simplifying healthcare administration

CAQH

HIGHLIGHTS
PRACTICAL INNOVATION. INDUSTRY COLLABORATION. PROVEN IMPLEMENTATION.

2006
LE$$ IS MORE: A MESSAGE FROM THE EXECUTIVE DIRECTOR

Less paperwork. Less redundancy. Less confusion. Less burden. CAQH maintained its pursuit of these goals for healthcare administration throughout the past year. And as a result, we continued helping health plans and providers realize savings and streamline important business processes.

This sustained focus on administrative simplification drove impressive growth in our Universal Credentialing Datasource® (UCD) initiative during 2006. Provider registrations beat expectations for the second consecutive year—a sure indication that the UCD is quickly evolving from trusted service to industry standard. We now estimate that UCD has eliminated well over 1.5 million legacy applications, and saves participating providers nearly $60 million or 2 million man-hours in unnecessary annual administrative costs.

Our continuing focus also helped the Committee on Operating Rules for Information Exchange (CORE™) accomplish a seemingly impossible outcome last year: multi-stakeholder agreement on a set of rules that will govern electronic health insurance eligibility and benefits verification. Nearly 100 entities—health plans, providers, vendors, CMS and other government agencies, associations, regional entities, standard-setting organizations and others—voluntarily uniting to improve healthcare administration. Their achievement proves that CORE is not just a great idea, but a collaborative initiative that promises to transform electronic healthcare data exchange.

The CAQH track record of high-impact initiatives and our ability to bring together the critical components to create true innovation is attracting favorable notice. Legislators and regulators in several states turned to us for solutions to their state’s provider credentialing challenges. And leaders in the nation’s health IT community saw fit to include the CORE Phase I rules in the consumer empowerment specifications recommendation to the U. S. Department of Health and Human Services.

We remain committed to simplifying healthcare administration. It is our mission. It is our passion. With member support, our work continues.

Robin J. Thomashauer
Executive Director

“CORE is nothing short of groundbreaking. The initiative is helping to define the future of electronic communication between health plans and providers by bringing together industry stakeholders to develop standard rules that promote interoperability and significantly simplify provider access to critical patient insurance coverage.”

—Bob Greczyn
President and CEO
Blue Cross and Blue Shield of North Carolina
CAQH’s Committee on Operating Rules for Information Exchange (CORE™) successfully completed its first-phase activities in 2006. The nonprofit alliance announced that more than 20 organizations, including Aetna, Inc., Health Net and WellPoint, Inc., had committed to electronically exchanging member administrative data according to the CORE Phase I operating rules by March 31, 2007. This important news represents the leading edge of a movement that will transform the way health plans and providers communicate. CORE participants worked throughout 2006 toward a goal of making patient eligibility and benefits verification as easy as an ATM transaction. Significantly improved insurance verification processes, enhanced health plan-provider system interoperability and reduced administrative burden are the expected result of their efforts.

- **Phase I rules roll out; Phase II launched:** Rolled out in September, the CORE Phase I rules will allow providers to access more consistent insurance coverage data and confirm basic eligibility and benefits information more efficiently than ever before. CORE will address more eligibility and benefits components, patient identification and claims status during Phase II rules development throughout 2007.

- **Phase I rules testing vendors approved:** Following a thorough proposal and review process, CAQH authorized the Clear Penn certification testing solution from Ingenix and Edifecs to certify that clearinghouses, health plans, large provider groups and healthcare IT vendors can comply with the CORE Phase I rules.

- **First CORE seals granted:** After certification, stakeholders become eligible to display and market the CORE Seal. The SSI Group was the first to complete CORE certification, earning seals for its clearinghouse and IT vendor products.

- **CORE endorsements fuel momentum:** In addition to the CORE certification commitments, CAQH announced that 21 industry-leading national healthcare associations and organizations endorsed the CORE Phase I rules. These announcements and others spurred CORE membership to reach nearly 100 organizations from all aspects of the industry by year end. Participating organizations collectively cover more than 130 million lives, or more than 75 percent of the commercially insured plus Medicare and state-based Medicaid beneficiaries.

- **Federal government recognition:** The CORE initiative was recognized at the highest levels of America’s health information community in 2006. The Phase I rules were included in the Health Information Technology Standards Panel Consumer Empowerment specification recommendation to the U.S. Department of Health and Human Services, demonstrating that CORE can play an important role in providing data for EHRs and PHRs.

- **Education series launched:** To encourage more stakeholder participation, CAQH created and launched the CORE Phase I Educational Sessions. Representatives from more than 100 healthcare organizations attended sessions held throughout the year.
In 2002, CAQH developed the Universal Credentialing Datasource® to simplify the costly but critical administrative task of gathering data for provider credentialing. The service was designed around a simple premise: offer a single, uniform application that meets the data needs of all health plans and other credentialing organizations and you will significantly reduce provider and health plan administrative burden. Just four years after introduction, UCD is more than meeting that vision of efficiency. At the end of 2006 the service had captured rich, reliable and current information from over 400,000 providers. Beyond credentialing, several health plans used UCD to gather Type I National Provider Identifiers. Many others found UCD provider data useful for quality assurance and support services, such as provider directories and claims processing.

