



# CAQH CORE Town Hall Webinar

Tuesday, Feb 6, 2018

2:00 – 3:00 pm ET

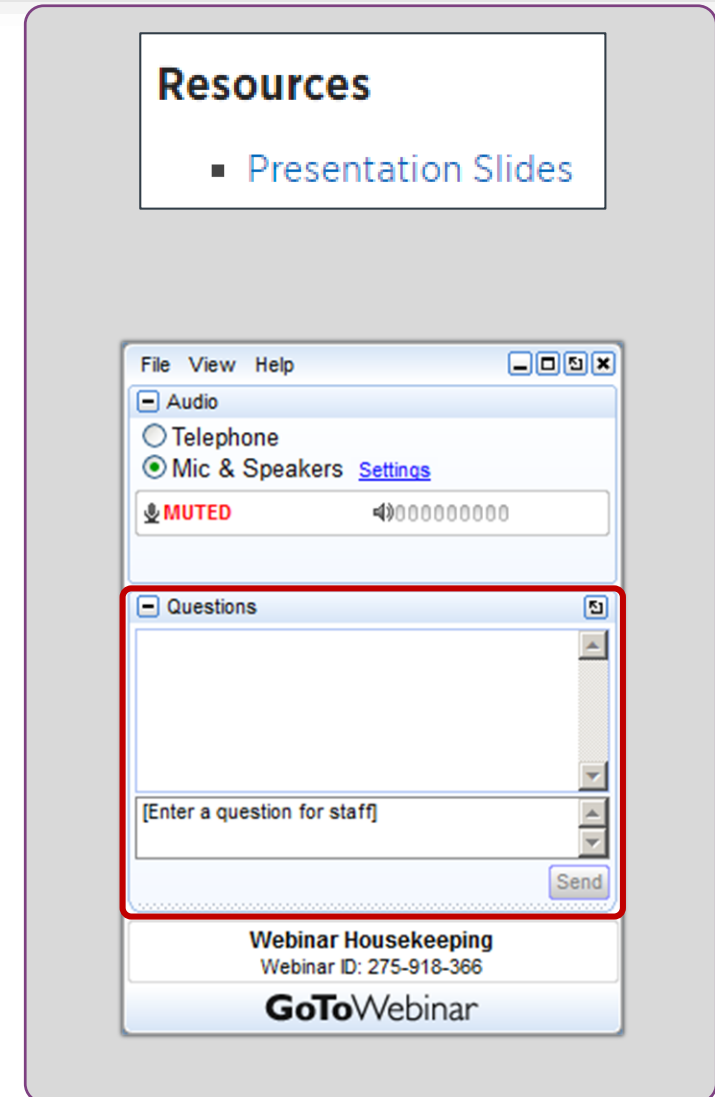
# Logistics

## Presentation Slides & How to Participate in Today's Session

Download the presentation slides at [www.caqh.org/core/events](http://www.caqh.org/core/events).

- Click on the listing for today's event, then scroll to the bottom to find the Resources section for a PDF version of the presentation slides.
- Also, a copy of the slides and the webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.

Questions can be submitted *at any time* with the **Questions panel on the GoToWebinar dashboard.**



# Session Outline

- CAQH CORE Overview
- Federal Update
- Voluntary Efforts to Drive Value
  - Attachments
  - Prior Authorization
  - VBP
- Voluntary CORE Certification
- CORE Operating Rules Maintenance
- Q&A

