Batch Required; Real Time Optional</i>	<i>Batch Required; Real Time Optional</i>	<i>Batch Required; Real Time Optional</i>
Batch Processing Mode Response Time	<i>If Batch Offered</i>	<b>X</b>	<b>X</b>	<b>X</b>
Batch Acknowledgements	<i>If Batch Offered</i>	<b>X</b>	<b>X</b>	<b>X</b>
Real Time Processing Mode Response Time	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>
Real Time Acknowledgements	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>	<i>If Real Time Offered</i>
Safe Harbor Connectivity and Security	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
System Availability	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Companion Guide Template	<b>X</b>	<b>X</b>	<b>X</b>	<b>X</b>
Other	N/A	Include guidance for COB in companion guide	Timeframe requirements to process data after successful receipt and verification of transaction	Timeframe requirements to process data after successful receipt and verification of transaction

**X = Required**

# Implementing Phase IV CAQH CORE Operating Rules

By voluntarily implementing the Phase IV CAQH CORE Operating Rules, your organization will:



***Early adoption means efficiencies for you and your customers will be realized sooner.***

# Value Proposition: Cost Reductions/Increased Efficiency

## *Phase IV Rule requirements will save time and money*



Response time and acknowledgment requirements ensure nothing falls into a black hole and that providers are informed.



Less time is spent verifying information over the phone.



Providers can immediately learn if their claim submissions were successfully received by plan and moved into the adjudication system.



Providers can immediately learn whether the plan has received and is reviewing prior authorization request.



CAQH CORE safe harbor ensures providers can connect online for all of their transactions using their preferred connection method.



Providers can improve coordination of benefits (COB) through more timely eligibility information from health plan and knowledge of plan's requirement for COB in their companion guide.



Health plans can build on investments already made in infrastructure for eligibility, claim status, EFT and ERA.

# Phase IV CAQH CORE Analysis & Planning Guide

## *Understand the applicability of rules to various trading partners*

As with previous Phases, CAQH CORE now has an [Analysis & Planning Guide](#) for the Phase IV CAQH CORE Operating Rules.

**Planning Guide should be used by project staff to:**

***Understand applicability of the Phase IV CAQH CORE Operating Rule requirements*** to organization's systems and processes that conduct the transactions.

***Identify all impacted external and internal systems*** and outsourced vendors that process the transactions.

***Conduct detailed rule requirements gap analysis*** to identify system(s) that may require remediation and business processes which may be impacted.



# Stakeholder & Business Type Evaluation

*Know what aspects of your business or outsourced functions are impacted*

**CAQH Committee on Operating Rules for Information Exchange (CORE)  
Analysis & Planning Guide for Implementing the Phase IV CAQH CORE Operating Rules  
Version 4.0.0**

A user-friendly Excel workbook containing the *Stakeholder & Business Type Evaluation* is available [HERE](#).

Stakeholder & Business Type Evaluation		
Question	Points for Consideration	Your Response
1. What is your stakeholder type(s)? (e.g., health plan, provider, vendor, clearinghouse; see question 3 for more information on other trading partners)	The <a href="#">Phase IV CAQH CORE Voluntary Certification Test Suite</a> defines four stakeholder types that implement the operating rules: health plan, clearinghouse, provider, and vendor; the applicability of specific Phase IV CAQH CORE Operating Rule requirements vary according to stakeholder type. Please reference <a href="#">Section 2</a> of the Phase IV CAQH CORE Voluntary Certification Test Suite for further information.	
2. What role and responsibilities does my organization have for implementing the Phase IV CAQH CORE Operating Rules, given our stakeholder type(s) (e.g., ASC X12N v5010 837 Claim, ASC X12N v5010 278 Request and Response, ASC X12N v5010 834, and ASC X12N v5010 820)?	The Phase IV CAQH CORE Operating Rules outline the specific roles and responsibilities for each stakeholder type; review Phase IV CAQH CORE Operating Rule text for more detail.	
3. Does my organization rely on other organizations (e.g., software vendors, clearinghouses, business associates) to assist with ASC X12N v5010 837 Claim, ASC X12N v5010 278 Request and Response, ASC X12N v5010 834, and ASC X12N v5010 820 processing?	The applicability of a specific Phase IV CAQH CORE Operating Rule requirement may vary according to trading partner relationship, contracted services, and other arrangements. If your organization relies on a software vendor or a clearinghouse or other business associate to meet any of the Phase IV CAQH CORE Operating Rule requirements, you will need to coordinate with that entity as part of your pre-implementation planning and outline applicability of each requirement to the vendor, clearinghouse or business associate. See Section 4 of this document (above) for additional resources.  Ensure appropriate business associate agreements are in place with necessary stakeholders	



