



# CAQH CORE Town Hall Webinar

September 7, 2017

2:00 – 3:00 pm ET

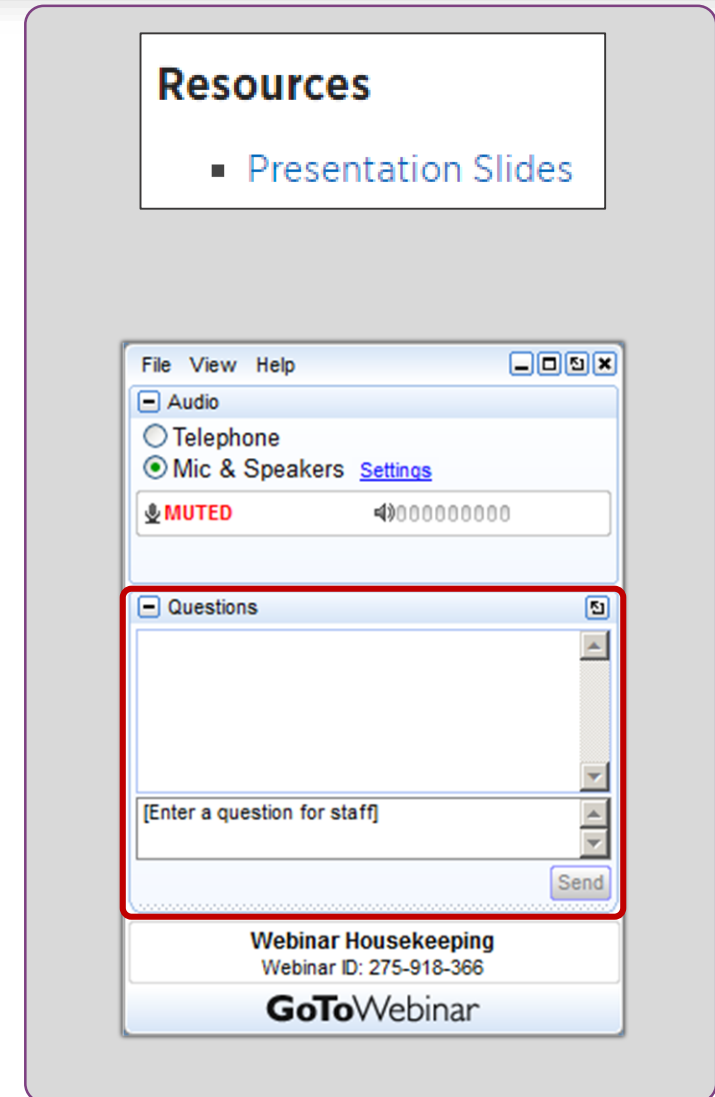
# Logistics

## 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

- Introduction to CAQH CORE Priorities.
- Federal Mandates and HHS Advisory Committees.
  - NCVHS Predictability Roadmap.
  - X12N v7030 Public Comment Period.
  - *CORE Code Combinations* Maintenance.
  - EFT/ERA Enrollment Data Maintenance.
- Voluntary CORE Certification.
- Voluntary Efforts to Drive Value.
  - Prior Authorization.
  - Attachments.
  - Value-based Payments.
- Q&A.

CAQH  
CORE

# Introduction to CAQH CORE Priorities

**Erin Weber**  
CAQH CORE Associate Director

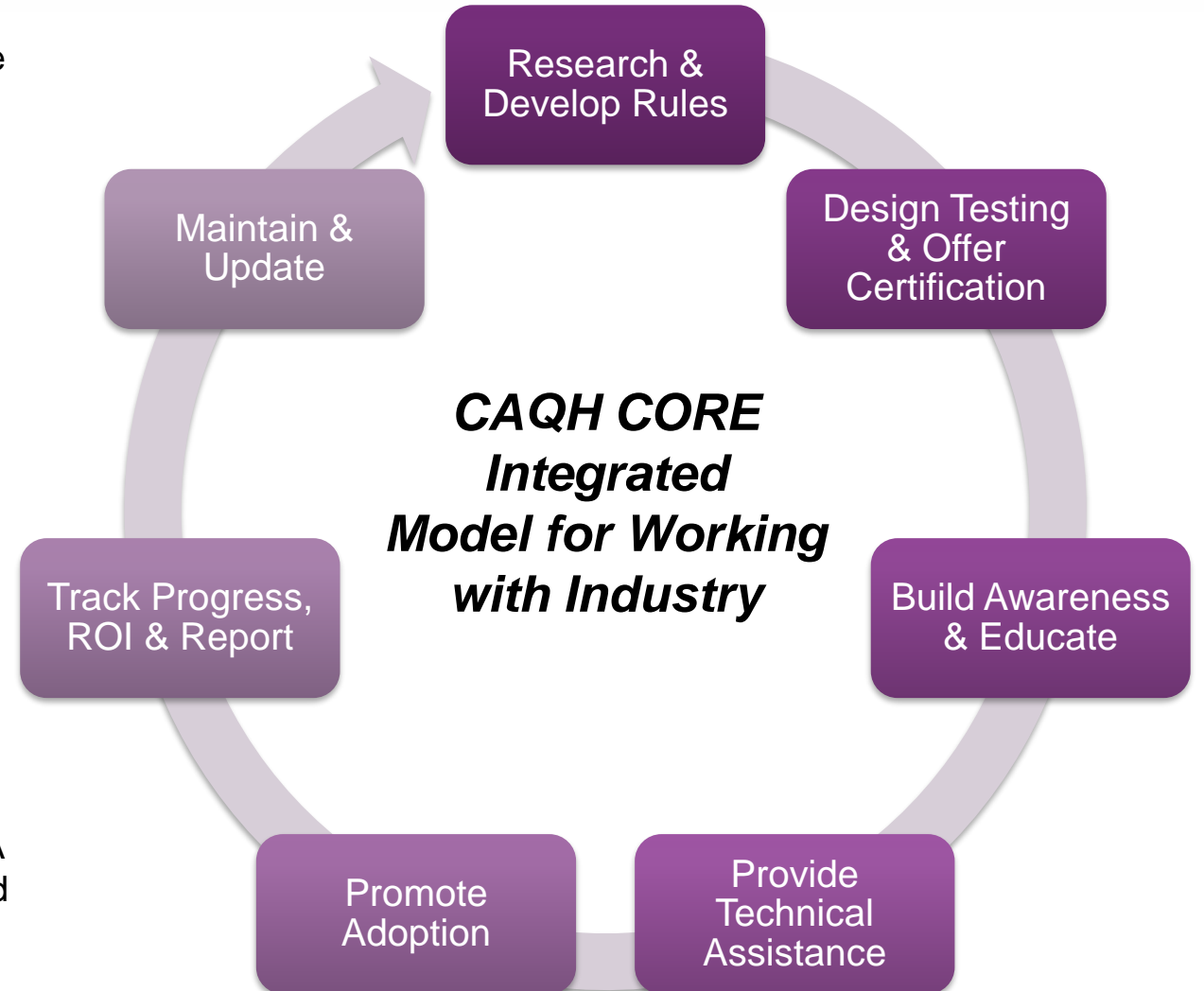
# CAQH CORE Mission and Vision

**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.



# 2017 CAQH CORE Goals



Serve as federally recognized national operating rule author using existing CAQH CORE Integrated Model.

- Phase I-III Implementation Support.
- Phase III Maintenance Efforts.
- NCVHS Activities – HPID and Predictability Roadmap.
- X12 v7030.



Evolve to best pursue efforts to drive voluntary multi-stakeholder value.

- Phase IV Implementation Support.
- Value-based Payments.
- Prior Authorization.
- Attachments.



Function as effective voluntary certifier for operating rules and underlying standards.

- Voluntary CORE Certification.
- CAQH CORE Enforcement Policy.

