Transformation through Constructive Innovation

“Disruptive innovation” has become a widely used phrase for change that completely transforms and improves industry operations and user expectations. Yet that change can be costly — providing helpful new information and better outcomes, but often at a considerable price.

CAQH offers a different model of change. We seek to transform the business of healthcare through “constructive innovation,” dramatically improving healthcare organization operations, while concurrently increasing industry-wide savings.

Constructive innovation relies on the utilization of forward-thinking technologies. Our vision of success also depends on the broad understanding that individual organizations can reap real benefits when they participate in collaborative initiatives to improve business operations.

This has been quite a paradigm shift for traditional competitors, but over the past decade many health plans and other healthcare organizations have come to appreciate that there is little advantage to individually addressing many routine administrative processes. The Patient Protection and Affordable Care Act created an even greater incentive for the healthcare industry to reduce these costs.

Now in its second decade, CAQH is a convener, collaborator and catalyst driving this needed transformation of the business of healthcare. CAQH believes that innovative, shared processes result in greater accuracy, speed, and savings, which in turn will benefit all stakeholders in the U.S. healthcare system: health plans, providers and patients alike.

Every participant in CAQH including members, leadership and staff — along with those organizations and providers participating in our initiatives — share this promising vision for the future, and are working together to make this vision a reality.

Robin J. Thomashauer
The second year of a multi-stage reorganization, 2014 marked significant change and growth for CAQH. The organization refreshed its Mission and Vision statements to align with its expanding role:

**CAQH Mission**  To accelerate the transformation of business processes in healthcare through collaboration, innovation and a commitment to ensuring value across stakeholders.

**CAQH Vision**  CAQH is the leader in creating shared solutions to streamline the business of healthcare.

The decision to move beyond activities that “simplify healthcare administration” to focus more wholly on streamlining the business of healthcare, initiated a year in which existing solutions and initiatives were carefully assessed, thoughtfully improved and gained broader participation. Examples include:

- More organizations made commitments to participate in the drive to streamline electronic transactions through the adoption of CAQH CORE Operating Rules: CAQH CORE® announced a milestone of 150 voluntary CORE Certifications.
- Work continued to develop an enhanced online source of self-reported provider information to be used for a wide range of administrative needs: CAQH ProView™, the next generation of the Universal Provider Datasource, was built on a completely new platform to enable ongoing innovation.
- CAQH demonstrated the potential for widespread collaboration to address common challenges with existing coordination of benefits processes: COB Smart® completed a rollout in all 50 states.
- Adoption increased for a solution to ease the provider enrollment process in EFT and ERA: 50,000 provider practices signed up to participate in EnrollHub™, and most national health plans chose to use this CAQH solution.
- CAQH presented the industry with a national benchmark to measure the progress and potential cost savings associated with transitioning from manual to electronic administrative transactions: The 2013 CAQH Index™ report was published, and work began on the 2014 report.

While CAQH continued to strengthen and refine its existing initiatives, it also focused on the future. Over the past year the organization worked with member health plans, its Provider Council and other industry stakeholders to identify and analyze potential initiatives, creating a promising direction for 2015 and beyond.

Reflecting the increased activities by CAQH, the organization moved to a new, dedicated office space to better meet its current and future needs. It restructured and grew to more actively serve organizations currently participating in solutions and initiatives, and to encourage even broader participation. To more effectively profile the work of CAQH, the brand was reimagined and refreshed through unique graphic imagery, a new CAQH logo and updated web site launching in Spring, 2015.
In January 2014 proposed rule, HHS recommended CAQH CORE as the administrator for HHS-required certification of health plans. Soon after, CAQH CORE initiated a transparent and collaborative industry-wide effort to develop forms designed to meet the needs of the proposed HIPAA Credential. Draft forms were created based upon industry feedback, surveys, and market testing.

Throughout the year CAQH CORE continued to collaborate with other healthcare stakeholders to build broader awareness of operating rules and the benefits associated with their adoption. Interactive educational sessions were held each month, reaching over 12,000 members of key audiences. Additional outreach included presentations at national conferences and development of informative online content, such as implementation resources.