- **Welcoming new participants:** In 2006, the total number of participating health plans topped 300. UCD also welcomed its first vision health plan participant—OptiCare Managed Vision Division—during the year. Other new participants included Blue Cross and Blue Shield of Rhode Island; Blue Cross and Blue Shield of Kansas; HealthNow New York, Inc.; Continuum Health; Magellan Health; and Cenpatico Behavioral Health.

- **More states step up:** Rhode Island and Vermont joined Indiana, Kentucky, Tennessee, Louisiana and the District of Columbia in adopting the CAQH Standard Provider Application as their mandated or designated provider credentialing form. Maryland, Kansas, Missouri and Ohio began exploring a similar move in 2006.

- **National recognition broadens:** UCD released Version 5 of its Standard Provider Credentialing Application last year, enhanced with feedback from the American Medical Association, the Joint Commission, the National Committee for Quality Assurance and URAC, among others. In addition, throughout 2006, the Healthcare Administrative Simplification Coalition, organized by the American Academy of Family Physicians, the American Health Information Management Association and the Medical Group Management Association, not only endorsed UCD but helped promote its use to federal and state agencies and national trade associations.

- **Best practices extend the value:** Users realized additional uses for and value from UCD in 2006, resulting in improved workflow, better provider sanction monitoring, and smoother data integration with legacy and specialized systems. Industry professionals from some of America’s leading health plans shared their success stories at the Second Annual UCD Best Practices Conference, held in Washington, D.C.

“UCD is more than a successful administrative simplification initiative. It’s proof that the healthcare industry is serious about creating real, lasting improvement, and building better relationships between health plans and providers.”

—Kurt Small
Head of Strategic Contract Management
Aetna, Inc.
Chair, CAQH Universal Credentialing Datasource Initiative
CAQH FUTURE: MAXIMIZE THE PROMISE.

- Bringing about real and lasting change requires hard work, innovative thinking and concentrated collaboration. CAQH will continue supplying these essential ingredients to activities aimed at simplifying healthcare administration. We look forward to building on our achievements, fully realizing the potential of our initiatives and identifying additional administrative processes that can benefit from industry attention.

- Our 2007 goals for UCD include surpassing the 500,000 registered providers mark and conducting research to more fully quantify the impact of credentialing efficiency. We will introduce SanctionsTrack™ to even more health plans and explore adding additional functionality to UCD, while maintaining our commitment to data privacy. CAQH also will work more closely with participating plans to help them derive the full value of our successful data collection service now and into the future.

- The CORE initiative will continue promoting the benefits of standardized electronic data exchange and improved health plan-provider interoperability in 2007 and beyond. CAQH will encourage all key stakeholders to adopt the CORE Phase I rules, achieve CORE certification and urge their business partners to do the same. We anticipate that CORE will complete Phase II rules development by the end of the year, with rules roll-out in early 2008.
CAQH Members and Participating Organizations

A
ABN AMRO
Accenture
ACS EDI Gateway, Inc.
ActivHealthCare
Adventist HealthCare, Inc.
Aetna, Inc.
Affiliated Network Services
America’s Health Insurance Plans (AHIP)
American Academy of Family Physicians (AAFP)
American College of Physicians (ACP)
American Hospice, Inc.
American Medical Association (AMA)
Amerigroup Corp.
AmeriHealth Mercy
AmeriHealth New Jersey
Anthem Blue Cross and Blue Shield
Arnett Clinic, LLC
ASC X12
Athenahealth, Inc.
Atlantic Health Plan
AultCare
Availity, LLC
AwMed Health Plans
B
Bakersfield Family Medical Center
Blue Cross and Blue Shield Association (BCBSA)
Blue Cross and Blue Shield of Kansas
Blue Cross and Blue Shield of North Carolina
Blue Cross and Blue Shield of Rhode Island
Blue Cross Blue Shield of Florida
Blue Cross Blue Shield of Georgia
Blue Cross Blue Shield of Kansas City
Blue Cross Blue Shield of Michigan
Blue Cross Blue Shield of Missouri
Blue Cross Blue Shield of Tennessee
Blue Cross Blue Shield of Wisconsin
Blue Cross of California
Bluegrass Family Health
Buckeye Community Health Plan, Inc.
C
CalPHIO
Capital District Physicians’ Health Plan (CDPHP)
Care1st Healthplan Arizona
CareFirst BlueCross BlueShield
CareMedic Systems, Inc.
CareSource Indiana
CareSource Ohio
Catholic Healthcare West
Cenpatico Behavioral Health, LLC
Cenere Corporation
Center Care
Centers for Medicare and Medicaid Services (CMS)
Chartered Health Plan
The Chiropractic Association of the Midwest
CIGNA Behavioral Health
CIGNA HealthCare
Clareidi (an Ingenix Division)
Clarian Health Partners
Clinical Practice Organization
Colonial Cooperative Care
Community Care Physicians
Community Choice Michigan
Community Health Center Network
Continuum Health Partners, Inc.
Covanta Health Care
Culpeper PHO
D
Data Processing Solutions
Deaconess Health Plans
Delta Dental Plans Association
DuPage Valley Physicians
E
Edifice
eHealth Initiative
Elder Health, Inc.
Electronic Data Systems (EDS)
Electronic Network Systems, Inc. (ENS)
Emdeon Business Services
Empire HealthChoice
Excellus Health Plans
F
First Choice PHO
First Data Corp. – Healthcare Foresight Corp.
G
GHIN-Online
Gordon PHO
Goshen Health System
Greater New York Hospital Association
Greater Rochester IPA (GRIPA)
GreatWest Healthcare
Group Health Insurance of New York (GHI)