CAQH  
CORE

# CAQH CORE Overview

**Robert Bowman**  
CAQH CORE Director

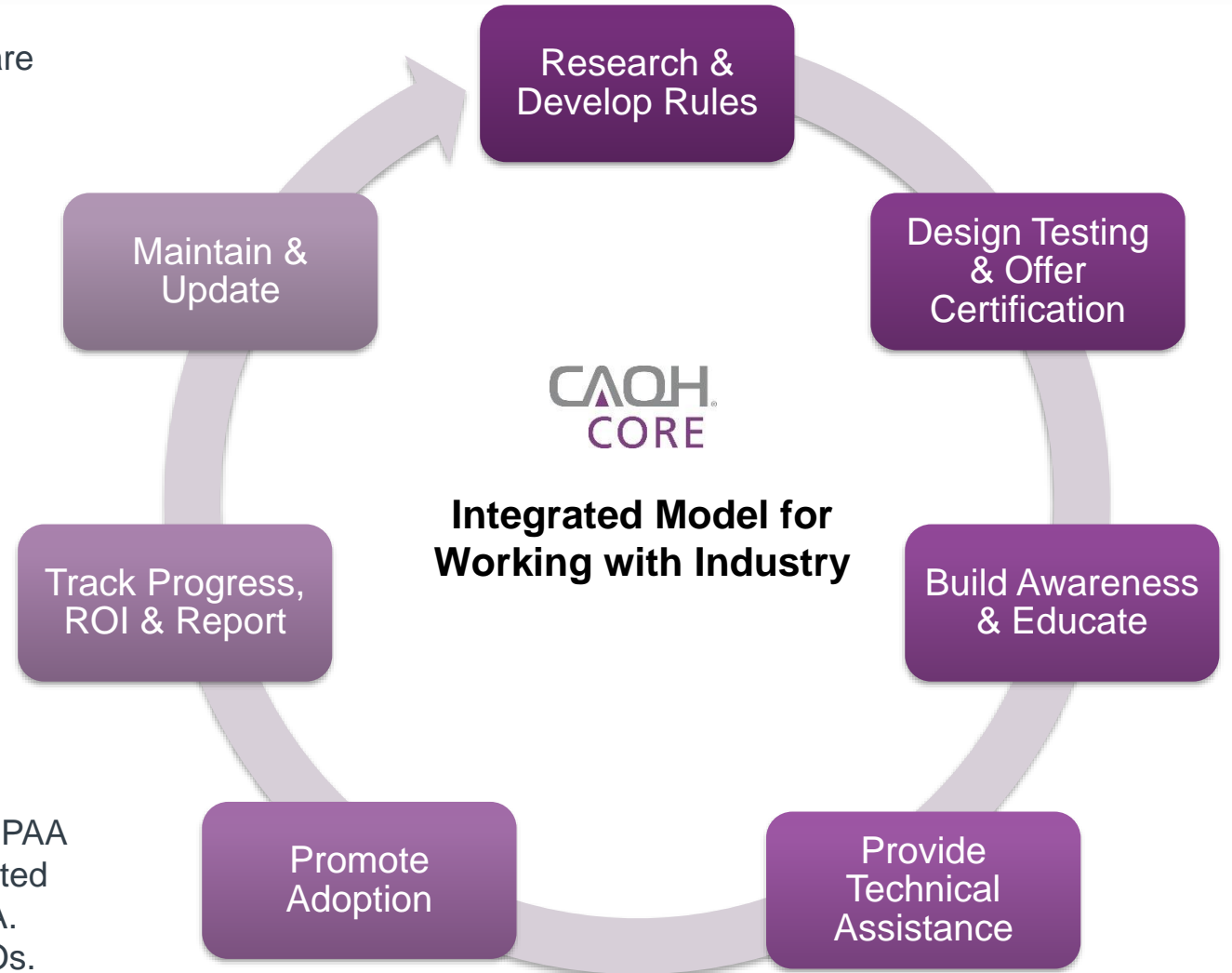
# CAQH CORE Mission & Vision

**MISSION** Drive the creation and adoption of healthcare operating rules that **support standards, accelerate interoperability** and align administrative and clinical activities among providers, payers and consumers.

**VISION** An **industry-wide facilitator** of a trusted, simple and sustainable healthcare data exchange that evolves and aligns with market needs.

**DESIGNATION** Named by **Secretary of HHS** to be **national author for three sets of operating rules** mandated by Section 1104 of the Affordable Care Act.

**BOARD** **Multi-stakeholder.** Voting members are HIPAA covered entities, some of which are appointed by associations such as AHA, AMA, MGMA. Advisors are non-HIPAA covered, e.g. SDOs.



# CAQH CORE by the Numbers

# 130



## CAQH CORE Participating Organizations

working in collaboration to simplify administrative data exchange through development and maintenance of operating rules.

# 4



## Phases of Operating Rules

developed to facilitate administrative interoperability and encourage clinical-administrative integration by building upon recognized standards.

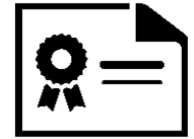
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## Federally Mandated Phases of Operating Rules

per Section 1104 of the Affordable Care Act to address and support a range of administrative transactions.

# 330



## CAQH CORE Certifications

awarded to entities that create, transmit or use the healthcare administrative and financial transactions addressed by the CAQH CORE Operating Rules.



# CAQH CORE Operating Rule Overview

*Designated Operating Rule Author by HHS*

## **CAQH CORE is the HHS-designated Operating Rule Authoring Entity.**

*HIPAA covered entities conduct administrative transactions using the CAQH CORE Operating Rules.*

- ✓ On September 30, 2010, NCVHS recommended to the HHS Secretary that **CAQH CORE be designated as the authoring entity for non-retail pharmacy eligibility and claim status transactions.** On March 23, 2011, NCVHS recommended to the HHS Secretary that **CAQH CORE in collaboration with NACHA be the authoring entities for operating rules for the healthcare EFT and ERA transactions.** The HHS Secretary subsequently agreed with both recommendations.
- ✓ On May 5, 2012, NCVHS recommended to the HHS Secretary that CAQH CORE be **designated the authoring entity to develop operating rules** for all remaining HIPAA electronic health care transactions -- claims, enrollment, premium payment, prior authorization and claims attachments.
- ✓ On September 12, 2012, the HHS Secretary agreed **with the NCVHS recommendations** and named CAQH CORE as the operating rules authoring entity for the remaining HIPAA transactions.

### **Source Material:**

[Letter from NCVHS: Recommendations Designating Authoring Entity for Eligibility and Claim Status Transactions \(September 2010\).](#)

[Letter from NCVHS: Recommendations Designating Authoring Entity for EFT ERA Transactions \(March 2011\).](#)

[Letter from NCVHS: Recommendations Designating Authoring Entity for Remaining HIPAA Transactions \(May 2012\).](#)

[Letter from the Secretary of HHS Supporting the NCVHS Recommendation \(September 2012\).](#)




[NCVHS's Eleventh Report to Congress on the Implementation of the Administrative Simplification Provisions of HIPAA \(June 2014\).](#)

# Operating Rules are Crucial in a Technology-driven World

## Importance of Operating Rules

Organizations have a critical need to electronically share large quantities of data quickly and accurately. Operating rules support standards, and then specify the business actions each party must adhere to in order to ensure a high volume of reliable transactions can occur smoothly.

For more than a decade, CAQH CORE has brought healthcare stakeholders together to develop, agree upon and then adopt operating rules for the industry. In addition to improving the exchange of transactions, each phase of CAQH CORE operating rules brings tangible ROI to healthcare stakeholders across the industry.