The results of this outreach were evident when CAQH CORE reached an important milestone in 2014. More than 150 voluntary CORE Certifications were achieved. CORE Certification verifies that an organization or product operates in agreement with the operating rules and the underlying standards, and is doing so with their trading partners as well.

In other activities, CAQH CORE conducted research and listening sessions on Attachments to help inform the market about the status of adoption and determine appropriate timing for operating rules development. The organization also met its commitment to streamline and create standardization in the industry by conducting maintenance on the existing operating rules for Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA), with emphasis on those related to CARC/RARC (Claim Adjustment Reason Codes and Remittance Advice Remark Codes).

FUTURE FORWARD: Over half of CORE Certifications in 2015 are from organizations that are non-participants. CAQH CORE will continue to support the increasing number of certification applicants. CAQH CORE will also finalize a third set of ACA-required operating rules which address the HIPAA transactions for health care claims, enrollment and disenrollment in a health plan, premium payments, and prior authorization. Additionally, should HHS finalize its health plan certification regulation, CAQH CORE is prepared to serve as the document administrator.

As HHS adoption of claims attachments standard(s) is still pending, CAQH CORE will continue its ongoing attachment research by conducting a pilot to evaluate a range of potential operating rules, demonstrating the benefit of aligning clinical and administrative eHealth efforts. Finally, the multi-stakeholder board will use 2015 to outline, and seek input on, an updated vision. In 2016, voluntary operating rule writing will begin, aligning with the CAQH CORE mission to serve as a national private/public model for business-driven data exchange.
COB Smart® inefficiencies in benefits coordination cost more than $800 million annually, creating unnecessary difficulties for providers and patients. Health plans often resort to “pay and chase,” paying claims and then trying to recoup those payments found to be incorrect. Providers must depend on patients to accurately understand and recall their family health coverage. Patients experience needless anxiety and time spent corresponding with their health plans to clarify primary and secondary coverage.

COB Smart® seeks to curb this friction and inefficiency through a collaborative solution in which plans contribute and share coverage information with each other, so that instances of overlapping coverage can be identified.

Real-world use of the solution among health plans shows COB Smart to be highly successful in discovering unknown instances of overlapping insurance coverage. In 2014, a national insurer and early participant of COB Smart concluded that approximately four out of five records identified by COB Smart had not been previously detected as having other insurance in its eligibility system. As more health plans have joined this collaborative effort, and integrated coverage information for their members into the system, COB Smart has become an increasingly robust source of COB data.

The nationwide rollout of COB Smart was completed in 2014. By mid-year, COB Smart included coverage information for 110 million individuals. CAQH also developed and launched a new “payer portal” enabling health plans to search and immediately identify instances where overlapping coverage exists for their members.
With the EFT standards in place at the beginning of 2014, health plans were required to offer electronic payments to any provider requesting them. EnrollHub helps health plans meet those requirements. Utilizing the successful “one-to-many” model of UPD/CAQH ProView, EnrollHub has lifted a longstanding administrative barrier to broad use of electronic payments and electronic remittance in healthcare.

By the end of 2014, CAQH had successfully enrolled 50,000 provider practices in EnrollHub, with two dozen health plans using the tool, including many national plans. As the number of participating health plans grows, so too does the participation of healthcare providers. CAQH began an extensive provider outreach campaign to increase awareness of EnrollHub, as well as to overcome long-standing concerns of many about sharing financial information.

**FUTURE FORWARD:** As with other CAQH solutions, the greater the participation by health plans and providers in EnrollHub, the greater the resulting value for all participants. CAQH will continue to educate healthcare providers and health plans about the benefits of moving to EFT/ERA, and how EnrollHub can play an important role in this transition. Increasing engagement by health plans, and the inclusion of provider types such as dentists, promise to increase industry-wide transition to these electronic business transactions.

