

For Immediate Release

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**IBM Joins Healthcare Industry Leaders in CAQH Initiative
to Improve Electronic Administrative Data Exchange, Reduce Administrative Burden**

Washington, DC (Aug. 6, 2007) – CAQH announced today that IBM, one of the world’s foremost drivers of advanced information technology and services, has joined the Committee on Operating Rules for Information Exchange ([CORE](#)), the healthcare industry’s leading initiative to simplify health insurance verification. IBM will collaborate with nearly 100 health plans, providers, software and hardware companies, large provider group practices and others to develop a set of voluntary rules aimed at streamlining electronic administrative data exchange and promoting health plan/provider interoperability.

CORE [participants](#) collectively cover more than 130 million lives, or more than 75 percent of the commercially insured plus Medicare and state-based Medicaid beneficiaries.

“CORE complements IBM’s objectives for improving healthcare through technology by providing operating rules that make electronic transactions more predictable and consistent, thereby facilitating error resolution and helping to deliver care that is focused on the patients’ needs,” said Dr. Paul Grundy, IBM Director, Healthcare Technology and Strategic Initiatives. “We are pleased to be a part of this cutting-edge initiative.”

The vision of the CAQH initiative is provider access to eligibility and benefits information, using the electronic system of their choice for any patient or health plan. CORE rules build on existing standards, such as HIPAA, to make electronic transactions more predictable and consistent, regardless of the technology, leading to

- Enhancing interoperability between providers and payers
- Streamlining eligibility and benefits data transactions
- Reducing the amount of time and resources providers spend on administrative functions – time better spent with patients.

- more -

The first set of CORE rules was introduced in 2006. CAQH announced that nearly 20 leading national healthcare organizations, including Aetna, Inc.; Humana Inc.; and WellPoint, Inc. and its 14 Blue-licensed subsidiaries, were certified to exchange select eligibility and benefits information with providers in accordance with the CORE Phase I rules in April of this year.

“IBM’s participation in CORE brings more recognized leadership to our national collaborative,” said Harry L. Reynolds, CORE chair and Vice President, Blue Cross and Blue Shield of North Carolina. “It’s further indication of the important role CAQH plays in developing solutions that simplify healthcare administration.”

A recent CAQH study found that by moving from labor-intensive verification methods such as the web, fax and phone to automated HIPAA transactions, providers may reduce labor costs associated with verifying insurance coverage as much as 50 percent. Health plans also can achieve significant labor savings, as the study showed that average labor costs per phone call are \$1.38 vs. \$0.00 for an automated transaction.

To help fully achieve these savings, CORE is currently developing rules that build on the HIPAA 270/271 transactions to improve patient identification. Patient matching issues are a key reason why automated administrative data inquiries fail. Those patient identification standards will be integrated into the full suite of CORE Phase II rules, which are expected to be announced early next year.

About IBM

To learn more about IBM, please visit www.ibm.com.

About CAQH

CAQH is a catalyst for healthcare industry collaboration on initiatives that simplify and streamline healthcare administration. CAQH solutions help promote quality interactions between plans, providers and other stakeholders, reduce costs and frustrations associated with healthcare administration, facilitate administrative healthcare information exchange and encourage administrative and clinical data integration. Visit www.caqh.org for more information.

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