



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

September 12, 2012

Justine M. Carr, M.D.
Chairperson, National Committee on Vital and Health Statistics
Centers for Disease Control and Prevention
National Center for Health Statistics
3311 Toledo Road, Room 2341
Hyattsville, MD 20782

Dear Dr. Carr:

Thank you for your letter regarding the National Committee on Vital and Health Statistics' (NCVHS) recommendations to further the development of operating rules as required by the Affordable Care Act pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

NCVHS offered three recommendations:

1. To designate the Council for Affordable Quality Healthcare Committee on Operating Rules for Information Exchange (CAQH CORE) as the operating rule authoring entity for the remaining electronic health care transactions under HIPAA;
2. To ask CORE to explicitly collaborate with the Workgroup for Electronic Data Interchange (WEDI) as the organization named in the HIPAA statute to provide industry advice to NCVHS and the Secretary; and,
3. To request that standards development organizations (SDOs) and data content committees (DCCs) actively engage in the process of identifying and developing operating rules for each remaining transaction through active participation in the entire CORE process and active participation in the WEDI workgroups supporting the CORE process.

First, I agree that it is advisable to designate an operating rules authoring entity for the remaining HIPAA electronic health care transactions. This will eliminate fragmentation and competition among potential authoring entities for industry attention and resources. For this reason, I concur with the NCVHS recommendation to name CAQH CORE the operating rules authoring entity for remaining HIPAA electronic health care transactions.

CORE will develop and deliver the operating rules through active collaboration and coordination with subject matter experts through a transparent process that ensures balanced representation from industry stakeholders (including health plans, providers, clearinghouses, federal/state government programs, and vendors) and representatives from SDOs and DCCs. I expect that CORE will update NCVHS periodically on the status of the operating rule development process in a manner that will be determined by NCVHS. By statute, operating rules may only be adopted

by the Department of Health and Human Services (HHS) if CORE meets all of the requirements for operating rule authoring entities.

The second recommendation, that CORE be asked to collaborate with WEDI on the development and promotion of operating rules, is intended to ensure a base level of industry participation in this process. However, HHS expects that CORE will collaborate with all relevant industry stakeholders; HHS typically does not designate specific organizations in this way. HHS urges independent participation by all other industry stakeholders. In addition, preservation of the industry's ability to rely on the NCVHS for transparent and robust discussion of the issues is paramount to the future of electronic data interchange, and I encourage NCVHS to continue fostering participation and collaboration among all interested stakeholders.

HHS will continue its work to improve administrative efficiencies by coordinating administrative simplification efforts through the Office of E-Health Standards and Services of the Centers for Medicare & Medicaid Services. I anticipate HHS will continue to work closely with NCVHS to implement these provisions.

Thank you and all NCVHS members for your leadership in addressing these challenging issues and for continuing to provide thoughtful recommendations that help inform the critical decisions that must be made to keep our nation's health care system strong and viable. Please do not hesitate to contact me if you have any further thoughts or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen Sebelius". The signature is fluid and cursive, with the first name "Kathleen" written in a larger, more prominent script than the last name "Sebelius".

Kathleen Sebelius