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CAQH ADMINISTRATIVE EFFICIENCY EFFORTS ACKNOWLEDGED IN HEALTH AFFAIRS STUDY THAT CONCLUDES U.S. PHYSICIANS SPEND FOUR TIMES AS MUCH MONEY AS CANADIANS WHEN INTERACTING WITH PAYERS

WASHINGTON, D.C.—August 9, 2011—CAQH[®] efforts to simplify healthcare administration have been recognized in a study published in the August 2011 issue of *Health Affairs*, "U.S. Physician Practices Versus Canadians: Spending Nearly Four Times As Much Money Interacting With Payers," written by Dante Morra, et al. The article concludes by affirming, "Everyone – health plans, physicians and their staffs, and patients – will be better off if inefficiencies in transactions between physicians and health plans can be reduced." Toward that end, the study states that some "progress is being made" and makes reference to CAQH work that is helping to substantially reduce administrative healthcare costs in the U.S.

"Saving time and costs for providers and health plans in ways that ultimately benefit patients is the commitment at the heart of our efforts," said Robin Thomashauer, CAQH executive director. "The industry has come together through CAQH and its initiatives to produce results in simplifying the administrative aspects of healthcare."

The CAQH Universal Provider Datasource[®] (<u>UPD</u>[®]) streamlines provider data collection for credentialing and other purposes for over 940,000 providers and more than 600 organizations in the U.S. The CAQH Committee on Operating Rules for Information Exchange[®] (<u>CORE</u>[®]) is a multi-stakeholder collaboration that develops operating rules enabling healthcare providers to quickly and securely determine patient benefits and insurance coverage eligibility, as well as the status of a health insurance claim.

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Health Affairs CAQH Recognition/2

The CAQH CORE operating rules were recently adopted by the Department of Health and Human Services (HHS) in the interim final rule (<u>CMS-0032-IFC</u>) under Section 1104 of the Patient Protection and Affordable Care Act, which requires health plans to comply with operating rules for eligibility and claim status transactions by January 1, 2013. HHS is accepting comments on the interim final rule until Sept. 6, 2011. The deadline for the rule to be finalized is Jan. 1, 2012.

In a study for CAQH conducted by IBM Global Business Services, it was estimated that potential savings from an industry-wide implementation of the CAQH CORE Phase I rules would save the U.S. healthcare system \$3 billion in three years. CAQH estimates that at this time UPD reduces provider administrative costs by \$111 million a year, representing more than 3.8 million person-hours saved.

About CAQH

CAQH, a nonprofit alliance of health plans and associations, is a catalyst for simplifying and streamlining healthcare administration. CAQH solutions, including UPD and CORE, reduce costs and frustrations associated with healthcare administration, facilitate healthcare information exchange, and encourage administrative and clinical data integration. Visit <u>http://www.caqh.org</u> for more information.

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