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**EnrollHub™** While Electronic Funds Transfer (EFT) saves time and money over paper checks, increasing provider adoption continues to be challenging for many health plans. Definitions of success vary dramatically, with some organizations devoting considerable resources to enrollment efforts, while others offer only limited information on their websites. The process of enrollment is so burdensome, requiring a separate application for each health plan, that those providers who participate do so with only a few plans. Still other providers are concerned about the safety of sharing their financial information. EnrollHub is making it simpler for providers to securely enroll in EFT, and therefore receive their payments more quickly. EnrollHub also enables health plans to motivate their providers to use electronic payments, reducing the significant administrative costs associated with manual payments.

EnrollHub combines enrollment capabilities for EFT and electronic remittance advice (ERA), enabling providers to sign up online for electronic payments with multiple health plans at one time through a single process. EnrollHub then sends their enrollment information directly to each authorized participating health plan.

Available at no charge to providers, EnrollHub encourages greater EFT/ERA participation and satisfaction. There is no need for health plans to change their internal financial processes, and the solution verifies the provider-submitted data, giving additional reassurance to all participants.
The need for accurate, timely electronic data is driving a revolution in the healthcare system. Access to reliable, extensive provider data is critical for that success. For more than a decade, the Universal Provider Datasource® (UPD) has helped reduce this administrative burden, enabling providers to self-report their information, then share it with many healthcare organizations. CAQH continues its commitment to address these industry needs with the introduction of CAQH ProView, the next generation UPD. CAQH ProView establishes the necessary foundation to transform the way health plans, hospitals, provider groups and others obtain and use administrative provider data.

CAQH ProView is the trusted source and industry standard for collecting self-reported healthcare provider data. More than 1.3 million physicians and other providers enter and maintain a wide range of demographic and professional information in this easy to use, online database. Providers create, at no charge, a comprehensive “provider profile” to share electronically with the organizations they choose. The result is complete, accurate and up-to-date provider information. This data can then be used by the nearly 800 authorized organizations for credentialing, network directories, claims administration and more.

In 2013, CAQH decided to upgrade and enhance UPD. The changes were extensive, grounded in keeping the best of UPD while building a new solution that enables continual updates and improvements to meet future needs. Additionally, it had to be easier and more intuitive to use, including menu-driven prompts and enhanced security features to protect provider data.

Substantial development work occurred throughout 2014, informed through a collaborative process including healthcare providers and health plans. CAQH also conducted extensive outreach to help prepare health plans and hospital systems for the transition to CAQH ProView in 2015.

New features make it easier for healthcare providers to make updates and submit information to the organizations that require it, and for those organizations to utilize that information. Designed to be a completely electronic solution, CAQH ProView will:

— Deliver the most complete, up-to-date set of information available from every type of healthcare provider delivering health and wellness services. The solution now includes additional types of provider relationships (e.g., non-participating and delegated providers) and ownership disclosure.

— Upload and store provider data electronically, eliminating the need for manual document submission and improving the timeliness of completed applications.

— Enable providers to complete and attest to multiple state credentialing applications through an intelligent workflow design.

— Perform real-time system validation of select provider data against industry sources.

— Support secure electronic exchange of roster and provider data files, with roster exception reporting, customizable extract reports, and flexibility in multiple formats: ASCII, XML or PDF.

— Grant designated organizations access to provider data through an application programming interface (API) using real-time web services.

— Offer a ‘bulk upload’ option for practice managers to maintain content on multiple locations and providers, then submit files with pre-populated data.

Designed to seamlessly integrate with CAQH ProView, SanctionsTrack® is an automated, continuous sanctions monitoring solution that enhances the value of provider data. It continuously monitors more than 500 state licensing boards and other sources for sanctions and disciplinary actions. This solution can be used for credentialing network providers as well as fraud and abuse detection programs.

TRANSFORM The work CAQH does is about eliminating problems within the business of healthcare: not just creating incremental improvement, but transformative change.
Moving towards greater use of electronic healthcare transactions requires monitoring and reporting industry progress. This is easier said than done. There are several hundred health plans, thousands of hospitals, and healthcare provider practices numbering in the hundreds of thousands. Some are moving more quickly than others to embrace electronic business transactions.