	Phase	Transactions	Example Benefits	
	Phase I - II	<ul style="list-style-type: none"> <li>Health plan eligibility</li> <li>Claim status transactions</li> </ul>	<ul style="list-style-type: none"> <li>Faster patient registration and improves revenue cycle management.</li> <li>Real-time eligibility and benefit checks reduces claim denials.</li> <li>Decreases duplicate claim submissions.</li> <li>Reduces misidentification of patients and mistaken denials.</li> </ul>	Mandated
	Phase III	<ul style="list-style-type: none"> <li>Electronic funds transfer</li> <li>Health care payment and remittance advice</li> </ul>	<ul style="list-style-type: none"> <li>Improves cash flow via expedited payment and remittance reconciliation.</li> <li>Eliminates the need for manual re-keying of reconciliations.</li> <li>Increases ability to conduct targeted payment issue follow-ups.</li> </ul>	
	Phase IV	<ul style="list-style-type: none"> <li>Health claims or equivalent encounter information</li> <li>Referral, certification and authorization</li> <li>Enrollment/disenrollment in a health plan</li> <li>Health plan premium payments</li> <li>Health claims attachments*</li> </ul>	<ul style="list-style-type: none"> <li>Enhances revenue cycle management during healthcare claim submission.</li> <li>Reduces staff time on manual phone or fax inquiries for prior authorization.</li> <li>Alleviates delays or errors in processing employee change-of-life events.</li> </ul>	Voluntary

\*CAQH CORE chose to hold drafting operating rules on health claims attachments until there is a mandated HHS Standard.



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# Federal Update

**Erin Weber**  
CAQH CORE Director

# Mandated Operating Rule Updates

# Attachment Standards & Operating Rules

*Moving the Industry Forward*

Current Industry State	Upcoming HHS Activity
<p>No HIPAA standard for electronic attachments.</p> <p>The <a href="#">2016 CAQH Index report</a> – which is based on data from over 5.4B transactions – reported on adoption and cost of electronic claim attachments for the first time.</p> <p>Key findings:</p> <ul style="list-style-type: none"><li>▪ <b>Only 6%</b> of healthcare claim attachments are submitted to medical health plans electronically, with the remaining sent either via fax or mail.</li><li>▪ Over a <b>half-billion dollars could be saved</b> by the industry by claim attachment adoption.</li></ul>	<p>HHS <a href="#">Unified Agenda</a> was published in December 2017.</p> <p><i>“This proposed rule would <b>adopt standards and operating rules for attachments</b> based on statutory requirements introduced in the Health Insurance Portability and Accountability Act (HIPAA) and reinforced in the Affordable Care Act. In general, it would apply to circumstances in which a provider attaches clinical information to a transaction that it is being transmitted to a health plan.”</i></p> <p><b>NPRM is expected in August 2018.</b></p>

**Ensuring electronic attachments are a work-flow friendly feature in our healthcare system is a critical goal for CAQH CORE given its mission and HHS designation.** In preparation for future operating rule development related to attachments, CAQH CORE has remained actively engaged in the attachments space through surveys on current state, industry tracking, education and ongoing environmental scan efforts.



# HHS Centers for Medicare & Medicaid Services (CMS)

## Administrative Simplification Compliance

Topic	CMS Action
<b>Certification of Compliance NRPM Withdrawal</b> (10/14/17)	<ul style="list-style-type: none"><li>▪ HHS published a <a href="#">notice</a> withdrawing the January 2014 Health Plan Certification of Compliance NPRM.</li><li>▪ <b>Health plans must still comply</b> with HIPAA-mandated standards and operating rules for electronic transactions.</li></ul>
<b>CMS Compliance Review Activity</b> (11/29/17)	<ul style="list-style-type: none"><li>▪ CMS announced it will <b>pursue proactive compliance reviews of health plans and clearinghouses</b> for Administrative Simplification transaction standards, including adopted standards, code sets, unique identifiers and operating rules.<ul style="list-style-type: none"><li>• Note: Fifty-six complaints of non-compliance submitted to CMS between January and November 2017; six on <a href="#">operating rules</a>.</li></ul></li><li>▪ Proactive approach implements a progressive penalty process with the goal of remediation. However, the <b>full array of enforcement actions are also possible</b>, including financial penalties.<ul style="list-style-type: none"><li>• First step is the <a href="#">HHS Administrative Simplification Optimization Project Pilot</a> early this year which will inform the rollout of the <b>Administrative Simplification Optimization Program</b>.</li></ul></li></ul>

## Other Federal Activities

# National Committee on Vital & Health Statistics

## Standards & Operating Rules Predictability Roadmap

Topic	What is it?
<b>Standards &amp; Operating Rules Predictability Roadmap Objectives</b>	<ul style="list-style-type: none"><li>▪ NCVHS established a goal to <b>develop a predictable schedule for the industry</b> of when updates to the HIPAA standards and operating rules will occur; help market prepare for change.</li><li>▪ NCVHS met January 9-10, 2018 and discussed Predictability Roadmap <b>objectives</b>:<ul style="list-style-type: none"><li>➤ <b>Standards Development Process</b> schedule is defined and well understood.</li><li>➤ <b>Standards Adoption Governance</b> includes effective oversight and consensus.</li><li>➤ <b>Data Harmonization and Cohesion</b> ensures that data definitions and details are consistent across developed standards to foster better interoperability.</li><li>➤ <b>Regulations are published on a regular timetable.</b></li><li>➤ Covered entity designations reflect how <b>business operates in the current environment.</b></li></ul></li></ul>
<b>Chief Information Officer (CIO) Forum</b>	<ul style="list-style-type: none"><li>▪ NCVHS will hold a one or two-day day forum to <b>solicit input from diverse group of CIOs who are end users of the standards and operating rules.</b> This will inform the Predictability Roadmap.</li><li>▪ Time Frame: end of Q2/beginning of Q3.</li><li>▪ <b>Next Steps:</b><ul style="list-style-type: none"><li>➤ <b>Design and conduct CIO Forum:</b> Identify and invite participants, create question set.</li><li>➤ <b>Review CIO feedback</b> and incorporate into Predictability Roadmap.</li><li>➤ <b>Draft detailed recommendations</b> for the Predictability Roadmap.</li><li>➤ <b>Meet with each SDO, ORAE and HHS one-on-one to review the recommendations and actionable steps.</b></li></ul></li></ul>



# Office of National Coordinator (ONC)

*Federal Entity Charged with Nationwide Coordination of Health Information Technology Efforts*