**Key Takeaway:**  
Coordinate planning and implementation. Determine your stakeholder type and which Phase IV rules apply to you and your trading partners.

# System Inventory & Impact Assessment Worksheet

## Identify and inventory all impacted systems and products

**CAQH Committee on Operating Rules for Information Exchange (CORE)  
Analysis & Planning Guide for Implementing the Phase IV CAQH CORE Operating Rules  
Version 4.0.0**

A user-friendly Excel workbook containing the *Systems Inventory & Impact Assessment Worksheet* is available [HERE](#).



CAQH CORE Systems Inventory & Impact Assessment Worksheet			
Phase IV CAQH CORE Operating Rule	Are One or More Systems/Processes Impacted? <i>(Yes/No; Name of Impacted System/Process)</i>	Is the System/Process In-House, COTS/Cloud-based, or Outsourced to a Third Party?	Potential Options to Address Rule <i>(e.g. remediate an in-house developed system, work with any COTS/cloud-based system, work with vendors to ensure they meet CAQH CORE Operating Rules, update manual processes)</i>
<b>Infrastructure Rule</b>			
<a href="#">450: Health Care Claim (837) Infrastructure Rule v4.0.0</a> (ability to support ASC X12N v5010 837 Claim processing)			
<a href="#">452: Health Care Services Review – Request for Review and Response (278) Infrastructure Rule v4.0.0</a> (ability to support ASC X12N v5010 278 Request and Response processing)			
<a href="#">454: Benefit Enrollment &amp; Maintenance (834) Infrastructure Rule v4.0.0</a> (ability to support ASC X12N v5010 834 processing)			
<a href="#">456: Premium Payment (820) Infrastructure Rule v4.0.0</a> (ability to support ASC X12N v5010 820 processing)			
<a href="#">470: Connectivity Rule v4.0.0</a> (ability to support updated Connectivity Rule; please also refer to the <a href="#">Phase IV CAQH CORE-Required Processing Mode and Payload Type Tables v4.0.0</a> )			

**Key Takeaway:**  
Understand how many of your systems/ products are impacted by each Phase IV rule requirement and with which vendors you will need to communicate and coordinate.

# Gap Analysis Worksheet

Determine the level of system remediation needed to adopt the rule requirements

CAQH Committee on Operating Rules for Information Exchange (CORE)  
 Analysis & Planning Guide for Implementing the Phase IV CAQH CORE Operating Rules  
 Version 4.0.0

A user-friendly, Excel workbook containing the *Gap Analysis Worksheet* is available [HERE](#).

Rule Req. #	CAQH CORE Operating Rule Requirement	System/Process Impacted <i>(Based on results from System Inventory and Impact Analysis Worksheet; if no impact enter N/A)</i>	System/Process Currently Meets the Requirement <i>(Yes/No)</i>	Gap <i>(Briefly describe gap)</i>	Estimated System/Process Remediation Effort <i>(Required number, type of skilled resource, person hours required)</i>	Business Processes Impacted <i>(Briefly describe)</i>	Business Processes/Documentation Revisions Required & Effort Estima
<b>Phase IV CAQH CORE 450 Health Care Claim (837) Infrastructure Rule v4.0.0</b>							
<i>Processing Mode Requirements (§4.1)</i>							
1	Health plan must support server requirements for Batch processing mode.						
2	Health plan may optionally also support server requirements for Real Time processing mode.						
<i>Connectivity Requirements (§4.2)</i>							
3	A HIPAA-covered entity must be able to support the Phase IV CAQH CORE 470 Connectivity Rule v4.0.0.						
<i>System Availability Requirements (§4.3.1)</i>							
4	Publication of regularly scheduled downtime, including holidays and method(s) for such publication.						
5	Publication of non-routine downtime notice and method(s) for such publication.						
6	Publication of unscheduled/emergency downtime notice and method(s) for such publication.						
<i>Acknowledgement Requirements (§4.4.1)</i>							
7	An ASC X12C v5010 999 is returned on a rejected ASC X12 Functional Group of ASC X12N v5010 837 in either Real Time Processing Mode or Batch Processing Mode.						
8	An ASC X12C v5010 999 is not returned on an accepted ASC X12 Functional Group of an ASC X12N v5010 837 in Real Time Processing Mode.						
9	An ASC X12C v5010 999 is returned on any accepted ASC X12 Functional Group of an ASC X12N v5010 837 in Batch Processing Mode.						
10	An ASC X12N v5010 277CA transaction is returned for a transaction set that complies with the ASC X12N v5010 837 TR3 implementation guide.						