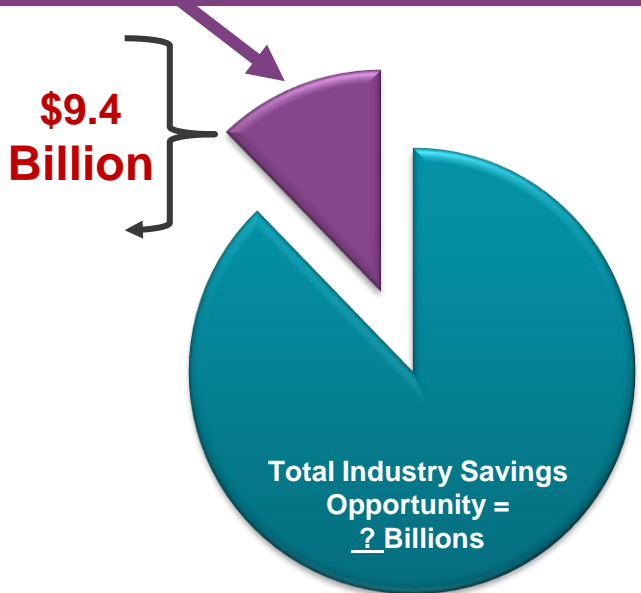


Align and evolve to continue to support Mission/Vision.

# How Much Could the Industry Save?

2016 CAQH Index reported labor-only savings opportunity for six HIPAA transactions that have CAQH CORE Operating Rules; adoption by transaction is at different stages:

1. Eligibility and Benefit Verification (Phases I-II).
2. Claim Status Inquiry (Phase II).
3. Claim Payment (Phase III).
4. Remittance Advice (Phase III).
5. Claim Submission (Phase IV).
6. Referral Certification (Phase IV).



- Report used data from 5.4 billion transactions.
- These cost estimates only represent a fraction of the true industry savings opportunity associated with adoption of electronic transactions:
  - Includes direct labor cost for only *six* of the twelve key transactions in the claims cycle for commercial plans.
  - A more comprehensive estimate of industry cost savings opportunity would include indirect and direct cost for all twelve transactions in the claim cycle for *private and public* payers.

## Other Cost Not Currently in CAQH Estimates

Six Additional HIPAA Transactions  
Indirect Labor Cost (transaction prep & follow-up)  
Vendor and Other Overhead  
Public Payers  
Host of Other Transactions Beyond HIPAA

# Return on Investment from Utilizing Electronic Healthcare Transactions

*“When everyone adheres to the operating rules, eligibility is verified quickly and accurately, claim status is easily available, funds are exchanged seamlessly and securely, and all parties are clear on which services have been rendered.”* -Susan L. Turney, MD, MS, FACP, FACMPE, Chief Executive Officer, Marshfield Clinic Health System

Electronic insurance eligibility verifications took approximately seven minutes less than telephone verifications, saving providers \$3.59 per verification. There are more than 1.5 billion claims verified for eligibility each year in the U.S.

Providers working with CORE-certified health plans saw 10-12% fewer claims denials, resulting in improved practice payment.





Electronic remittance advice adoption (55%) continued to steadily increase, but more than a third are still being sent via mail. Providers could save 12 minutes and \$4.74 per transaction by switching to ERA.

Providers who switched to electronic prior authorizations saved 14 minutes and \$5.61 per transaction.

Sources: AMGA Group Practice Journal 2017, CAQH Index 2016, IBM 2009.



# Operating Rule Phase and Tangible Benefit

Phase	Benefit
<b>Phase I</b> 	<ul style="list-style-type: none"> <li>▪ <b>Faster patient registration and improves revenue cycle management</b> as providers are able to verify health plan coverage and will know the proper co-pay and deductible while the patient is present, not after the fact requiring follow up.</li> <li>▪ <b>Real-time eligibility and benefit checks reduces claim denials</b>, preventing patients from receiving unexpected bills and helping providers avoid taking on bad debt.</li> </ul>
<b>Phase II</b> 	<ul style="list-style-type: none"> <li>▪ <b>Decreases duplicate claim submissions</b> as claim status information is provided in real time, taking no longer than 20 seconds round trip.</li> <li>▪ <b>Reduces misidentification of patients and mistaken denials</b> by improving how patient names are stored and retrieved during eligibility checks.</li> </ul>
<b>Phase III</b> 	<ul style="list-style-type: none"> <li>▪ <b>Improves cash flow via expedited payment and remittance reconciliation</b> through the receipt of electronic payments and remittances.</li> <li>▪ <b>Eliminates the need for manual re-keying of reconciliations</b> of EFTs and ERAs by requiring a trace number that links the two transactions so payments can be associated with service.</li> <li>▪ <b>Increases ability to conduct targeted payment issue follow-ups</b> through uniform and maintained ERA codes (CARCs, RARCs and CAGCs) to give the market consistency in reporting and interpreting the claim denials/adjustments.</li> </ul>
<b>Phase IV</b> 	<ul style="list-style-type: none"> <li>▪ <b>Enhances revenue cycle management during healthcare claim submission</b> as use of operating rules means providers will immediately learn if the claim submission was successfully received by the plan and moved into their adjudication system; providers are quickly made aware of obvious errors, so they can be corrected, reducing payment time.</li> <li>▪ <b>Reduces staff time on manual phone or fax inquiries for prior authorization</b> requests as operating rules help inform whether a health plan has received and is reviewing a prior authorization request for a specific medical procedure or service.</li> <li>▪ <b>Alleviates delays or errors in processing employee change-of-life events</b> through acknowledging the receipt of employee information between health plan and employer.</li> </ul>

# Federal Mandates and HHS Advisory Committees

*NCVHS Predictability Roadmap, X12N v7030,  
CORE Code Combinations &  
EFT/ERA Enrollment Data Maintenance*

**Erin Weber**

CAQH CORE Associate Director

**Robert Bowman**

CAQH CORE Associate Director

**Omoniyi Adekanmbi**

CAQH CORE Manager

## NCVHS Predictability Roadmap

# National Committee on Vital and Health Statistics

*Advisors to the Secretary of the Department of Health and Human Services*

Topic	What is it?	How is CAQH CORE Involved?
<b>Standards &amp; Operating Rules Predictability Roadmap</b>	<ul style="list-style-type: none"><li>▪ NCVHS established a goal to develop a predictable schedule for the industry of when updates to the HIPAA standards and operating rules will occur; help market prepare for change.</li><li>▪ Developing a “predictability roadmap” is one of the <a href="#">Subcommittee on Standards</a>’ 2017 priorities.</li></ul>	<ul style="list-style-type: none"><li>▪ <b>May 2017:</b> CAQH CORE and four standards setting bodies received request to participate.</li><li>▪ <b>June 2017:</b> Preparations for in-person workshop included:<ul style="list-style-type: none"><li>– An information gathering questionnaire.</li><li>– A phone interview.</li></ul></li><li>▪ <b>August 21, 2017:</b> In person workshop with key stakeholders (e.g. CAQH CORE, SDOs, Associations, Advisory Groups, etc.) included all-day brainstorming exercise to identify key opportunities for improvement of current processes.</li><li>▪ <b>September 2017:</b><ul style="list-style-type: none"><li>– Subcommittee update at September NCVHS Full Committee meeting.</li><li>– Identification of next steps.</li></ul></li></ul>

## X12N v7030 Public Comment Period

# X12N v7030 Public Comment Period

*New Schedule - Revised August 2017*

**CYCLE 1**  
**60 days**  
*September 1, 2016 -  
October 31, 2016*

Enrollment (834)
Premium Payment (820)

**CYCLE 2**  
**60 days**  
*October 1, 2016 –  
November 30, 2016*

Claim Status (276/277)	Claim Acknowledgment (277CA)*
Acknowledgement (999)*	Claim Pending (277P)*

**CYCLE 3**  
**90 days**  
*November 1, 2016 –  
January 30, 2017*

ERA (835)
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**CYCLE 4**  
**120 days**  
*February 1, 2017 –  
June 1, 2017*

Professional Claim (837P)	Dental Claim (837D)
Institutional Claim (837I)	Health Care Service: Data Reporting (837R)*

**CYCLE 5**  
**90 DAYS**  
*September 1, 2017 – November 30,  
2017*

Healthcare Services Review Request – Response (278)
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**CYCLE 6**  
*Postponed - TBD*

Eligibility/Benefit Inquiry (270/271)
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**CYCLE 7**  
*Postponed - TBD*

Application Reporting for Insurance (824)
Claim Request for Additional Info (277RFI)
Claims Attachments (275)

NOTE: These transactions are not federally mandated.