Topic	What is it?
<b>Health IT Advisory Committee (HITAC)</b>	<ul style="list-style-type: none"><li>▪ The Health Information Technology Advisory Committee (HITAC), outlined in Section 3002 of the <a href="#">21st Century Cures Act</a>, will make recommendations to the National Coordinator for Health Information Technology (ONC) on a <b>policy framework to advance an interoperable health information technology infrastructure</b>.</li><li>▪ HITAC held its <b>first public meeting</b> on January 18, 2018. The <a href="#">agenda</a> covered topics such as an <a href="#">overview</a> the 21<sup>st</sup> Century Cures Act, <a href="#">updates</a> from the ONC Office of Standards and Technology and a <a href="#">presentation</a> on the Trusted Exchange Framework.</li></ul>
<b>Draft Trusted Exchange Framework and Common Agreement</b>	<ul style="list-style-type: none"><li>▪ The draft <a href="#">Trusted Exchange Framework and Common Agreement (TEFCA)</a> aims to create a <b>technical and governance infrastructure that connects Health Information Networks (HIN) together through a core of Qualified Health Information Networks</b>.<ul style="list-style-type: none"><li>➤ Industry comments due by February 20, 2018.</li></ul></li><li>▪ TEFCA proposes <b>policies, procedures and technical standards necessary to advance a single on-ramp to interoperability</b>.<ul style="list-style-type: none"><li>➤ Principles include <b>standardization, transparency, cooperation and non-discrimination, security and patient safety, access and data-driven accountability</b>.</li><li>➤ Goals include <b>build on and extend existing work</b> done by the industry, <b>provide a single “on-ramp”</b> to interoperability, <b>be scalable</b> to support the entire nation, <b>build a competitive market</b> allowing all to compete on data services and achieve long-term <b>sustainability</b>.</li></ul></li></ul>

## Voluntary Efforts to Drive Value

# CAQH CORE

## Attachments

**Robert Bowman**  
CAQH CORE Director

# CAQH CORE Efforts on Attachments

## Scope of Work

### In Progress

#### Environmental Scan

- Monitor trends in transition to electronic attachments, estimate cost savings of automation and identify opportunity areas to support provider adoption.
- Currently interviewing CAQH CORE Participants, CAQH Index participating providers and interested stakeholders; includes provider site visits, stakeholder interviews and vendor product assessment.
- The Environmental Scan will inform the work of the Advisory Group when identifying and prioritizing opportunity areas.

#### Industry Education Series

- CAQH CORE will continue to host education events about attachments. Previous topics in series include:
- Electronic attachments basics ([Part I](#)).
  - Best practices from claims attachments case studies ([Part II](#)).
  - Clinical content for document metadata ([Part III](#)).
  - Clinical document architecture for clinical content ([Part IV](#)).

### Activities in 2018 and Beyond

#### Advisory Group/Subgroup

**Advisory Group:** Review environmental scan findings to develop list of high priority opportunity areas to recommend to an Attachments Subgroup.

**Subgroup:** Review Advisory Group recommendations to identify areas to be addressed in attachment rule writing.

## Prior Authorization

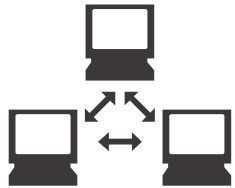
**Rachel Goldstein**  
CAQH CORE Manager

# CAQH CORE Efforts on Prior Authorization

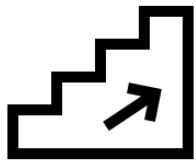
## Phase IV Laid the Foundational Infrastructure

### CAQH CORE Vision for Prior Authorization (PA)

Introduce targeted change to propel the industry collectively forward to a PA Process optimized by automation, thereby reducing administrative burden on providers and health plans and enhancing timely delivery of patient care.



The Phase IV Operating Rule\* established foundational infrastructure requirements such as connectivity, response time, etc., and builds consistency with other mandated operating rules required for all HIPAA transactions.



CAQH CORE not only develops operating rules to automate the PA process, but also drives adoption to realize meaningful change.

### Highlights of Phase IV Infrastructure Requirements

Connectivity Requirements Facilitate Electronic Information Exchange between Providers and Health Plans

Real-time and Batch Processing of PA Requests

Acknowledgement of Receipt of PA Request

Responses within Specified Timeframe

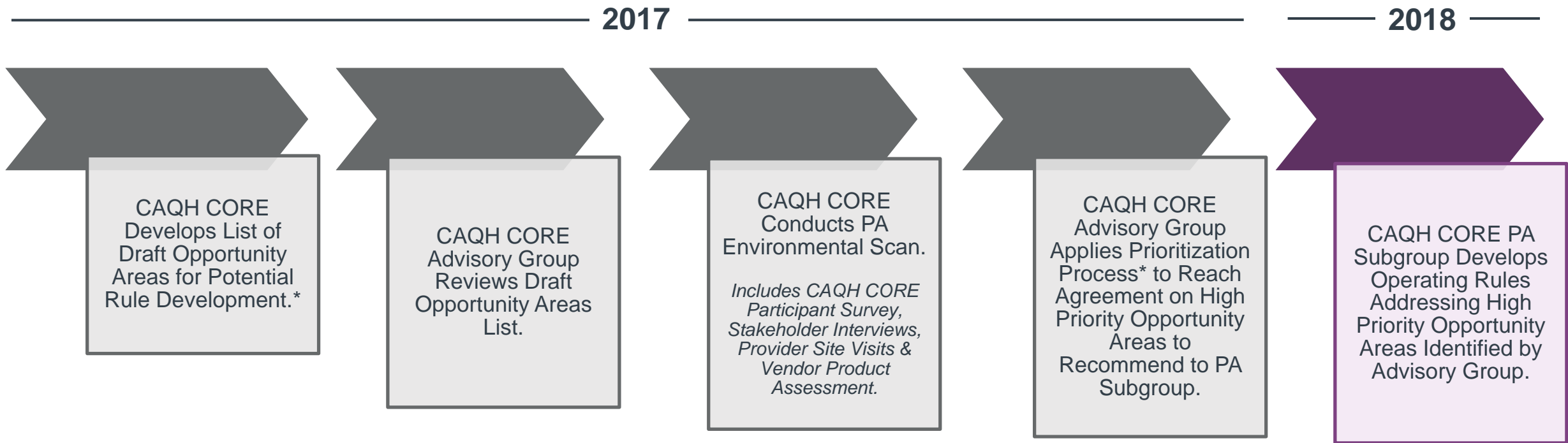
\* Phase IV Rule is currently underway. Complete rule available here: [Phase IV CAQH CORE 452 Health Care Services Review – Request for Review and Response \(278\) Infrastructure Rule v4.0.0.](#)