Analysis & Planning Guide for Adopting the Phase IV CAQH CORE Operating Rules

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**Key Takeaway:**  
 Understand the level of system remediation necessary for adopting the business and technical requirements of the Phase IV CAQH CORE Operating Rules.

# Phase IV CAQH CORE Operating Rules

## Frequently Asked Questions (FAQs)

### [CAQH CORE FAQ Website](#)

Includes more than 100 Phase IV CAQH CORE Operating Rule FAQs, from general concepts to technical questions

## Part E: Phase IV CAQH CORE Operating Rules

### [I. Overview of Phase IV CAQH CORE Operating Rules](#)

### [II. CAQH CORE 450: Health Care Claim \(837\) Infrastructure Rule](#)

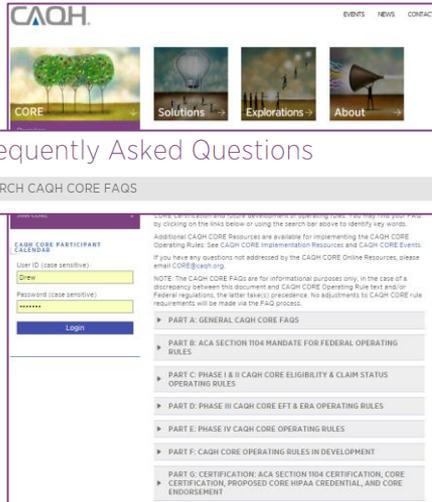
### [III. CAQH CORE 452: Health Care Services Review - Request for Review and Response \(278\) Infrastructure Rule](#)

### [IV. CAQH CORE 454: Benefit Enrollment and Maintenance \(834\) Infrastructure Rule](#)

### [V. CAQH CORE 456: Premium Payment \(820\) Infrastructure Rule](#)

### [VI. CAQH CORE 470: Connectivity Rule](#)

### [VII. Resources for Implementing the Phase IV CAQH CORE Operating Rules](#)



More FAQs are added every month!

# Polling Question #2

**Which stage(s) of implementing the Phase IV CAQH CORE Operating Rules are you voluntarily planning to complete in 2016? (Select all that apply)**

1. Internal Education and Awareness
2. Analysis and Planning/Systems Design
3. Systems Implementation/Integration and Testing
4. Deployment/Maintenance
5. We do not plan to start voluntary implementation in 2016

CAQH  
CORE

# Go Above and Beyond

## Voluntary CORE Certification

**Matthew Albright**  
Senior Manager

# Voluntary CORE Certification

*Developed BY Industry, FOR Industry*

[CORE Certification](#) is the most robust and widely-recognized industry program of its kind. Its approach assures an independent, industry-developed confirmation of conformance with operating rules and underlying standards:

Requirements are developed by broad, multi-stakeholder industry representation via transparent discussion and polling processes.

Required conformance testing is conducted by third party testing vendors that are experts in EDI and testing.

CAQH CORE serves as a neutral, non-commercial administrator:

Authorizes the conformance testing vendors.

Reviews and approves the Certification applications and conformance test reports before a Certification Seal is awarded.



