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FIRST VENDOR EXCLUSIVELY PROVIDING MEDICAID SERVICE ACHIEVES CORE CERTIFICATION, DEMONSTRATES ADVANCE OF INDUSTRY SOLUTION

Thirteen New Entities Working with Over a Million Providers Join in Helping Develop Rules that Streamline Electronic Administrative Data Exchange

Washington, DC (September 2, 2009) – CAQH[®] announced today that its Committee on Operating Rules for Information Exchange[®] (CORE) initiative is advancing its goal to provide an electronic data exchange solution that can support all payers, public and private alike. CAQH has awarded COREcertification to the first vendor solely focused on offering Medicaid services. Moreover, CAQH has achieved increased support from twelve other organizations since April.

eServices Group, Inc., a vendor implementing critical software solutions for four state Medicaid agencies and over 120,000 providers, certified its Medicaid payer service *XJ Series Gateway Services* product as operating in accordance with both the CORE Phase I and Phase II rules. Additional CORE Phase I certifications were granted to Spectrum Laboratory Network, a large provider group, as well as vendor/clearinghouse products from InstaMed; Netwerkes, LLC; Recondo Technology and Secure EDI. NaviNet was the first vendor to have a product certified by the CORE Phase II rules, offering a secure link between more than 770,000 providers and leading health plans and industry partners. The authorized CORE-certification testing vendor, Edifecs, Inc., confirmed that these organizations are exchanging data according to the CORE rules.

In addition to the new certifications, six new entities are now participating in the development of the CORE operating rules. These participating organizations include Antares Management Solutions and iHCFA, LLC, both vendors; Johns Hopkins Medicine, a provider; Medical Mutual of Ohio, a health plan covering nearly 4 million lives; Merck & Co., Inc., an advisor; and Wisconsin Medical Society, a provider association. These organizations are joining CORE during the development process for Phase III rules. The third set of CORE rules builds on earlier phases and focuses on improving the electronic exchange of administrative transactions such as prior authorization and remittance advice.

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The certification of eServices Group demonstrates the growing fulfillment of the CORE vision for solutions that can support all payers. Over the past several years CORE has been working through public/private collaboration to ensure the CORE rules are well-aligned with the federal health IT efforts aimed at bringing true change to the industry.

"eServices Group is incorporating the CORE rules into our products and services to ensure that we are working towards uniform and secure data exchange," said David Walsh, CEO of eServices Group, Inc. "In complement to parallel efforts occurring with Medicaid, the value of CORE is that it's delivering results and providing a foundation for national operating rules. Since CORE supports commercial and Medicaid interests, it is playing a critical role in leading the industry towards cost-efficient, effective healthcare information exchange."

Specifically with regard to Medicaid, CORE rules complement the direction being taken by the Medicaid Information Technology Architecture (MITA), an initiative of the Center for Medicaid & State Operations (CMSO) being built to improve administrative processes for state-based Medicaid enterprise and its stakeholders. CORE and MITA share a vision of creating baseline requirements for operations that help increase efficiency and streamline the healthcare system.

The achievement of CORE-certification by eServices Group not only is demonstrating CORE and MITA alignment, which means all-payer solutions for providers, it may also encourage state Medicaid agencies that are preparing for MITA to achieve CORE-certification. The CORE rules incorporate aspects of standards recognized by the Office of the National Coordinator for Health Information Technology (ONC) and also items that will be required by MITA.

A recent study found that when trading partners exchange administrative data according to the CORE rules, the organizations reduce costs and streamline administrative processes. The CAQH study conducted by IBM Global Business Services shows that the CORE rules are accelerating adoption of HIT technology and helping to provide better access to patient coverage information. An industry-wide adoption of the CORE Phase I rules could save the industry an estimated \$3 billion in three years.

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CORE is a collaboration of more than 100 industry stakeholders developing a multi-phase set of uniform business rules, built on HIPAA and other standards, to simplify healthcare administration. The CORE rules address data critical to the healthcare revenue cycle, such as patient eligibility and benefits, patient financial liability for various service types, patient deductibles/co-pays and patient accumulators. The rules also cover specific requirements for exchanging that data, including system connectivity, system availability, patient identification, claims status, maximum response times (batch and real-time), and the consistent use of standard acknowledgements. CORE has finalized and promulgated two phases of rules to date.

About CAQH

CAQH, a nonprofit alliance of health plans and trade associations, serves as 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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