# CAQH CORE Efforts on Prior Authorization

## Prioritized Opportunity Areas for the Next Phase of Rule Development

The CAQH CORE Prior Authorization Subgroup (PASG) launched in 2017 to draft additional, voluntary operating rules that will **expand on the foundational infrastructure requirements established by the Phase IV Operating Rule**, and move the needle closer to a more efficient PA process. The PASG's efforts also build upon the research and analysis conducted by the CAQH CORE PA Advisory Group.



\* Included thorough review and analysis of: X12 v5010X217 278 TR3; NCVHS testimonies; CAQH CORE industry surveys; Industry forum discussions and initiatives; CAQH CORE Phase IV Subgroup discussions.

# CAQH CORE Prior Authorization Top Opportunity Areas

*Two Opportunity Areas are within the Current Scope of CAQH CORE Prior Authorization Subgroup*



*PA Subgroup Began Pursuing Rule Development in Q4 2017*



*CAQH CORE to Incorporate into Potential Attachments Rule Development Effort, 2018*



*CAQH CORE to Conduct Additional Research Prior to Pursuing Rule Development, 2018*

## Data Content & Data Sets

Robust Data Content Requirements for HIPAA-Mandated v5010X217 278 Prior Authorization Request and Responses

Uniform and Consistent Robust Data Sets for Initiating a Prior Authorization via any Method

## Attachments (Additional Documentation)

Uniform Set of Electronic Document Formats for Submission of Additional Documentation

Transport Methods for Additional Documentation Submission

## Workflows

Examine Capability to Notify Provider of Prior Authorization Requirement in the Mandated v5010 270/271 Eligibility Request and Response

Consistent & Efficient Workflows for Provider pre-submission and Health Plan post-receipt of a Prior Authorization Request

# CAQH CORE Prior Authorization Subgroup

## Subgroup Currently Selecting Rule Options to Pursue for X12 278 Robust Data Content

### Upcoming

**Rule Option(s) Selection:** After reviewing the feedback collected during the PASG Participation Utilization Feedback period, the Subgroup identifies and selects distinct rule options to pursue draft rules for X12 278 Robust Data Content. The rule option categories are listed below.

#### Rule Option Categories for Prior Authorization Subgroup Consideration

- 1 Use of Diagnosis/ Procedure Codes on Request.
- 2 Patient Identification Data Included on Request Results in Denied/ Pended Response.
- 3 Use of AAA Error Codes on Response.
- 4 Use of Health Care Service Decision Reason Codes on Response.
- 5 Use of Logical Observation Identifiers Names and Codes (LOINC)s on Responses Pended for Additional Documentation.
- 6 Identification of Provider on Request.

# Polling Question

**As CAQH CORE continues its work on prior authorization and attachments, are you or your organization interested in getting involved? (Check all that apply.)**

- Yes, I would like to participate in the attachments environmental scan.
- Yes, I would like to present a prior authorization or an attachments case study during a webinar.
- Yes, I would like to participate in the Prior Authorization Subgroup.
- Yes, I would like to participate in the Attachments Advisory Group.
- Not at this time.

## Value-based Payments

**Erin Weber**  
CAQH CORE Director

# CAQH CORE VBP Initiative

## *From Fee-for-Service to Value-based Payments*

**CAQH CORE Board recognizes the importance of emerging VBP models\* with a goal to improve quality and reduce cost:**

**30%-50%**  
providers currently  
engaged in VBP.

(Modern Healthcare, 2017)



Expected that more than  
half of healthcare  
payments will be value-  
based by 2020.

(Forbes, 2017)



VBP models already  
accruing cost-savings  
with equal or better  
care results.

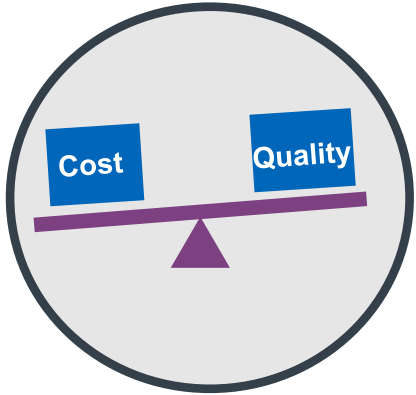
(American Hospital Association, 2016)

**Transition to VBP not without challenges – improvement in operational capabilities needed to ensure success.**

- Proprietary systems and processes implementing VBP have introduced operational variations, unintentionally setting up a scenario ripe for repeating prior mistakes.
- The volume-to-value transformation may slow if providers encounter barriers that make participation burdensome – need efficient, uniform operational system as support.
- Important to collaborate now within the industry to standardize and coordinate operations early, before proprietary systems and processes become entrenched.

\*The term “value-based payment” is used, recognizing that other terms may also be appropriate, such as incentive payment models, care delivery models, etc.





### The VBP Standardization Challenge

The success of VBP is fundamentally dependent upon **smooth and reliable business interactions** between all stakeholders. Investments in standardized methods of communication among stakeholders can deliver value to the entire industry if there are **consistent expectations and rules of the road** related to value-based payment.