\*Draft TR3 and submitted comments are not available after public review period ends.

Cycle 8 has been eliminated; it included the Health Care Fee Schedule (832). For more information, see [X12 Public Comment Period Timeline for X12N 7030™ Technical Reports](#).

# X12N v7030 Public Comment Period

## Update on CAQH CORE Engagement

Date	ASC X12 Action	CAQH CORE Response
<b>June 2017</b>	<ul style="list-style-type: none"><li>ASC X12 announced intended launch of X12N v7030 Public Comment Cycles 5 &amp; 6 on September 1<sup>st</sup>.</li></ul>	<ul style="list-style-type: none"><li>CAQH CORE announced following milestones for CAQH CORE review of the Draft X12N v7030 270/271 and 278 Type 3 Technical Reports (TR3s):<ul style="list-style-type: none"><li>Milestone 1: CAQH CORE Notification to CORE Participants.</li><li>Milestone 2: Development of Draft CAQH CORE Comments, as appropriate.</li><li>Milestone 3: CORE Participant Feedback on Draft Comments.</li><li>Milestone 4: Revise Draft CAQH CORE Comments.</li><li>Milestone 5: Submission of CAQH CORE Comments to X12.</li></ul></li></ul>
<b>August 2017</b>	<ul style="list-style-type: none"><li>ASC X12 announced delay of publication of Draft X12N v7030 270/271 TR3 for public comment.<ul style="list-style-type: none"><li>ASC X12 will publish new Cycle 6 start and end dates when finalized.</li></ul></li></ul>	<ul style="list-style-type: none"><li>N/A, CAQH CORE will apply established milestones for review of Draft X12N v7030 270/271 TR3 once publicly available.</li></ul>
<b>September 2017</b>	<ul style="list-style-type: none"><li>ASC X12 published Draft X12N v7030 278 TR3s for public comment.</li></ul>	<ul style="list-style-type: none"><li>CAQH CORE Staff will review Draft X12N v7030 278 TR3 as part of pre-work to launch new CAQH CORE Prior Authorization rule development.</li></ul>

## Maintenance of the EFT and ERA Operating Rules *Code Combinations Maintenance*



# Ongoing Maintenance of the EFT and ERA Operating Rules

The CAQH CORE EFT & ERA Operating Rules support the healthcare industry's transition to electronic payment and remittance advice and recognizes the need for ongoing maintenance activities.

## Ongoing Maintenance of the *CORE Code Combinations* for CAQH CORE 360 Rule

**Goal:** Address need for the *CORE-required Code Combinations* to align with changes to the published CARC and RARC lists made by the respective Code Maintenance Committees as well as ongoing and evolving industry business needs.

The Operating Rule simplifies the language used to communicate about claim payment and remittance information.



## Ongoing Maintenance of the EFT & ERA Enrollment Data Sets for CAQH CORE 380/382 Rules

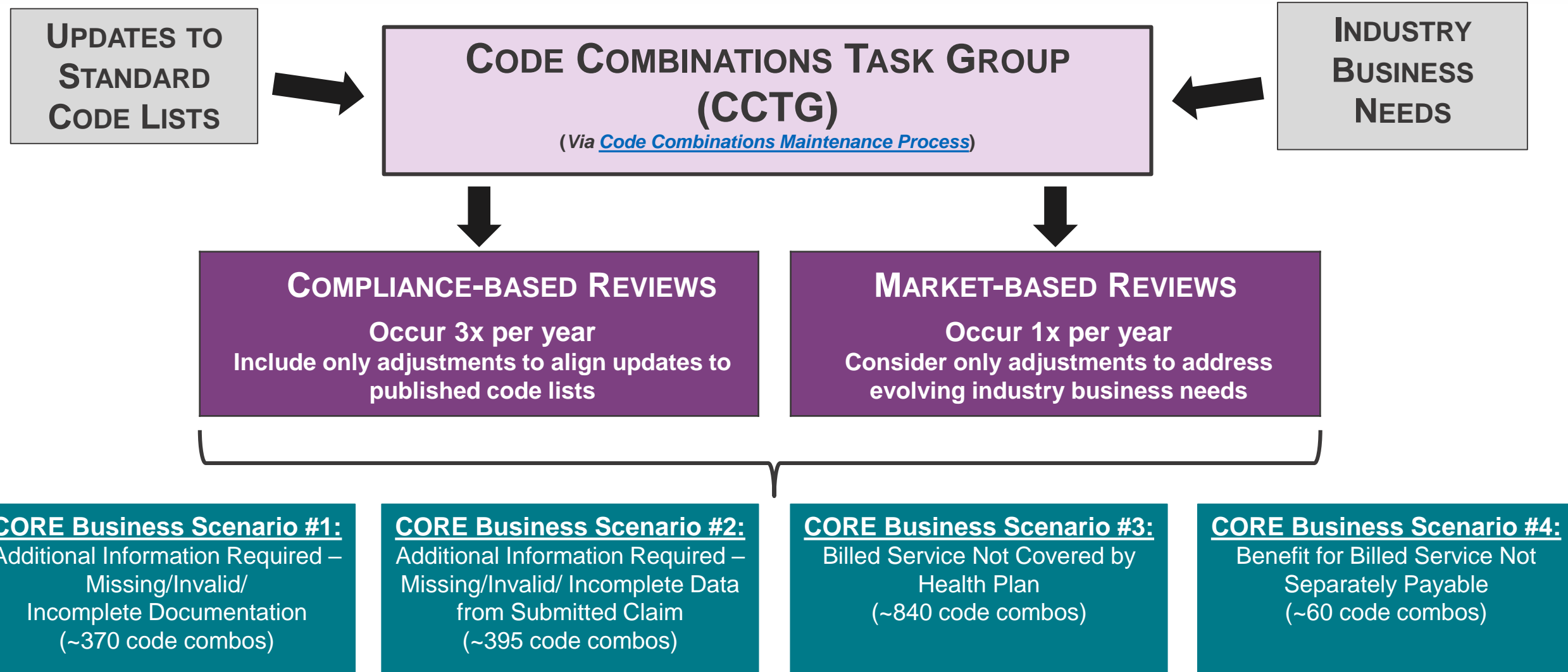
**Goal:** Incorporate lessons learned from increased EFT and ERA enrollment and address emerging, new, or changing industry business needs on an ongoing basis.

The Operating Rules address barriers to greater provider EFT and/or ERA enrollment due to the variance in the required processes and data elements.



# CAQH CORE Code Combinations Maintenance

## Body of Work



# CORE Code Combinations Task Group (CCTG)

- Composed of more than 40 CAQH CORE Participating Organizations from a wide variety of stakeholders; led by four multi-stakeholder Co-Chairs:
  - Shannon Baber, *UW Medicine*.
  - Lynn Franco, *UnitedHealth Group*.
  - Heather Morgan, *Aetna*.
  - Erica Zendell, *Change Healthcare*.