H
HCA Healthcare
Health Care Service Corporation
Health Level 7 (HL7)
Health Management Systems, Inc.
Health Net, Inc.
Health Services One Medical Management, Inc.
Healthcare Administration Technologies, Inc.
Healthcare Financial Management Association (HFMA)
Healthcare Information and Management Systems Society (HIMSS)
Healthfirst of New York
HealthNow New York, Inc.
Health Plan of Michigan
HealthPlus of Michigan
Heritage Health Systems Inc.
HIP Health Plan of New York
Horizon Blue Cross Blue Shield of New Jersey
HTP
Hudson Health Plan, Inc.
Humana Inc./ChoiceCare Network
I
Independence Blue Cross
Independent Health
Independent Living Systems, LLC
Independent Physician Association of Georgia, LLC
Indiana Pro Health Network
Indiana University Health care Associates, Inc.
Industry Buying Group
IANS, Inc.
K
Kaiser Foundation Health Plan of the Mid-Atlantic States
Kaiser Permanente
Kentucky Medical Services Foundation
Kentucky Orthopedic Rehab Team (KORT)
L
Laboratory Corporation of America (LabCorp)
Lewis – Gale Clinic, LLC.
Louisiana Medicaid – Unisys
M
Magellan Health Services, Inc.
MAMSI Health Plans
Markits, Inc.
Martin’s Point Health Care
Maryland/DC Collaborative for Healthcare IT
Mayo Clinic
McKesson
MedAvant Healthcare Solutions
MedCom USA
MedData
Medical Group Management Association (MGMA)
Medical Mutual of Ohio
Mercy Health Plans
Meriden – Wallingford IPA
Michigan Department of Community Health
Michigan Public Health Institute
Microsoft Corporation
MindGent Healthcare Clinics, LLC
Mobility Medical, Inc.
Molina Healthcare of Indiana
Montefiore Medical Center of New York
MultiPlan, Inc.
MVP Health Plan, Inc.
N
NASCO
National Committee for Quality Assurance (NCQA)
National Council for Prescription Drug Programs (NCPDP)
NaviMedix
New Avenues, Inc.
New England Physician Alliance
NJ SHORE [WEDI/SNIP NY Affiliate]
North Texas Specialty Physicians
NorthWest Georgia Physicians Association
O
OptiCare Managed Vision
Owensboro Community Health Network
Oxford Health Plans, Inc.
P
Parkview Health Plan Services
PartnerCare Health Plan, Inc.
Partners HealthCare System
Passport Health
PayerPath
Peach State Health Plan
Physicians United Plan
Planned Parenthood of Metropolitan Wash. DC, Inc.
PNC Bank
Post-N-Track
Preferred Care
PricewaterhouseCoopers LLP
Priority Health
Private Sector Technology Group
ProxyMed
Q
QMedCare
Quovadx
R
Rochester Community IPA, Inc.
Rocky Mountain Health Plans
RxHub
S
SafeMed, Inc.
Saint Barnabas – MetroWest IPA
Salisbury Health Group
Senior Whole Health, LLC
Sentara Healthcare
Siemens/HDX
SIHO
Smart Card Alliance
St. Francis Health Network
Suburban Health Organization
SureScripts
Sutter Medical Foundation
Synergy Health Network, Inc.
T
The First Health Network/CCN Network
The SSI Group, Inc.
The TriZetto Group, Inc.
Total Care Carolina
TRIAD Healthcare, Inc.
TRICARE
Trigon Insurance Co.
U
U.S. Oncology
UniCare
Unified Physician Network
United Behavioral Health
UnitedHealth Group
University Health Care
University Health Plans Inc.
University of Kentucky Medical Services Foundation, Inc.
University of Wisconsin Medical Foundation
University Physicians, Inc. (University of Maryland)
URAC
Utah Health Information Network (UHIN)
V
ViPS (a Division of Emdeon)
Virginia Premier Health Plan, Inc.
VisionShare, Inc.
W
WellCare
WellPoint Behavioral Health
WellPoint, Inc.
Women and Infants PHO
Work Group for Electronic Data Interchange (WEDI)
X
XL Health

*CAQH member organizations in bold
CAQH is an unprecedented nonprofit alliance of health plans, networks and trade associations. Its mission is to be the catalyst for industry collaboration on initiatives that simplify healthcare administration for health plans and providers.

Visit www.caqh.org for more information.