# Entities that Can Become CORE-certified

Health Plan Stakeholder Types	Provider Stakeholder Types	Clearinghouse Stakeholder Types	Vendor Solutions or Products
HIPAA-covered Health Plan	HIPAA-covered Provider	Clearinghouse as defined by HIPAA	Health Plan vendor service
Third Party Administrators	Physicians	Clearinghouse (not covered by HIPAA)	Health Plan vendor product
Health Insurance Issuer	Hospitals	Health Information Exchange	Provider vendor service
Government Payers, including Medicaid Plans	Provider's agent	Health Insurance Marketplaces or Exchanges	Provider vendor plan
Group Health Plan	Independent Physician Association	Financial Institution	
Health Plan Agent			

All Trading Partners are strongly encouraged to become CORE-certified!

# CORE Certifications Awarded by Stakeholder Type

Nearly 300 CORE Certifications to date!

<p><b>Health Plans</b></p> 						
<p><b>Providers</b></p> 						
<p><b>Clearinghouses</b></p> 						
<p><b>Vendor Solutions</b></p> 						

# Voluntary CORE Certification is Good for Business

<b>HEALTH PLANS</b> 	<b>PROVIDERS</b> 	<b>CLEARINGHOUSES</b> 	<b>VENDOR SOLUTIONS</b> 
<p>Conduct secure, timely, and streamlined electronic transactions.</p>	<p>Eliminate time-consuming calls/paperwork</p>	<p>Add value for current customers and attract new customers.</p>	
<p>Demonstrate conformance with federally mandated operating rules and underlying standards.</p>	<p>Increase patient satisfaction through efficient patient services</p>	<p>Meet expectations: CORE Certification is becoming a trading partner contract expectation by health plans and providers.</p>	
<p>Show that you are maximizing the efficiencies afforded by the operating rules and underlying standards.</p>	<p>Show that you are maximizing the efficiencies afforded by the operating rules and underlying standards.</p>	<p>Guarantee that your systems, products, or services are conformant with the operating rules and underlying standards.</p>	<p>Help your customers: CORE Certification allows your customers the value-add of “drafting” behind your certification and also becoming CORE-certified.</p>
<p><b>Achieve these goals through CORE Certification, a process that uses industry-developed conformance requirements, a third-party tester, and a neutral, non-commercial administrator.</b></p>			

# Impact of Voluntary CORE Certification

*State and local Medicaid agencies see value in pursuing voluntary CORE Certification*

