



To effectively share electronic healthcare data, stakeholders from across the healthcare industry have come together to develop and adopt a common set of operating rules.

Operating rules are crucial in a technology-driven world.

Organizations have a critical need to electronically share large quantities of data quickly and accurately. Banking, telecommunications and many other industries have long embraced technical standards and common business practices—or rules—to simplify data sharing. Operating rules support standards, and specify the business actions each party must follow to ensure a high volume of reliable transactions can occur smoothly.

Operating rules require collaboration.

More than a decade ago, CAQH established the Committee on Operating Rules for Information Exchange® (CAQH CORE®), an industry-wide collaboration committed to the development and adoption of healthcare operating rules for administrative transactions.

CAQH CORE represents the interests of more than 130 organizations, including healthcare providers, health plans, government agencies and standards development organizations. Its executive-level, multi-stakeholder Board is committed to ensuring CAQH CORE meets its mission. The health plans in CAQH CORE alone cover more than 75 percent of all Americans with commercial insurance, as well as those covered by Medicare and Medicaid.

Widespread adoption of the CAQH CORE operating rules not only offers the promise of impressive cost savings, it also can help healthcare providers worry less about “paperwork” and focus more on care.

CAQH CORE is the Designated National Author of Healthcare Operating Rules.

CAQH CORE began as a voluntary effort. In 2012, CAQH CORE was named by the Secretary of the Department of Health and Human Services (HHS) as the author of three sets of national operating rules for HIPAA transactions to ensure that large amounts of data can be shared electronically and efficiently. CAQH CORE developed rules for these transactions that go above and beyond those that were mandated.

— **Eligibility and Claim Status.** In the future, anything less than a detailed, real-time response will be too little too late. Increased use of electronic transactions drives the industry toward this goal and cuts the number of denied claims. As of January 2013, all HIPAA-covered entities were required to adhere to the mandated CAQH CORE Phase I and II Operating Rules. The Centers for Medicare & Medicaid Services (CMS) estimated that use of these two operating rule sets will save providers up to \$9.5 billion and health plans up to \$5.8 billion over ten years.

— **Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA).** It is time to eliminate costly and cumbersome paper checks, along with the confusing disconnect between payment and the services provided. The CAQH CORE Phase III Operating Rules for EFT/ERA have been mandated by HHS since 2014. They were designed in partnership with the banking industry operating rules. These rules require that health plans offer a streamlined electronic payment option for providers. Providers should be requesting and using these streamlined transactions. Together, the standards and operating rules make convenient, quick and secure payments from health plans to providers a reality.

CAQH CORE Phase IV Operating Rules.

CAQH CORE continues to develop operating rules that are voluntary—as it did when the organization was first created. The most recent set of rules were approved in 2015. These rules address electronic transactions for healthcare claims, prior authorization, enrollment or disenrollment in a health plan and premium payments.

— **Healthcare Claims and Prior Authorization.** The sooner healthcare providers learn if there are problems with their submissions, the sooner they can correct obvious errors. The CAQH CORE Phase IV Operating Rules mean that providers will know in real-time if healthcare claims and requests for prior authorization were received by the health plan and are under review, among many other benefits. Taking an intended phased approach, CAQH CORE has begun the rulemaking process for additional electronic prior authorization transactions that build upon the foundational Phase IV Operating Rules.

— **Enrollment and disenrollment, and premium payments.** Errors or delays in employer-plan transactions can leave providers with uncollectable debt. These are the first operating rules for administrative transactions between employers (or their benefit vendors) and health plans, and address employee enrollment and premium payments. The rules require health plans to immediately acknowledge receipt of this employee information, among other requirements.

Certification demonstrates action and adherence.

Widely viewed as the industry “gold standard,” the CORE Certification program enables organizations to voluntarily demonstrate they have adopted the operating rules and underlying standards. Organizations that create, use or transmit administrative healthcare data (such as health plans, healthcare providers and clearinghouses, practice management systems and other vendors) can earn CORE certification in all four phases. To date, more than 300 CORE Certifications have been awarded. The Phase IV certification test site was beta tested in 2016 and is now available.

— **Certification for Phases I, II and III.** Today 76 percent of commercially insured and 44 percent of publicly insured U.S. lives are covered by health plans CORE certified in Phases I and II. Adoption of the CAQH CORE Phase III Operating Rules is gaining traction. Approximately a quarter of U.S. lives are covered by a health plan certified in Phase III.

As healthcare moves from fee-for-service to value-based care, CAQH CORE is in the process of determining where operating rules can help smooth that transition.

To learn more about CAQH CORE educational resources, or for assistance with implementation and certification please contact us at core@caqh.org, or visit our website at www.caqhcore.org.
