



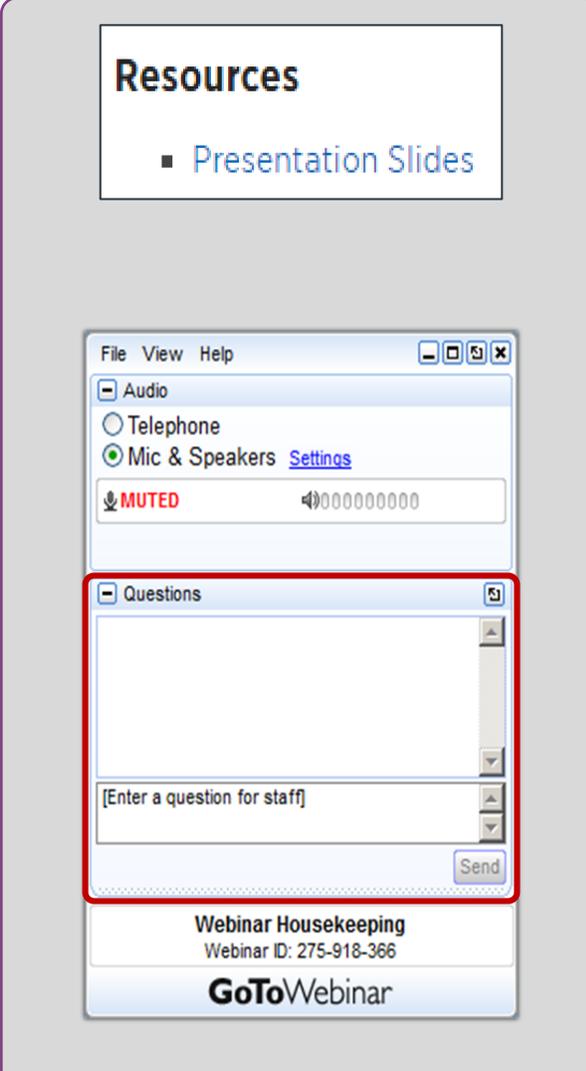
# CAQH CORE Participant Forum

February 22, 2019  
3:00 – 4:00 PM EST

# Logistics

## *Presentation Slides and How to Participate in Today's Session*

- 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*** using the Questions panel on the GoToWebinar dashboard.



The screenshot displays the GoToWebinar interface. At the top, a 'Resources' panel contains a link for 'Presentation Slides'. Below it, the 'Audio' panel shows 'Mic & Speakers' selected and a 'MUTED' status with a volume slider. The 'Questions' panel is highlighted with a red border and contains a text input field with the placeholder '[Enter a question for staff]' and a 'Send' button. At the bottom, the 'Webinar Housekeeping' section shows the 'Webinar ID: 275-918-366' and the 'GoToWebinar' logo.

# Session Outline

- CAQH CORE 2018 Achievements
- 2019 CAQH CORE Goals
- CORE Certification Updates
- Future Operating Rule Development