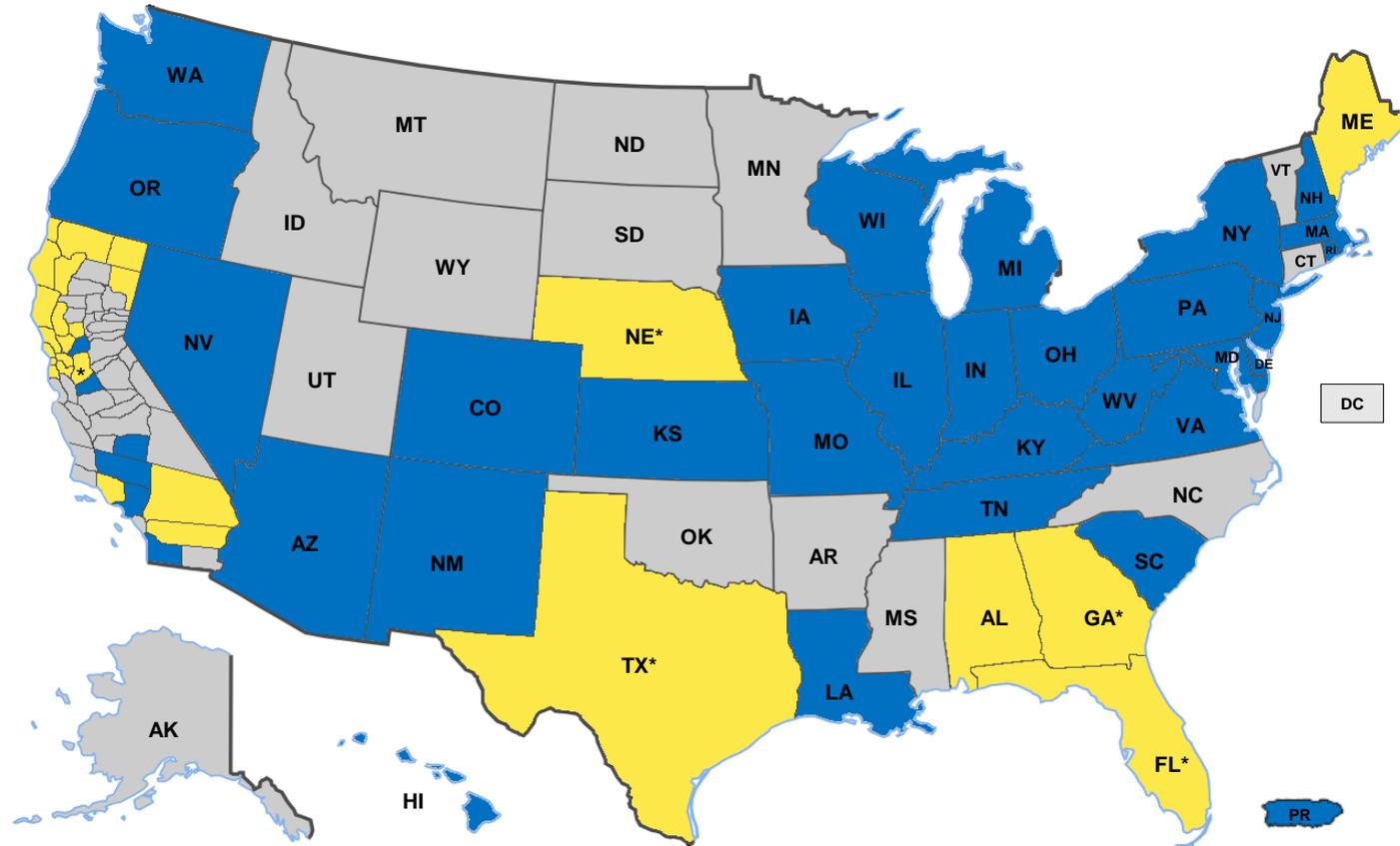
**Medicaid Agency is CORE-certified**

(\*At least one Managed Medicaid Plan is also CORE-Certified)

**At Least One Managed Medicaid Plan is CORE-certified**

(Medicaid Agency is not CORE-certified)

**No CORE-certified Medicaid Agency or Managed Medicaid Plan**



**Note:** A total of 20 Medicaid agencies are currently engaged with CORE Certification at various stages. Map only reflects Medicaid agencies that have been awarded the CORE Certification Seal.

# Phase IV CORE Certification



**Be an industry leader and become Phase IV Certified in 2016!**

If you're a health plan, clearinghouse, provider, or if you have a product or solution that helps those entities conduct transactions, **be the first** of your competitors to be CORE-certified in the Phase IV CAQH CORE Operating Rules in **fall 2016!**

*As in previous Phases*

- Health plans
- Clearinghouses
- Providers
- Vendor products
- Vendor solutions

*can become CORE-Certified for Phase IV.*

*"We always strive to be a leader and drive healthcare to a new paradigm. We don't feel like it's right to sit back and wait for legislation..."*

*"...we need to, as an industry, look at how do we go out there and make things happen today that are better for our industry instead of waiting for someone to legislate it or give us direction to do it."*

Kim Peters  
Process Owner, Provider Process Implementation,  
Humana, Inc.  
CORE Education Webinar, June 10, 2016

**Contact [CORE@CAQH.org](mailto:CORE@CAQH.org)** if you're interested, or if you have further questions about CORE Certification.