### CAQH CORE Report

#### 5 Opportunity Areas

Proposes five opportunity areas identified as unique operational challenges associated with VBP.

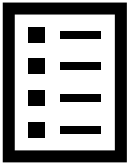
#### 9 Recommendations

Includes nine recommendations and strategies to address these challenges which may be implemented by CAQH CORE and/or others.

#### 12+ Candidate Orgs

Identifies over a dozen candidate organizations – industry organizations and leaders – to successfully propel VBP operations forward.

# Operational Challenges: Areas Impacting Value-based Payments



## Data Harmonization:

- Missing or inaccurate provider and patient data.
- Lack of specificity for some medical code sets (LOINC & SNOMED).
- Inconsistent use of common terms not currently standardized.



## Interoperability:

- Technical interoperability with use of different information systems can affect data accuracy and validity.
- Lack of a process interoperability for how information is exchanged and how actions are interpreted by other stakeholders.



## Patient Risk Stratification & Risk Assessment:

- Data needed can be costly to collect and analyze due to differing and proprietary models used by payers and providers.
- Model variation leads to provider confusion and inhibits their ability to provide timely, cost-effective care.



## Quality Measurement:

- Overabundance of quality measures burden provider's ability to complete reporting requirements for VBP initiatives.

# CAQH CORE VBP Initiative

## Activities in VBP to Date & Beyond

### To Date/In Progress

#### Stage 1: CAQH CORE Board Decision

- Board agreement that CAQH CORE must focus both on driving unnecessary cost from fee-for-service data exchange and helping collective exchange needs for VBP.

2015

#### Stage 2: Conduct Research to Identify Opportunity Areas

- Conducted extensive environmental scan and SWOT analysis to identify initial set of potential operational areas for industry action.
- Conducted structured interviews w/ ~20 multi-stakeholder entities to confirm, refute and/or add to the potential areas for action.
- Conducted survey of CAQH CORE Participants to collect feedback on interview findings.

2016 - 2017

#### Stage 3: Build Industry Awareness

- Present high-level research findings on CAQH CORE webinars.
- Develop VBP report outlining problem space, opportunity areas and recommendations/strategies to address opportunity areas.
- Launch CAQH CORE VBP Industry Education Series - CAQH CORE VBP research identified strong need for more industry education on VBP.

### Upcoming

#### Stage 4: Upcoming CAQH CORE VBP Initiatives

- Publish VBP Report to CAQH CORE Participants & industry.
- Continue CAQH CORE VBP Education Series.
- Launch CAQH CORE VBP Advisory Group charged with advancing the recommended actions contained in the report.

2018

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# Voluntary CORE Certification

**Taha Anjarwalla**  
CAQH CORE Manager

# Voluntary CORE Certification

*Developed BY Industry, FOR Industry*

[CORE Certification](#) is the most robust and widely-recognized industry program of its kind – the Gold Standard. Its approach assures an independent, industry-developed confirmation of conformance with operating rules and underlying standards.



Requirements are developed by broad, multi-stakeholder industry representation via transparent discussion and polling processes.



Required conformance testing is conducted by third party testing vendors that are experts in EDI and testing.



CAQH CORE serves as a neutral, non-commercial administrator.

**Authorizes** the conformance testing vendors.

**Reviews and approves the Certification applications, e.g. trading partner dependencies, number of platforms,** and conformance test reports before a Certification Seal is awarded.



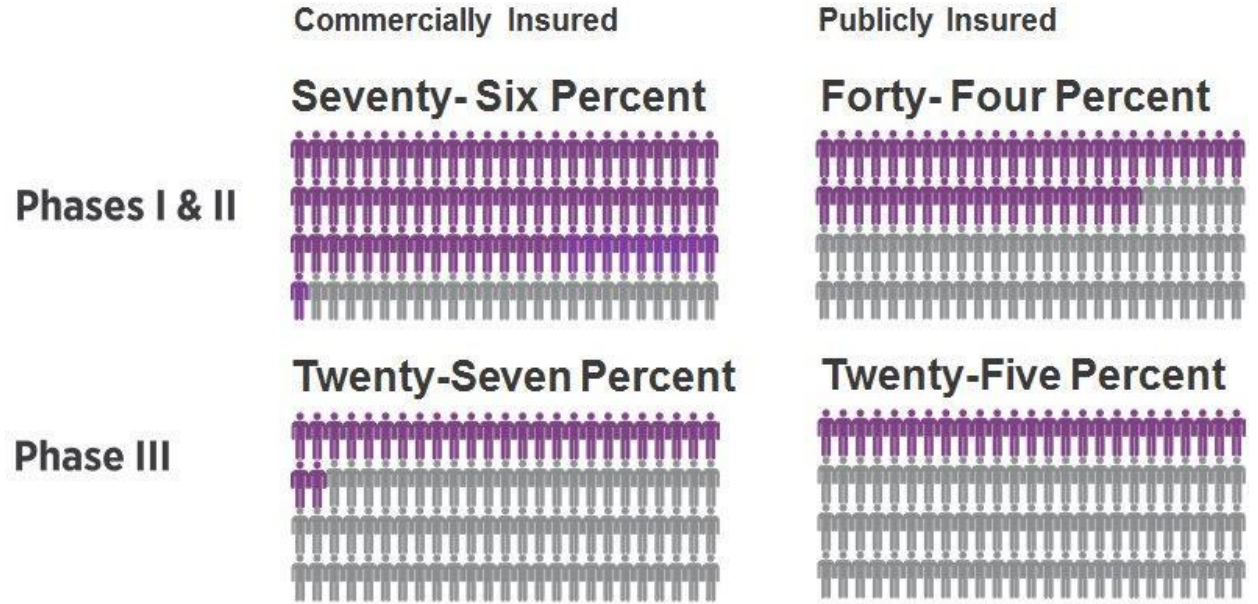
# CORE Certifications Phase I-IV

Entities Recognizing the Benefits Continues to Grow

# 330

Certifications have been awarded since the program's inception.