## Work Status

<b>Compliance-based Reviews</b>	<ul style="list-style-type: none"><li>• <b>Currently Conducting:</b> Compliance-based Review in response to code adjustments published on July 3, 2017.</li><li>• <b>Recently Completed:</b> Publication of updated <i>CORE Code Combinations v3.4.0</i> on June 1, 2017; includes Compliance-based and Market-based Adjustments in response to 2016 Market-based Review and March 2017 Compliance-based Review.</li></ul>
<b>Market-based Reviews</b>	<ul style="list-style-type: none"><li>• <b>Launching Q4 2017:</b> Collection of industry submissions of potential Market-based Adjustments for 2017 Market-based Review.</li></ul>

# Make the CORE Code Combinations Work for YOU!

## 2017 Industry Market-based Adjustments Survey

Participate in the  
Annual Survey to ensure  
**CORE Code Combinations**  
meet your business needs.



- Open to CAQH CORE Participants and **all** industry stakeholders that use the claim payment denial codes (providers, health plan, clearinghouses, etc.).
- Submit adjustments to the code combinations to ensure they meet **your** business needs!
- Submissions accepted via online survey during 60-day submission period; survey opens Q4 2017.
- Additions, removals and relocations to the code combinations accepted.
- Enhance your submission with supporting evaluation criteria, a strong business case and real world usage data.\*

\*Submission of real world usage is discretionary.

## Maintenance of the EFT and ERA Operating Rules Enrollment Data Maintenance

# EFT and ERA Enrollment Data Sets Maintenance

## CAQH CORE Effort

Section 3.4 in the CAQH CORE [380](#) and CAQH CORE [382](#) Rules recognizes the need for ongoing maintenance of the CORE-required Maximum EFT & ERA Enrollment Data Sets and requires a policy and process to review the Enrollment Data Sets on an annual basis. The next annual review is schedule for Q4 2017.

## Key Impacts of CAQH CORE Enrollment Data Rules

- ✓ Simplify provider EFT & ERA enrollment by having health plans collect the same consistent data from all providers.
- ✓ Address situations where providers outsource financial functions.
- ✓ Incorporate lessons learned from increased enrollment and to meet changing industry needs.
- ✓ Enable health plans to collect standardized data for complex organizational structures and relationships.

The [EFT & ERA Enrollment Data Sets Maintenance Process](#) webpage provides more details on past reviews, key policies and procedures and how to get involved with the CAQH CORE Enrollment Data Task Group.

# CAQH CORE Enrollment Data Task Group Annual Reviews



## Goal

Incorporate lessons learned from increased EFT and ERA enrollment and address emerging, new, or changing industry business needs into the CAQH CORE EFT & ERA Enrollment Data Sets on an ongoing basis.



## Annual Requirements

CAQH CORE Enrollment Data Task Group conducts two types of reviews on an alternating, annual schedule:

- Limited Review: Address only non-substantive adjustments; HIPAA-covered entities do not need to update enrollment forms/systems.
- Comprehensive Review: Address substantive and non-substantive adjustments; if substantive adjustments are approved, HIPAA-covered entities are required to update enrollment forms/systems.



## Timeline & Commitment

The next Comprehensive Review is scheduled for Q4 2017. The Task Group Co-Chairs are currently assessing the need for substantive adjustments to the Data Sets at this time and the process to collect any potential adjustments for Task Group consideration.

# Polling Question #1

**The CAQH CORE Enrollment Data Task Group is scheduled to conduct a Comprehensive Review of the current EFT & ERA Enrollment Data Sets which includes potential substantive adjustments in Q4. Does your organization anticipate submitting any potential adjustments to the Data Sets?**

- a) No adjustments needed at this time; Data sets currently meeting our needs and industry has higher priorities.
- b) Only non-substantive submissions; Data sets need minimal adjustments.
- c) Yes both substantive and non-substantive submissions; Data sets need to be updated.
- d) Not applicable; Would like to get more information.

## **Reminder**

***Any substantive adjustments to the EFT & ERA Enrollment Data Sets would require all HIPAA-covered entities to update their enrollment forms/systems.*** Per Task Group policy, a health plan or its business associate has nine calendar months to update their electronic enrollment systems/forms and twelve calendar months to update their paper-based enrollment forms to comply with published, updated versions of the CORE-required Maximum EFT & ERA Enrollment Data Sets.



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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.



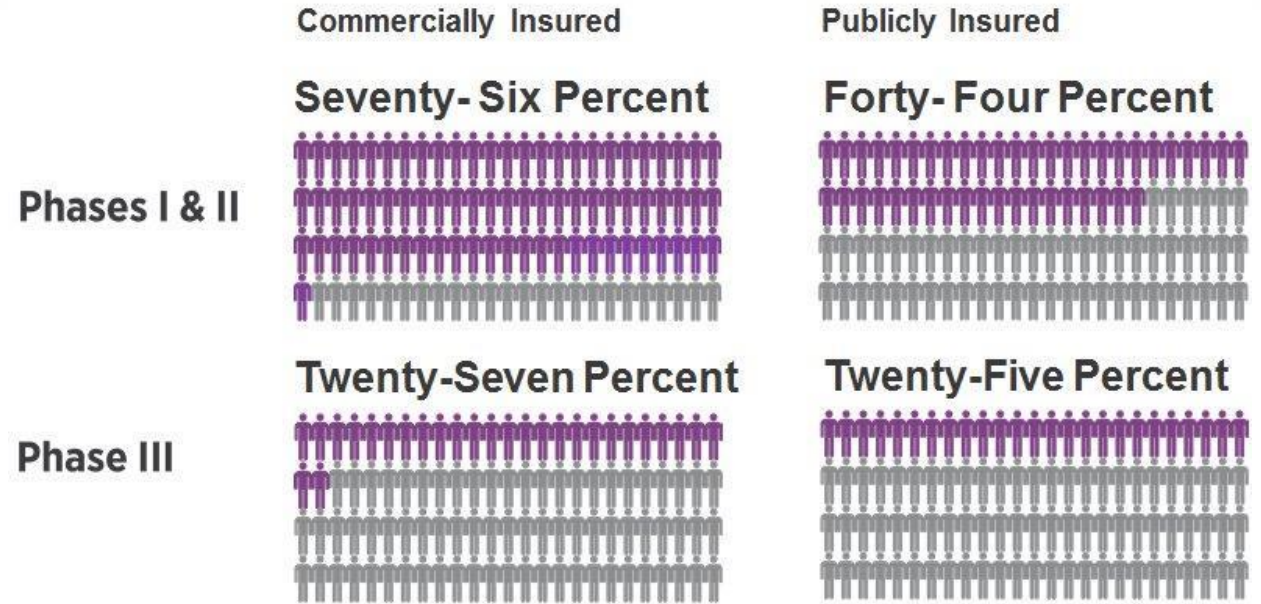
# CORE Certifications Phase I-IV

Entities Recognizing the Benefits Continues to Grow

# 323

Certifications have been awarded since the program's inception.

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



## Recent Certifications



CalOptima  
(Phases I, II, & III)



NALC  
Health Benefit Plan



National Association of Letter Carriers Health Plan  
(Phases I & II)



Boston Medical Center HealthNet Plan  
(Phase I, II & III)



Government Employees Health Association  
(Phases I & II)

# Benefits of CORE Certification

## Multi-Stakeholder Collaboration



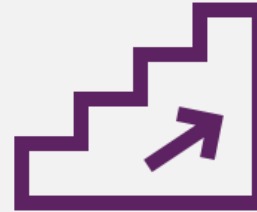
- CAQH CORE is governed by a multi-stakeholder, executive-level board to address the interests of more than 130 participating organizations.
- The CORE Certification program was developed by CAQH CORE Participants representing health plans, providers, clearinghouses, vendors, government agencies and associations across the healthcare industry.

## Industry-Driven Benefits



- Positions organizations as leaders in administrative efficiencies and adopters of operating rules and standards.
- Demonstrates ability to conduct secure, timely and streamlined electronic transactions.
- With measures taken to achieve CORE Certification through operating rule conformance, entities can prepare for potential external audits/penalties.