# Education & Outreach

**Drew Voytal**  
Senior Project Associate

# Upcoming CAQH CORE Education Sessions

**Dialog with Post-N-Track – How a Healthcare Clearinghouse Has Successfully Implemented the CAQH CORE Operating Rules**

**TUESDAY, SEPTEMBER 13, 2016 – 2 PM ET**

Phase IV  
Webinar Series

**Humana Phase IV CAQH CORE Operating Rule Implementation Experience**

**TUESDAY, SEPTEMBER 20, 2016 – 2 PM ET**

Phase IV  
Webinar Series

**Voluntary CORE Certification National Webinar – NEW: Phase IV Certification**

**WEDNESDAY, SEPTEMBER 28, 2016 – 2 PM ET**

**Uniform Use of CARCs and RARCs: How to Improve Your Denial Management Process with a Case Study Presentation from Anthem**

**TUESDAY, OCTOBER 3, 2016 – 2 PM ET**

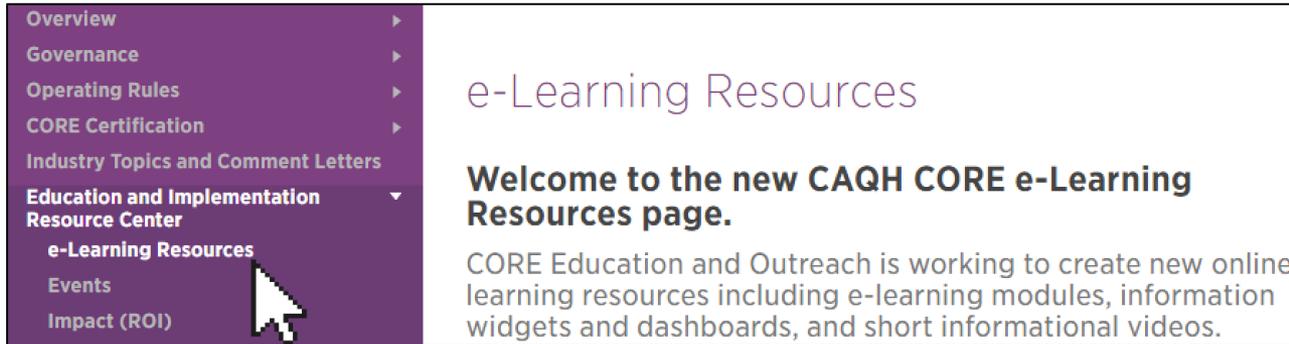
**CAQH CORE Town Hall National Webinar**

**THURSDAY, NOVEMBER 3, 2016 – 2 PM ET**

To register, please go to [www.caqh.org/core/events](http://www.caqh.org/core/events)

# New e-Learning Resources from CORE

[www.caqh.org/core/elearning-resources](http://www.caqh.org/core/elearning-resources)



Overview

Governance

Operating Rules

CORE Certification

Industry Topics and Comment Letters

Education and Implementation Resource Center

**e-Learning Resources**

Events

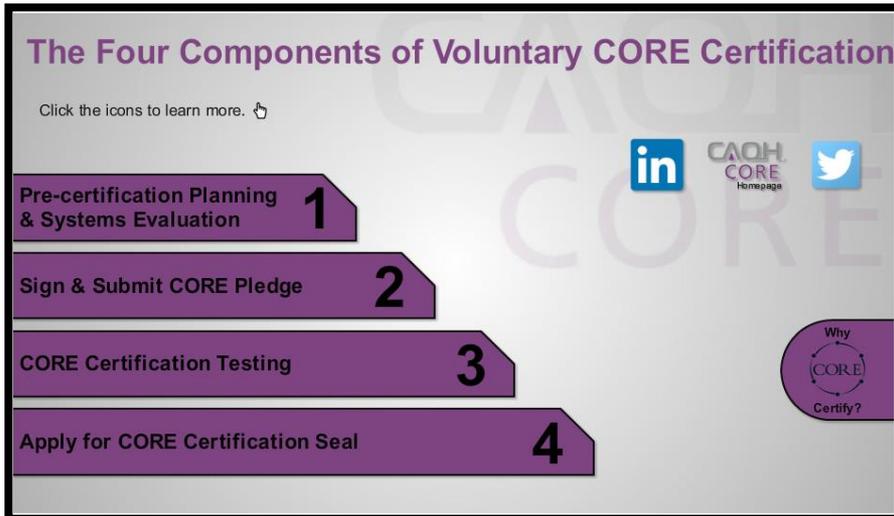
Impact (ROI)

## e-Learning Resources

**Welcome to the new CAQH CORE e-Learning Resources page.**

CORE Education and Outreach is working to create new online learning resources including e-learning modules, information widgets and dashboards, and short informational videos.