Covered lives impacted by CORE-certified commercial and public health plans.



## Recent Certifications



Humana  
(Phase IV)



WorkComp EDI  
Connectivity Simplified

WorkComp EDI  
(Phase IV)



Delta Dental  
(Phase III)



PokitDok  
(Phase IV)



TEXAS  
Health and Human  
Services

Texas Medicaid  
(Phase IV)



National Association of Letter  
Carriers (NALC) (Phase III)



# Demonstrate Due Diligence with CORE Certification

## Prepare for Potential Compliance Reviews

### Conformance with Federal Mandates

- Compliance with Administrative Simplification requirements yields benefits to the healthcare industry; **\$9.4 billion in potential savings** according to the [CAQH Index](#).
- Healthcare providers, health plans, payers and other [HIPAA-covered entities](#) **must comply with operating rules and adopted standards** according to [federal regulation](#).
- CORE Certification provides a way for organizations to **demonstrate their IT system or product is operating in conformance** with applicable requirements of a specific phase(s) of the CAQH CORE Operating Rules.



### CORE Certification Prepares Industry for Compliance Reviews

- CORE Certification helps organizations demonstrate, document and certify conformance with federally mandated operating rules and standards, **positioning entities for potential external audits and penalties**.
- It allows the industry to monitor, regulate and correct itself enabling preparation for enforcement audits and associated penalties where **instances of non-compliance could cost up to \$1.5 million**.



# Polling Question

## Is your organization considering pursuing Voluntary CORE Certification?

- Yes, we are thinking about it or planning for it.
- Already CORE-certified.
- Unsure/Need more information.
- Not at this time.
- Not applicable.

# Mandated Operating Rule Maintenance

## *CORE Code Combinations*

**Helina Gebremariam**  
CAQH CORE Senior Associate

# CAQH CORE Code Combinations Maintenance

*What is the value of this maintenance effort?*

CAQH CORE is responsible for maintaining the *CORE Code Combinations* via the CORE Code Combinations Maintenance Process.

Health plans deny or adjust claims via combinations of claim denial/adjustment codes sets that are meant to supply the provider with the necessary detail regarding the payment or denial of the claim.

## CARC

Claim  
Adjustment  
Reason  
Codes

Provides the reasons for positive/negative financial adjustment to a claim.

- This list is maintained by ASC X12.

## RARC

Remittance  
Advice  
Remark  
Codes

Provides supplemental information about why a claim or service line is not paid in full.

- This list is maintained by CMS.

## CAGC

Claim  
Adjustment  
Group  
Codes

Categorizes the associated CARC based on financial liability. There are only 4 CAGCs identified for use with the claim:

- |      |                                   |
|------|-----------------------------------|
| PR - | <b>PATIENT RESPONSIBILITY</b>     |
| CO - | <b>CONTRACTUAL OBLIGATIONS</b>    |
| PI - | <b>PAYOR INITIATED REDUCTIONS</b> |
| OA - | <b>OTHER ADJUSTMENTS</b>          |

- This list is maintained by ASC X12.

# CAQH CORE Code Combinations Maintenance

## *Why was this needed?*

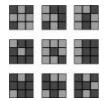
**The industry determined that the healthcare industry required operating rules to establish requirements for the consistent and uniform use of these codes:**



There was extensive confusion throughout the healthcare industry regarding the use of these codes.



Providers did not receive the same uniform and consistent CARC/RARC/CAGC combinations from all health plans requiring manual intervention.



Providers were challenged to understand the hundreds of different CARC/RARC/CAGC combinations, which can vary based upon health plans' internal proprietary codes and business scenarios.



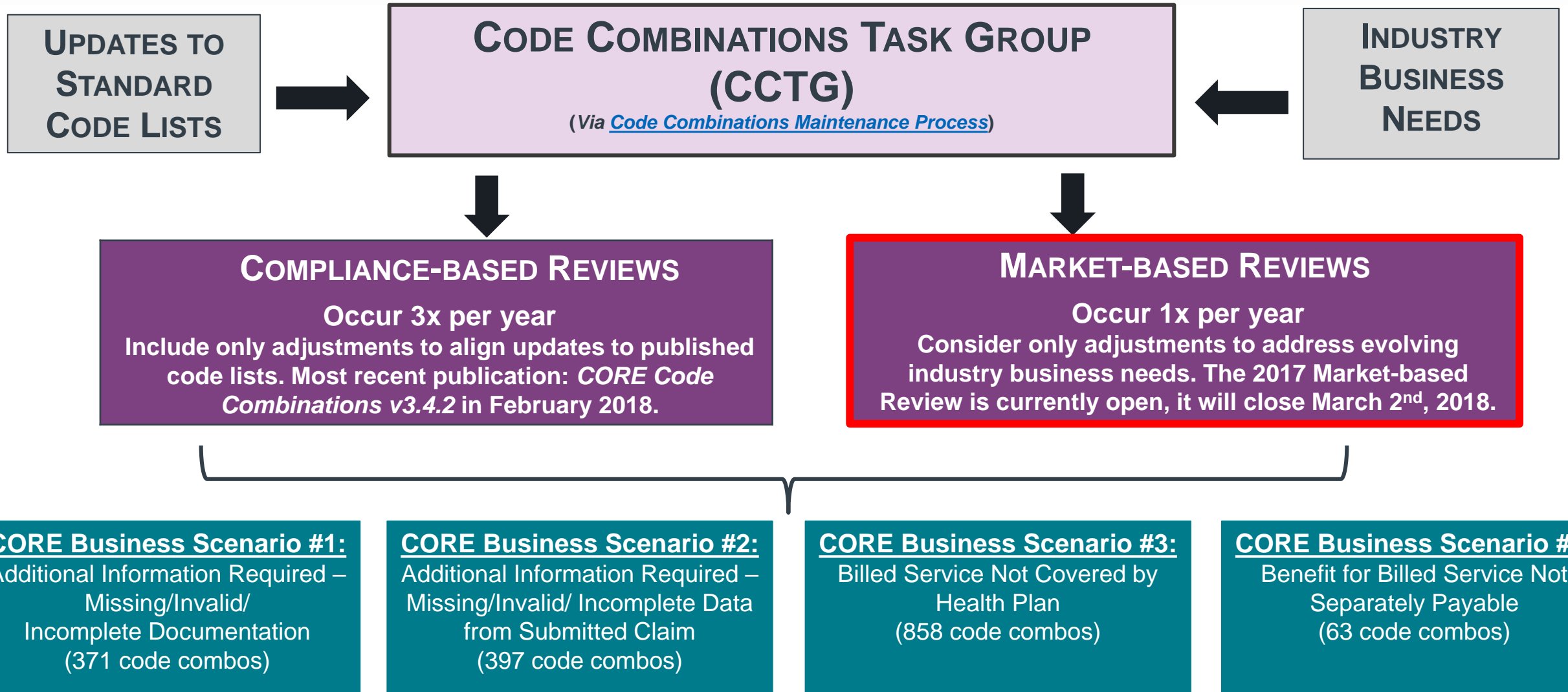
Decisions on the CARC and/or RARC used to explain a claim payment business scenario were left to the health plans, lending a high level of subjectivity and interpretation to the process.