## Comprehensive Approach



- CORE Certification involves a phased approach, building off of a previous phase, providing an end-to-end testing suite that is both robust and comprehensive.
- For each phase, infrastructure requirements apply across transactions and include: Connectivity and Security, Response Time, Roles & Responsibilities, Error Processing, System Availability, Companion Guides, and Acknowledgements.

## Conformance



- Compliance with Administrative Simplification requirements yields benefits to the healthcare industry.
- Healthcare providers, health plans, payers, and other [HIPAA-covered entities](#) must [comply](#) with Administrative Simplification.
- CORE Certification means an entity has demonstrated its IT system or product is operating in conformance with applicable requirements of a specific phase(s) of the CAQH CORE Operating Rules.

# Phase IV CORE Certification is Here!

Participation in Phase IV Certification can enable your organization to:



Establish its role as a leader in the industry as an early adopter.



Begin driving more value from the transactions addressed in Phase IV.

- CAQH CORE 450: Health Claim (837) Infrastructure Rule.
- CAQH CORE 452: Health Care Services Review – Request for Review & Response (278) Infrastructure Rule.
- CAQH CORE 454: Benefit Enrollment & Maintenance (834) Infrastructure Rule.
- CAQH CORE 456: Premium Payment (820) Infrastructure Rule.
- CAQH CORE 470: Connectivity Rule.



Publicly demonstrate commitment to administration simplification.



Build on work that has been implemented in previous certification phases.

## Tangible Benefits of Phase IV CORE Certification



- **Enhances revenue cycle management during healthcare claim submission** as use of operating rules means providers will immediately learn if the claim submission was successfully received by the plan and moved into their adjudication system; providers are quickly made aware of obvious errors, so they can be corrected, reducing payment time.
- **Reduces staff time on manual phone or fax inquiries for prior authorization requests** as operating rules help inform whether a health plan has received and is reviewing a prior authorization request for a specific medical procedure or service.
- **Alleviates delays or errors in processing employee change-of-life events** through acknowledging the receipt of employee information between health plan and employer.

# CAQH CORE Enforcement Policy

## Ensuring Ongoing Compliance

CORE-certified entities adhere to not only the operating rules, but CORE Certification Policies, CORE Certification Testing requirements, and HIPAA Attestation Form requirements in order to become certified. As such, the CAQH CORE Enforcement Policy allows CAQH CORE to enforce ongoing compliance of operating rules and underlying standards for CORE-certified entities.

### Benefits of CAQH CORE Enforcement

- Empowers industry to ensure they are receiving and maximizing benefits afforded via CORE-certified entities; critical to providers and plans.
- Helps industry prepare for potential external audits/penalties.
- “By industry, for industry” approach demonstrates self-policing and self-reporting capabilities.
- Enhancement requires no additional action by CORE-certified entities.
- Multi-stakeholder approach allows end-to-end monitoring of conformance across trading partners.

### CAQH CORE Enforcement Policy

- Applies to every type of entity that is CORE-certified, not just health plans.
- CAQH CORE Participant-approved policy to address non-compliance by CORE-certified entities.
- Any healthcare provider that is an end-user of a CORE-certified product/service/health plan or any CORE-certified entity may file a complaint against an alleged non-compliant CORE-certified entity.
- Complaint-driven and collaborative process that fosters industry collaboration through remediation, not penalties.
- If a CORE-certified entity is found to be in violation and the violation is not remedied per required timeline, the entity’s certification is terminated.



**File a complaint:** Is your CORE-certified trading partner non-compliant? Click [HERE](#) to start the complaint process by filling out the Non-Compliance Complaint Form to document instances of non-compliance.



**Learn more:** Have any questions or would like to learn more about the CAQH CORE Enforcement Policy, contact [core@caqh.org](mailto:core@caqh.org).

# CAQH CORE Certification Enforcement

## Resources and Tools

The screenshot displays the CAQH CORE website interface. At the top left is the CAQH logo. Navigation links for 'EVENTS', 'NEWS', and 'CONTACT' are visible, along with a search bar and social media icons for Twitter and LinkedIn. A main navigation menu on the left lists categories such as 'Overview', 'Governance', 'Operating Rules', 'CORE Certification', 'Industry Topics and Comment Letters', 'Education and Implementation Resource Center', 'HHS HIPAA Compliance', 'FAQs', and 'Join CORE'. Below this is a 'CORE NEWS SIGN UP' form with fields for 'FIRSTNAME\*', 'LASTNAME\*', and 'EMAIL ADDRESS\*', and a 'Sign up' button. The central content area features a 'CORE Certification Enforcement' article with a sub-header 'CAQH CORE Certification Enforcement'. The article text describes the program as the Industry Gold Standard for demonstrating adherence to the CAQH CORE Operating Rules, enabling organizations and their trading partners to exchange administrative healthcare data efficiently and securely. It mentions that the program was developed by the industry for the industry with broad, multi-stakeholder representation. The article also notes that CAQH CORE has awarded more than 300 certifications to organizations in public and private sectors, and that with nearly 65 percent of insured lives in the nation covered by CORE-certified health plans, industry self-monitoring and self-reporting of non-compliance is important. To the right of the article is a 'CONTACT CAQH CORE' section with a form for 'Questions or requests for CAQH CORE?' and an email field containing 'core@caqh.org'. Below this is a 'CAQH CORE PARTICIPANT CALENDAR' login form with fields for 'User ID (case sensitive)' (containing 'tanjarwalla') and 'Password (case sensitive)' (containing '\*\*\*\*\*'), and a 'Login' button. Further down is a section titled 'AN OPEN ROAD: TO SENSIBLE E-HEALTHCARE BUSINESS DATA' featuring a quote from Susan Turney, M.D., Vice Chair of the CAQH CORE Board and CEO of Marshfield Clinic Health System. At the bottom is a 'MANDATED OPERATING RULES' section with a link to 'View the Mandated Operating Rules Timeline'.

## Enforcement Toolkit: Engagement in the CORE Certification Enforcement Process

- Visit the [CORE-certified Organization webpage](#) to determine if your trading partner is CORE-certified.
- For non-certified trading partners, use the [CAQH CORE Benefits of Operating Rules Tool](#) to identify gaps and encourage your trading partner to become CORE-certified.
- For instances of non-compliance with CORE-certified trading partner, leverage the [Enforcement Letter Template](#) to help engage and start a conversation with the trading partner.
- For those trading partners not cooperating with requests to comply with a CORE CAQH Operating Rule(s), begin to document instances of non-compliance.
- After five documented instances of non-compliance, complete a Request for Review of Possible Non-Conformance Form for each applicable phase(s) CORE Certification: [Phase I](#), [Phase II](#), [Phase III](#), & [Phase IV](#).

## Polling Question #2

**For what reason has/would your organization become CORE-certified? (Select all that apply.)**

1. Demonstrates conformance with the operating rules.
2. Improves business processes leading to greater efficiencies for our customers (for example, requires real-time patient financials for providers).
3. Provides an objective assessment of our systems through the use of a third-party tester (CORE-authorized) and industry-supported certification organization (CAQH CORE).
4. All of the above.
5. Other: Please specify in Questions panel.