The CAQH Index is a critical resource for all players in the healthcare industry, acting as a mirror to reflect where progress has been made, and where it remains elusive. It also quantifies the issue, demonstrating the potential savings if and when all healthcare stakeholders fully utilize electronic business transactions.

The CAQH Index tracks the progress in the shift from manual (e.g., via phone, fax or mail) to industry standardized (HIPAA) electronic business transactions between health plans and healthcare providers. The research and analysis, conducted annually, details adoption rates and potential savings, helping the industry assess remaining gaps in this transition. The CAQH Index Advisory Council, composed of industry experts in claim-related transactions and business processes, helps guide its measurement strategy.

The previous CAQH Index studied six common transactions: claim submission, eligibility and benefit verification, prior authorization, claim status inquiries, claim payment, and remittance advice transactions. The 2014 CAQH Index added two transactions for the first time: claims attachments and prior authorization attachments.

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IMPACT CAQH is having a real and lasting impact on the healthcare industry, and is successfully driving adoption of solutions that address ongoing sources of friction between health plans, providers and patients.

FUTURE FORWARD: CAQH ProView and SanctionsTrack establish the foundation for a transformation in the way the healthcare industry shares and utilizes provider data. CAQH is currently engaged with an industry work group to unlock the many ways this data can be useful to health plans and other healthcare organizations. The results will be the basis for ongoing system enhancements.

Additionally CAQH is pursuing development of a solution for Primary Source Verification (PSV) as an adjunct to CAQH ProView. The goal is to eliminate the costly, duplicative process of every health plan and healthcare organization separately verifying provider data. The CAQH PSV solution would enable these organizations to share one set of verification information for each provider.
Measuring the progress of the transition from manual to electronic business transactions is key to understanding those areas in which considerable progress has been made, as well as those that will require greater efforts by health plans, providers and policymakers. Estimating the potential cost savings, which accrue to both individual organizations as well as to the larger healthcare system, can act as a strong incentive to encourage even greater progress. The CAQH Index illustrates, in concrete ways, how various stakeholders can play an important role in permanently eliminating wasteful administrative spending in healthcare.

Also importantly, the CAQH Index report represents a collaboration between healthcare providers and health plans. The greater the amount of information shared by both parties on their transactions with each other, the more accurate the analysis.

The 2013 CAQH Index report was released in early 2014, with findings indicating a potential savings of $8 billion for the healthcare industry from a move to fully electronic transactions. The full report was posted on the CAQH website, and the findings were disseminated to thought leader audiences through conference presentations, webinars and social media. CAQH also developed an on-line “savings calculator” in which health plans and healthcare facilities may enter their own transaction volumes to determine the potential amount of savings their own organization could realize in the transition from manual to electronic business transactions.

For the 2014 CAQH Index, the organization made a concerted effort to increase participation by both health plans and providers. The data collection process was improved to make it easier to submit needed information. As a result, health plans representing 112 million enrollees — almost 45 percent of the privately insured U.S. population — joined the effort. In addition, more healthcare facilities and provider practices participated in a data collection process conducted on behalf of CAQH by Milliman, Inc. This greater number of participants allowed additional segmentation and analysis of the data, such as adoption rate by size of health plan. Since many participants in 2013 also participated in 2014, this second year of data collection also enabled, for the first time, direct year-over-year comparisons of progress made. The findings from the 2014 CAQH Index were released in early 2015.

FUTURE FORWARD: CAQH is committed to continuing to measure and monitor the move towards electronic business transactions, providing the benchmarks for industry progress. In 2015 and beyond, CAQH will utilize trade media and conferences to broaden awareness of the CAQH Index and its industry significance. More health plans and providers will be engaged to participate, with a goal of enabling more finely tuned analysis; for example, the differences in progress between different size plans and/or healthcare practices. Additionally, the CAQH Index will continue to add new transactions to those it currently studies.