Learn about the four components needed to complete voluntary CORE Certification



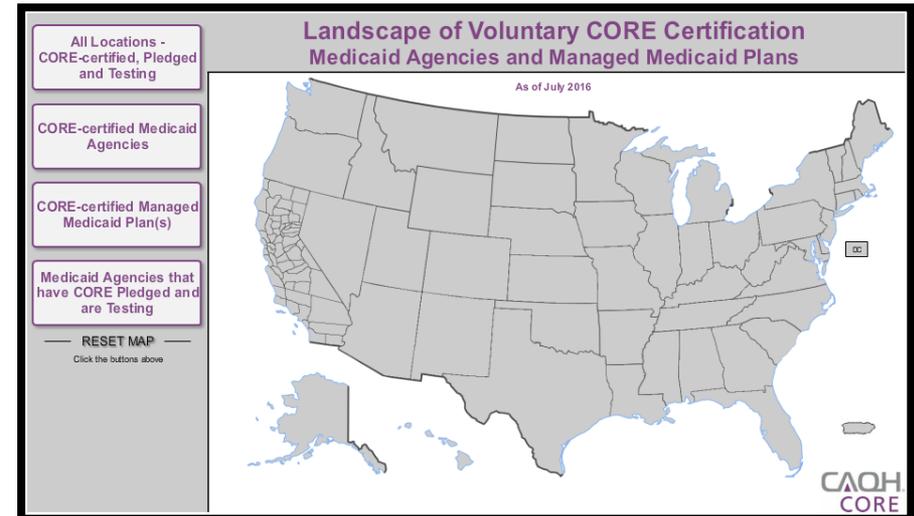
## The Four Components of Voluntary CORE Certification

Click the icons to learn more.

- 1 Pre-certification Planning & Systems Evaluation
- 2 Sign & Submit CORE Pledge
- 3 CORE Certification Testing
- 4 Apply for CORE Certification Seal

Why CORE Certify?

Explore our new interactive map to learn which Medicaid agencies are achieving CORE Certification.



## Landscape of Voluntary CORE Certification Medicaid Agencies and Managed Medicaid Plans

As of July 2016

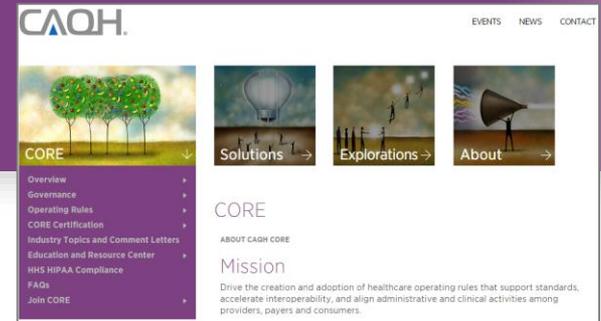
- All Locations - CORE-certified, Pledged and Testing
- CORE-certified Medicaid Agencies
- CORE-certified Managed Medicaid Plan(s)
- Medicaid Agencies that have CORE Pledged and are Testing

RESET MAP  
Click the buttons above

# Engage with CAQH CORE!

## [CAQH CORE Website](#)

or contact us at [CORE@CAQH.org](mailto:CORE@CAQH.org)



**Participate** in the CAQH CORE Code Combinations Task Group (CCTG) or the Enrollment Data Task Group

**Become** a [CAQH CORE Participating Organization](#)

**Explore** Voluntary CORE Certification

**Register** for our educational [webinars](#)

Dedicated webpages:

- ✓ [Code Combination Maintenance](#)
- ✓ [EFT/ERA Enrollment Maintenance](#)
- ✓ [Voluntary CORE Certification](#)
- ✓ [CAQH CORE Phase IV Operating Rules](#)

# Thank you for joining us!

Website: [www.CAQH.org/CORE](http://www.CAQH.org/CORE)

Email: [CORE@CAQH.org](mailto:CORE@CAQH.org)



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