# Voluntary Efforts to Drive Value

*Prior Authorization, Attachments, & Value-Based Payments*

**Rachel Goldstein**  
CAQH CORE Manager

**Bob Bowman**  
CAQH CORE Associate Director

## Prior Authorization

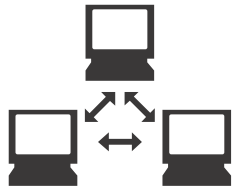


# CAQH CORE Efforts on Prior Authorization

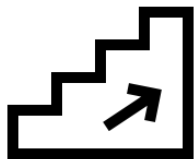
## Phase IV Laid the Foundational Infrastructure

### 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

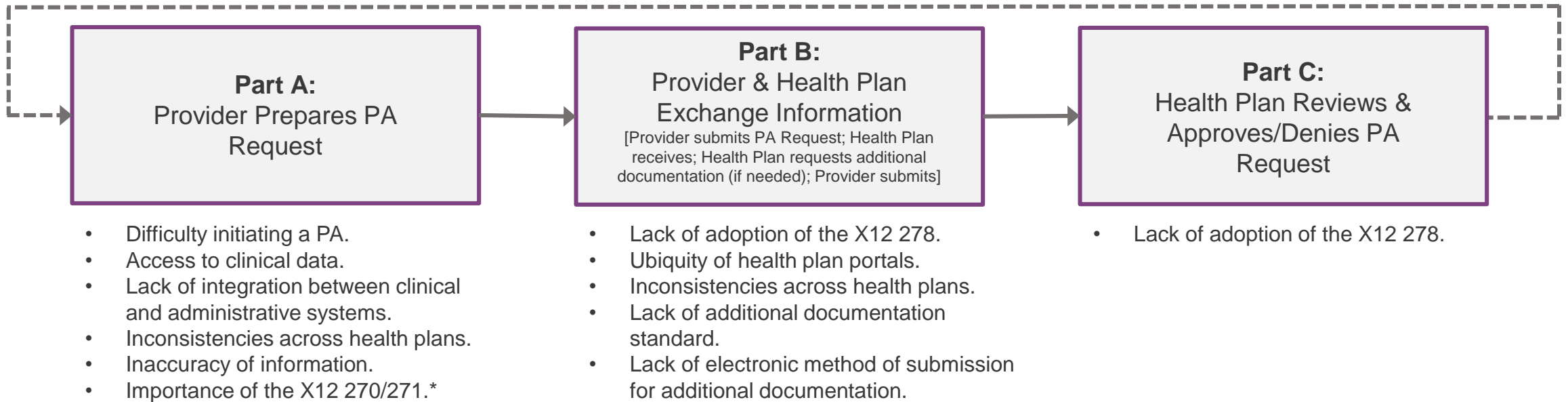
\* Phase IV Rule is currently underway. Complete rule available here: [Phase IV CAQH CORE 452 Health Care Services Review – Request for Review and Response \(278\) Infrastructure Rule v4.0.0.](#)

# Prior Authorization

## Environmental Scan Findings: Pain Points

CAQH CORE, with guidance from an Advisory Group, conducted a multi-stakeholder Environmental Scan with over 100 entities to **identify industry barriers to adoption of electronic PA and pain points with the PA process.** The scan revealed pain points in each major part of the PA process, as well as overall challenges.

### Pain Points in PA Process



### Overall Pain Points

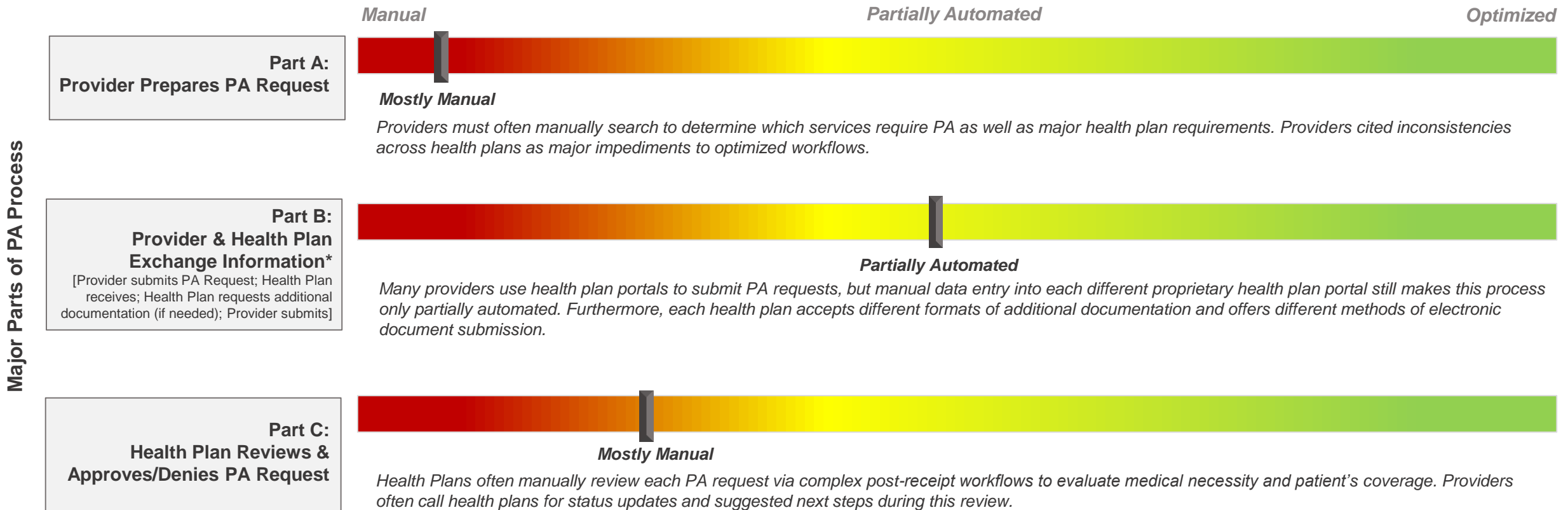
- Impact to patient care.
- Impact to revenue cycle.
- Persistence of manual processes.
- Length of time to final adjudication.

\* ASC X12 v5010 270/271 Eligibility Request and Response.

# Prior Authorization

## Current State of Automation of Major Parts of the PA Process

The Scan findings also informed the below depiction of each major part of the PA process plotted on the automation spectrum.



\* [Phase IV CAQH CORE 452 Health Care Services Review – Request for Review and Response \(278\) Infrastructure Rule v4.0.0](#) established the foundational infrastructure necessary for Part B.

# Prior Authorization

## Anticipated Impact of CAQH CORE Efforts

### Top Opportunities

**Change sequence of transactions:** Notify provider of PA requirement at time of Eligibility Response.

Standardize and enhance the information required for a PA request and response.

Provide explanation for “pending” status in mandated HIPAA transaction, and **next steps for Provider to receive final approval.**

Ensure health plans offer an **electronic method for additional documentation** submission.

Define a uniform set of accepted **formats for additional documentation.**

Identify **best practices** for automation of provider pre-submission process and health plan adjudication process.

### How Provider & Health Plan Experience Improves

#### Providers



- Reduces unnecessary delays in patient care due to shortened time to final adjudication.
- Simplifies preparation and submission of PA request due to consistent requirements.
- Increases PA request status transparency and next steps to get request approved.
- Simplifies submission of additional information (Attachments) to support PA request.
- Reduces resources (clinical and administrative staff time, cost) spent on administrative tasks, through increased automation PA process steps.

#### Health Plans



- Makes it easier to receive and process PA request due to receipt of more complete data.
- Encourages electronic receipt and processing of additional information (Attachments) to support PA request, thus saving labor costs.

#### Vendors



- Ability to offer stronger products (reduced turnaround time, more data content, ability to exchange several requests/responses on same PA, electronic attachments).

Current State

Future State [Phase IV + Top Opportunities]

Manual

Partially Automated

Optimized

# CAQH CORE Prior Authorization Subgroup Information

*Open to all CAQH CORE Participating Organizations*

## Why join CAQH CORE?

Contribute to the development of implementable operating rules for targeted industry change, resulting in meaningful improvements for providers, health plans, and patients.



### PA Subgroup Goal

Expand on the foundation set by the Phase IV Operating Rules to develop additional voluntary operating rules and move the needle towards an optimized PA process.



### Rule Development Timeline

- Draft high-level requirements for select operating rules by end of 2017.
- Continued rule development addressing aforementioned opportunity areas to continue throughout 2018.