CAQH Future Forward

The need to streamline the business of healthcare is universal and urgent. All stakeholders are aligned around the imperative to reduce cost, and more efficient business processes are a fundamental way to address this need. CAQH has a unique perspective in how best to achieve this goal: through the integration of technology-driven initiatives, electronically-shared information, and industry-wide collaboration.

CAQH has set itself a high bar of achievement that can only be reached by ever-greater improvement and utilization of existing solutions and initiatives, as well as the development and launch of new endeavors. The organization, through its targeted growth and sharpened vision in 2014, has positioned itself well to accomplish these goals in 2015 and beyond.
List of Members and Participating Organizations

CAQH Member organizations in bold.

1199 SEIU
1st Medical Network

A
Absolute Total Care
Accenture
Adena Health System
Advantica
Adventist Health System
Adventist Health Systems West
Adventist HealthCare (Maryland)
Aetna, Inc.
Affiliated Chiropractic Network
Affiliated Healthcare, Inc. (AHI)
Affiliated Chiropractic Network
American Academy of Family Physicians
America’s Health Insurance Plans (AHIP)
Ambay Health Network
Always Care Benefits
Alpha Care Medical Group
Allscripts
Alliance Health Incorporated
Alegent Creighton Health
Alegue Technologies
Alliance Behavioral Healthcare
Alliance Health Incorporated
Alliance Health Partners
Allscripts
Alpha Care Medical Group
Always Care Benefits
Ambay Health Network
America’s Health Insurance Plans (AHIP)
American Academy of Family Physicians
American Behavioral
American Care, Inc.
American Health Network of Indiana
American Hospital Association
American Medical Association (AMA)
American Specialty Health
American Well Corporation/
AmericanWell
Amerigroup Kansas
AmeriHealth Mercy
AmeriHealth Mercy of Indiana
AmeriHealth New Jersey
Ameritare
Amida Care
Angelos IPA
Anthem Blue Cross of California
Anthem Blue Cross of Connecticut
Anthem Blue Cross of Kentucky
Anthem Blue Cross of Maine
Anthem Blue Cross of Missouri
Anthem Blue Cross of Ohio
Anthem Blue Cross of Virginia
Anthem Blue Cross of Wisconsin
Anthem, Inc.
Apopiga Health Partners
AppCare Medical Management
Arbor Health Plan
Arcadia Health Plans
ArtCare
Argus Dental and Vision
Arizona Health Advantage/AZ Priority Care Plus
Arizona Health Care Cost Containment System
Arnett Clinic, LLC
ASC XD
AspirePoint
Association of Primary Care Physicians
Athena Health
athenahealth, Inc.
Atlantic Integrated Health
(AIHC)
The Beacon Company
Atlanta Health Plan
AutoCare
Automated HealthCare Solutions
Avity LLC
Avondale Health
Aviss Third Party Administrators
AvMed Health Plans

B
Bakersfield Family Medical Group
Bank of America Merrill Lynch
Baptist Health South Florida
Beacon Health Network
Beacon Health Solutions
Beacon Health Strategies
BlueHealthy America
Beth Israel Deaconess Provider Organization
Block VMD
Blue Care Network
Blue Cross Blue Shield Association
Blue Cross Blue Shield of Alabama
Blue Cross Blue Shield of Arizona
Blue Cross Blue Shield of Florida
Blue Cross Blue Shield of Georgia
Blue Cross Blue Shield of Illinois
Blue Cross Blue Shield of Kansas
Blue Cross Blue Shield of Kansas City
Blue Cross Blue Shield of Louisiana
Blue Cross Blue Shield of Massachusetts
Blue Cross Blue Shield of Michigan
Blue Cross Blue Shield of Missouri
Blue Cross Blue Shield of Nebraska
Blue Cross Blue Shield of North Carolina
Blue Cross Blue Shield of Oklahoma
Blue Cross Blue Shield of Rhode Island
Blue Cross Blue Shield of Tennessee
Blue Cross Blue Shield of Texas
Blue Cross Blue Shield of Vermont
Blue Cross Blue Shield of Western New York
Blue Cross Blue Shield of Wisconsin
Blue Cross of California
Blue Cross of Northeastern Pennsylvania
Blue Cross of Tennessee
Boston Medical Center HealthNet Plan
Brattleboro Memorial Hospital
Brattleboro Retreat
Bravo Healthcare
Bridgeway of Arizona
Brexum United IPA
Buckeye Community Health Plan