Codes are updated three times a year, so many plans and providers were not using the most current codes and continued to use deactivated codes.

# CAQH CORE Code Combinations Maintenance

Who is involved in the reviews?



# Ensuring the CORE Code Combinations Work for You

## 2017 Market-based Adjustments Survey

### What is it?

Industry's annual opportunity to ensure the CORE Code Combinations are meeting business needs.

### Who can respond?

Open to all entities that create, use or transmit HIPAA-covered transactions, plus all CAQH CORE Participants.

### How do I get started?

- You can access the online survey for the 2017 MBR [here](#).
- If you have any questions regarding the MBR, please contact [CORE@caqh.org](mailto:CORE@caqh.org).

### What does the survey ask?

- Survey seeks input on the CORE Code Combinations within the four CORE-defined Business Scenarios.
- Potential code combination adjustments that can be submitted include additions, removals or relocations to existing CORE-defined Business Scenarios.
- Enhance your submission with supporting evaluation criteria, a strong business case and real world usage data.\*

### When can I submit?

The survey is available now and the submission period closes 5 PM ET on **Friday, March 2, 2018**.

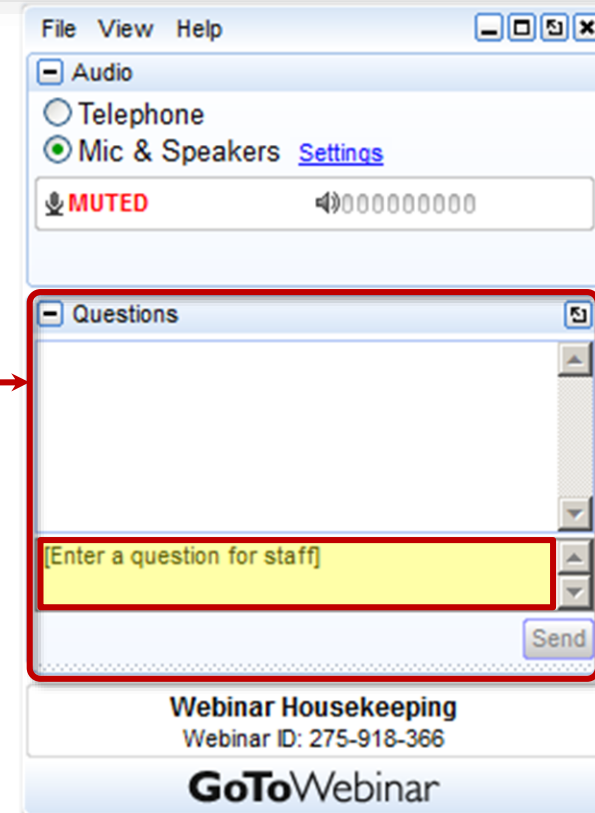
\*Submission of real world usage is discretionary.

# Audience Q&A

**Please submit your questions**

Enter your question into the “Questions” pane in the lower right hand corner of your screen.

**You can also submit questions at any time to [CORE@caqh.org](mailto:CORE@caqh.org)**



**Download a copy of today’s presentation slides at [caqh.org/core/events](http://caqh.org/core/events)**

- Navigate to the Resources section for today’s event to find a PDF version of today’s presentation slides.
- Also, a copy of the slides and the webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.

**Resources**

- [Presentation Slides](#)



# Upcoming CAQH CORE Education Sessions

**Exclusive Preview – CAQH CORE Participant Call on Value-based Payments Report:  
Applying the Lessons of FFS to Streamline Adoption of Value-based Payments**

**THURSDAY, FEBRUARY 22<sup>ND</sup>, 2018 – 2 PM ET**

**Overview of Value-based Payment Trends**

**TUESDAY, MARCH 13<sup>TH</sup>, 2018 – 2 PM ET**

**Go Paperless and Get Paid: EFT/ERA Basics with NACHA and WEDI**

**TUESDAY, MARCH 27<sup>TH</sup>, 2018 – 2 PM ET**

To register for these, and all CAQH CORE events, please go to [www.caqh.org/core/events](http://www.caqh.org/core/events)

# Thank you for joining us!



@CAQH

Website: [www.CAQH.org/CORE](http://www.CAQH.org/CORE)

Email: [CORE@CAQH.org](mailto:CORE@CAQH.org)

## **The CAQH CORE Mission**

Drive the creation and adoption of healthcare operating rules that support standards, accelerate interoperability and align administrative and clinical activities among providers, payers and consumers.