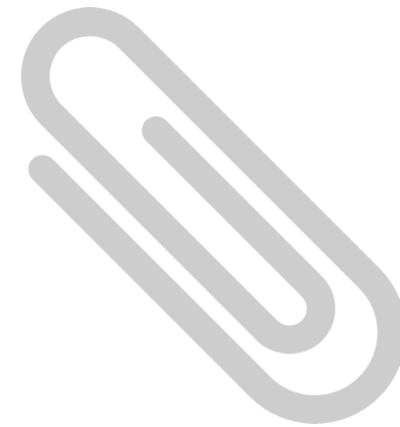


### Launch & Commitment

- Subgroup launch: Q4 2017.
- Commitment: Approx. 90 minute calls every 2-3 weeks, participation in straw polls.

Email [core@caqh.org](mailto:core@caqh.org) to join.

## Attachments





# Attachments

## Does Industry Have Best Practices and Is It Ready for Collective Best Practice Adoption?



### Healthcare Attachments can be divided into four categories:

- Claim/Reimbursement Attachments (83%)
  - Unmet federal mandate for standard(s) and operating rules.
  - CAQH Index analysis found about 6% of this category are electronic.
- Audit (Post Adjudication) Attachments (11%)
- Referral (3%)
- Prior Authorization (3%)

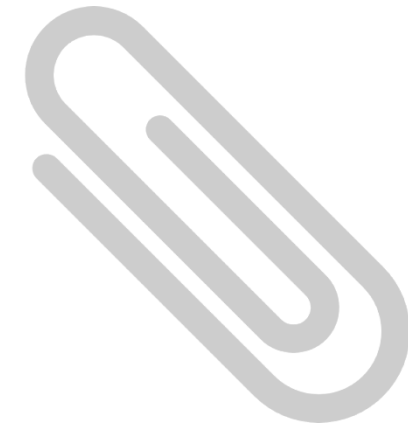
**2017 CAQH CORE Goal:** Hold series of in-depth education/listening/best practices sessions and conduct environmental scan to be ready to comment on regulation or support voluntary effort; monitor status of HL7.

CAQH CORE has consistently stated that a transition to mandated standard(s) for Attachments needs to be done gradually; few ROI-based case studies supporting such a shift.

For Q3-4, CAQH CORE has increased resources focused on ROI case study identification, supporting industry education on technical components and road mapping for areas where industry could identify best practices.

CAQH CORE has held listening sessions, with over 500 participants, which re-confirmed:

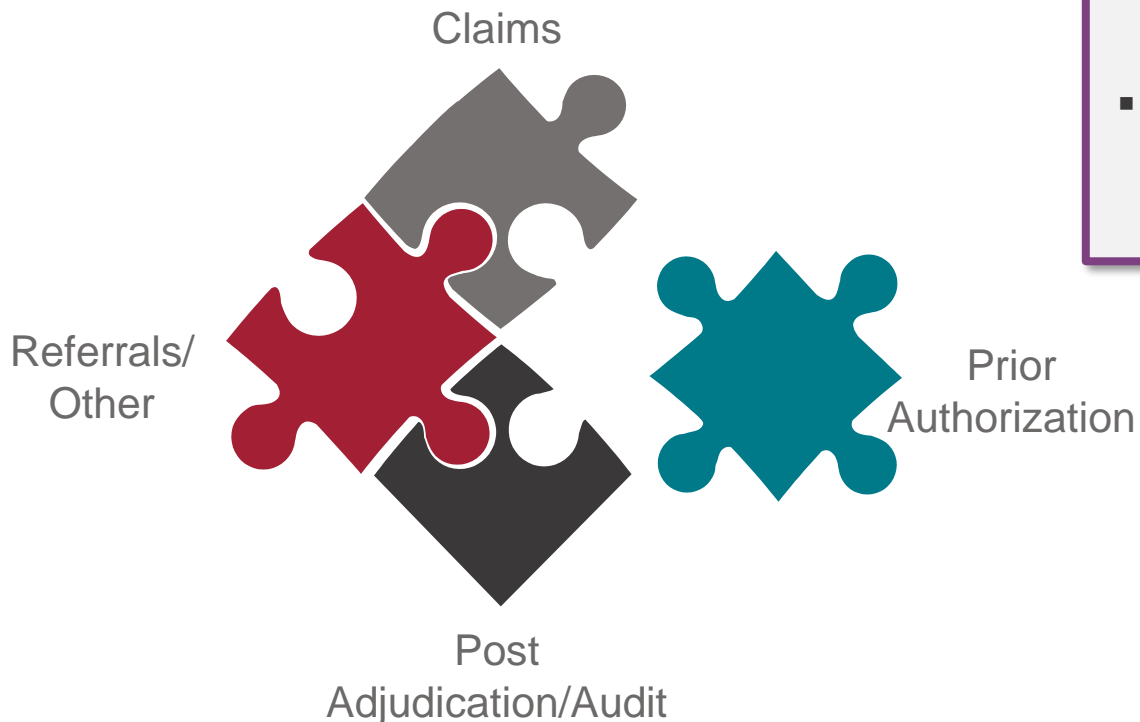
- Ongoing dependence on non-automated options: fax, portals and paper.
- Need for industry education on complex healthcare specific standards.
- Mix use of solicited/unsolicited approaches.
- Existence of case studies with mix of standards.
- Many qualitative benefits in case studies, however, minimal quantifiable ROI findings.



# CAQH CORE Future Focus

## Cross Section of Prior Authorization and Attachments

- Prior authorization is one piece of the entire spectrum of electronic healthcare attachments.
- Volume of additional information for prior authorization depends largely on the nature of services to be provided.



### CAQH CORE Attachments Activities will Expand on Attachments-related Opportunities Identified by the PA Advisory Group.

- Two Attachments-related opportunity areas were identified by the PA Advisory Group under their Environmental Scan:
  - Electronic method for additional documentation submission.
  - Uniform set of accepted formats for additional documentation.
- The Attachments Environmental Scan will further investigate these areas and present them to the Attachments Advisory Group in 2018, along with additional opportunities, for further consideration.

Attachments (additional documentation) was **one of the most frequently cited pain points to the PA process**, by both providers and health plans.

# Participate in CAQH CORE's Attachments Environmental Scan

## Industry Participants Needed

CAQH CORE is undertaking a data collection effort on electronic attachments to understand ROI. We will be sharing results with the industry and launching an Advisory Group for potential industry action in early 2018. If you are a CAQH CORE Participant, please contact us if you would like to join this effort.

### Focus of the Attachments Advisory Group will be the following:

- Select top Opportunity Areas and assign Timeframes.
- Develop work plan for mid- and long-term Opportunities.
- Identify potential rule requirements.



## Engage

Register for Part III of CAQH CORE's attachments webinar series to get a technical deep dive on HL7 C-CDA metadata as well as Meaningful Use with industry updates.