C
CAAP - Coalition of Athens Area Physicians
California Department of Health Care Services
Cambria Solutions, Inc.
Cameron Memorial Hospital
CAP Management
Capella Healthcare
Capital District Physicians’ Health Plan
Care Access Health Plans
Care Improvement Plus
Care Ohio/Cardinal Health Partners
Care to care
Caralift of Arizona
CareCentric
CareFirst BlueCross BlueShield
Caremore
Carolina Care Plan
CareSource Management Group
CarolinaCARE
Cedar-Sinai Health System
CeltCare Family Health Plan
Cenpatico Behavioral Health
Century Corporation
Center for Health Benefit Programs
Centene Healthcare
CenterPoint Human Services
CentMass
Centura Health
Centurion Tennessee
Century PHD
Cerdian Corporation
Children’s Hospital Medical Center
(Cincinnati)
Childrens Medical Center Health Plan
Children’s Mercy Family Health Partners
Children’s National Medical Center
Christiana Care Quality Partners
CHRISTUS Health
Chiasis America
CIGNA Behavioral Health
Cigna
Citrus Valley Physicians Group
ClaimRadjai
Cleveland Clinic Community Physician Partnership
Clinical Practice Organization
CMOD
CoastalCare
Cognizant
Cognosante
CollabHealth Plan Services, Inc.
Colonial Cooperative Care
Colorado Access
Colorado Choice Health Plans
Community Care IPA
Community Care Physicians
Community Choice Michigan
Community Eye Care
Community Family Care Medical Group
Community Health Alliance
Community Health and Immunization Services, LLC
Community Health Care Network
Community Health Center Network (CNHCN)
Community Health Choice, Inc.
Community Health Network of Connecticut
Community Health System Professional Association
Community Health Systems
Community Partners of Southern Arizona
Compass Health
Compass IPA
CompleteCare Solutions, Inc.
Comprehensive Health Services Inc.
Computer Science Corporation
Connectica Behavioral Health
Confiance Health
Connecticare
Consumers Choice
Consumers Mutual of Michigan
Continuum Health
Copley Hospital
Cornithian Medical IPA
Cornstone Alliance, Inc. (a PHO)
Corel
 Coventry Health Care
Coventry HealthCare/First Health
Crown Medical Group
CSG Government Solutions

D
Davis Vision
DC Chartered Health Plan, Inc.
Dacosan Health Plans
Deltana Consulting LLP
Delta Dental Plans Association
Dental Partners of Georgia, LLC
Den Township
DesPeres Hospital
Detroit Medical Centers
Devon Healthcare
Dignity Health
Doctors Hospital
Doctors Hospital of Nelsonville
Driscoll Children’s Health Plan
DST Health Solutions
Dublin Methodist

E
East Carolina Behavioral Health
East Georgia Physician Group
Easy Choice Health Plan
Edgardo Health Plans
Edie
Elderplan
EmblemHealth
EmblemHealth (GH and HP)
EmeMark
EMI Health
Empire Blue Cross Blue Shield
Emperor Health Systems
Epic
Essenian Medical Group
EPT Medical Care
Evergreen Health Cooperative Inc.
ExamOne
Excellus Blue Cross Blue Shield
Excellus Health Plans
Eye Associates Network
EyeMed Vision Care

F
Fallon Community Health Plan
Family Health America
Family Health Network
Federal Reserve Bank of Atlanta
FEI Behavioral Health
FieldCrest Medical Center (New York State)
Catholic Health Plan, Inc.
Fidelity
Fidelity Care
Fifth Third Bank
First Choice Health Plans
First Choice Plan
First Community Health
FirstCommunity Health Plan Inc.
Florida HealthCare Plus/Gold Coast Health Plan
Florida True Health