### Attachments Webinar Series:

- [Use and Adoption of Attachments in Healthcare Administration - Part I.](#)
- [Use and Adoption of Attachments in Healthcare Administration - Part II.](#)

## Polling Question #3

**Are you a CAQH CORE Participant and interested in participating in the CAQH CORE Attachments data collection effort?**

1. Yes.
2. No.
3. Unsure/Need More Information.
4. N/A.

## Value-based Payments



# CAQH CORE Value-based Payments

## Stage 1 – Board Engagement

**CAQH CORE Board recognized importance of emerging value-based payment (VBP) models to meet future needs for improved healthcare quality and cost:**

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



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



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

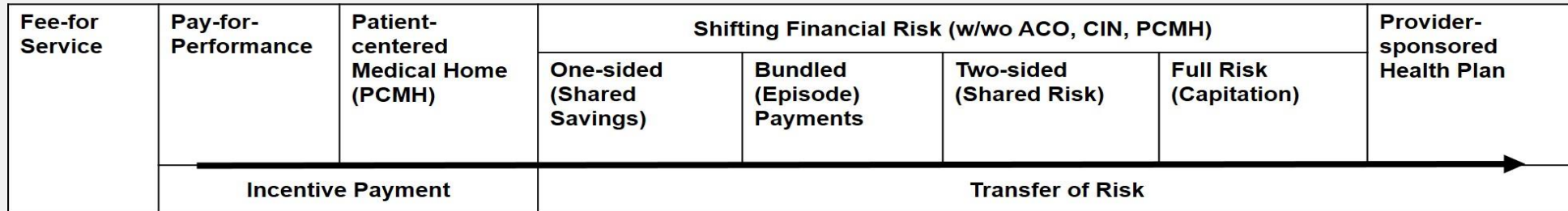
- However, transition to VBP is not without challenges – improvement in operational capabilities is needed to ensure success of VBP models.
- As such, CAQH CORE Board agreed that CAQH CORE should adjust the scope of its work beyond fee-for-service (FFS) transactions to help support the operational components of evolving VBP models.
  - In 2016, significant secondary and primary research conducted with goal of providing an initial set of options for consideration by CAQH CORE Participants.

# CAQH CORE Value-based Payments

## Stage 2 – Research

### Secondary Research

- Conducted environmental scan to define terms and trends associated with VBP; also developed simplified framework for VBP models:



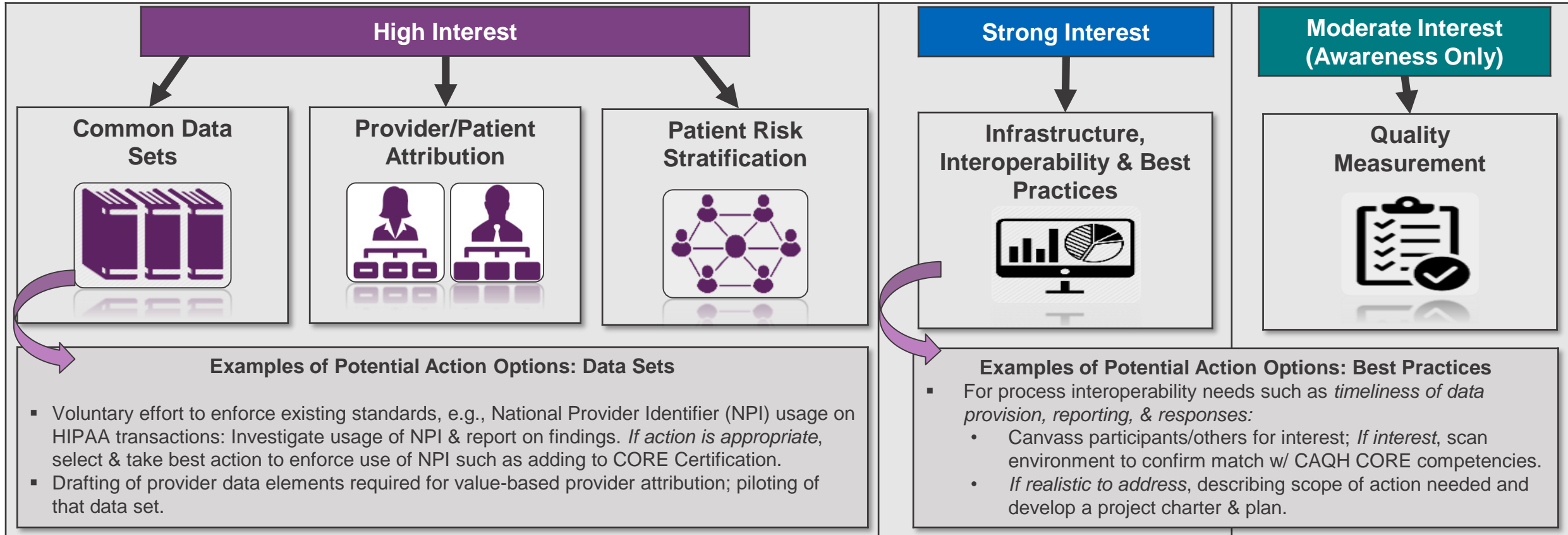
- Confirmed need for streamlining administrative processes associated with VBP through analysis.
- Identified potential areas for action that CAQH CORE and others could undertake that would make a difference in VBP operations.

### Primary Research

- Conducted structured interviews w/ ~20 multi-stakeholder entities to confirm, refute, &/or add to the potential areas for action, included different VBP structures, market types, duration of VBP experience, geographical diversity, etc.
- Conducted survey of CAQH CORE Participants to collect feedback on interview findings.

# CAQH CORE Value-based Payments

Stage 3 – Potential Areas for Action: All Have Affiliated Set of Detailed Options to Meet Specific Needs



**NOTE:** Initial ratings were via CAQH CORE Participant survey, then report rates detailed options under each area based on *ability to accomplish* and *impact to industry*. Given VBP operational needs are evolving, drafting definitions/requirements and piloting such will be critical.



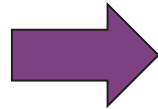
# CAQH CORE Value-based Payments

Stage 4 – Launch of CAQH CORE Initiative: Equal Focus on Education and Areas for Collaboration

## Q4 2017 & Beyond

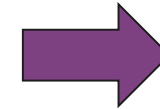
Publication of CAQH CORE VBP research findings to:

- CAQH CORE Board.
- CAQH CORE Participants.
- Industry.



Strong focus on education sessions, in collaboration with key industry partners:

- Both CAQH CORE Participant-specific and industry-wide sessions will be held.
- Sessions will ensure understanding of broader industry landscape and demonstrate CAQH CORE VBP thought leadership.



Begin detailed research on identified potential options for industry action:

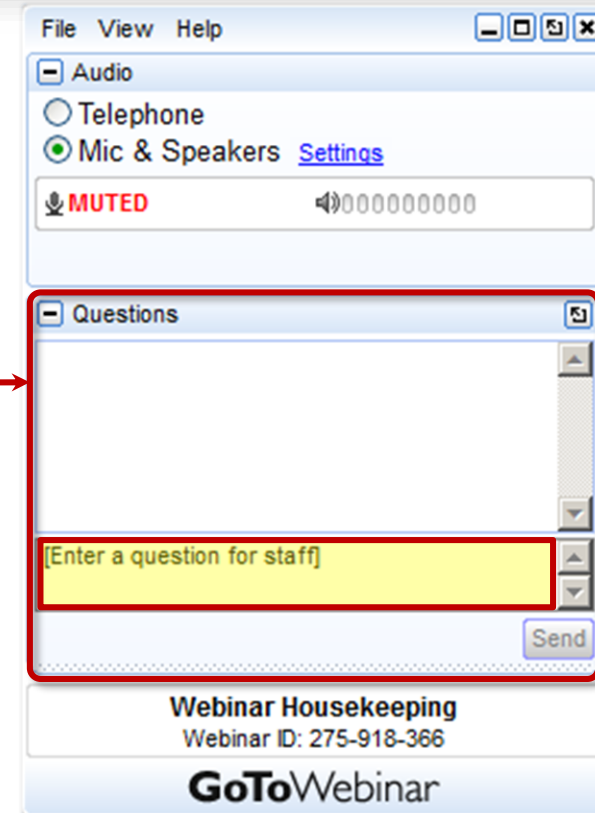
- Identify areas for collaboration, additional research needs, and further prioritization of action options.
- Identify opportunities for CORE Participant engagement through Advisory Group, etc.

# 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

**NDEDIC and CAQH CORE Dialogue with Delta Dental of California: How a Dental Health Plan Has Successfully Implemented the Phase I-II CAQH CORE Operating Rules**  
**WEDNESDAY, SEPTEMBER 13<sup>TH</sup>, 2017 – 2 PM ET**

**CAQH CORE Town Hall National Webinar**  
**TUESDAY, DECEMBER 12<sup>TH</sup>, 2017 – 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.