# Thank You to Our Speakers

**Susan L. Turney, MD, MS, FACMPE, FACP**  
President and CEO,  
Marshfield Health Clinic  
CAQH CORE Board Chair

**Jason Delimitros**  
Vice President, Health Plan Operations  
Centene  
CAQH CORE Board Member

**April Todd**  
Senior Vice President,  
CORE & Explorations  
CAQH

**Erin Weber**  
Director, CORE  
CAQH

**Robert Bowman**  
Director, CORE  
CAQH

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CORE

# CAQH CORE 2018 Achievements

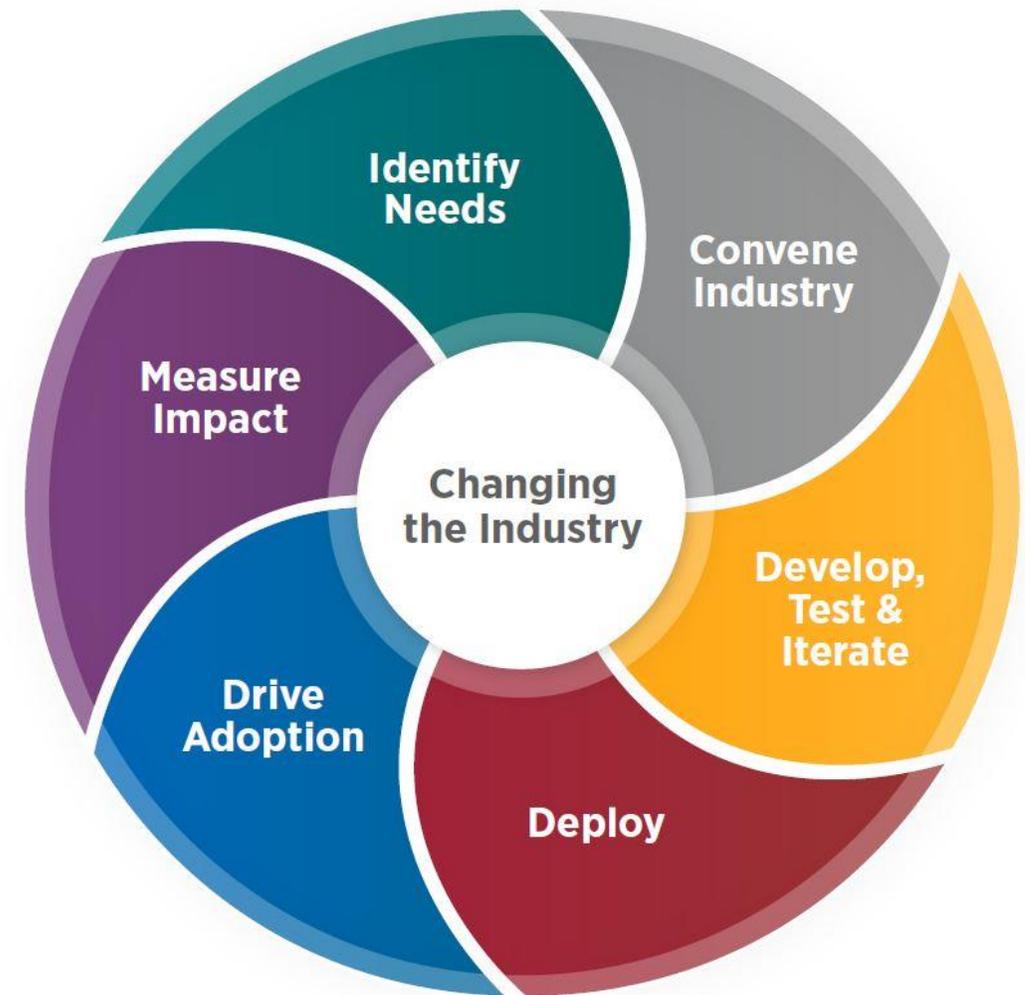
# CAQH CORE Mission and Vision

**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 operating rules** mandated by Section 1104 of the Affordable Care Act.

**BOARD** **Multi-stakeholder.** Members include health plans, providers (some of which are appointed by associations such as the AHA, AMA, MGMA), vendors, and government entities. Advisors to the Board include SDOs.



# CAQH CORE Board Members

## VOTING MEMBERS

Susan L. Turney, MD, MS, FACMPE, FACP; President and CEO <i>CAQH CORE Board Chair</i>	Marshfield Clinic Health System <i>(Proposed by MGMA)</i>
Tim Kaja, COO of UnitedHealth Networks <i>CAQH CORE Board Vice Chair</i>	UnitedHealthcare
George S. Conklin, CIO and SVP for Information Management	CHRISTUS Health <i>(Proposed by AHA)</i>
Joel Perlman, Executive Vice President	Montefiore Medical Center
Kenneth L. Chung DDS, MPH; CEO	ComfortCare Dental
Barbara L. McAneny, MD, CEO (President of the American Medical Association)	New Mexico Cancer Center <i>(Proposed by AMA)</i>
Lou Ursini, Head IT Program Delivery and Testing	Aetna
Troy Smith, Vice President, Healthcare Strategy and Payment Transformation	Blue Cross and Blue Shield of North Carolina
Jason Delimitros, Vice President, Health Plan Operations	Centene
Michael S. Sherman, MD, MBA, MS; Chief Medical Officer	Harvard Pilgrim Health Care <i>(Proposed by AHIP)</i>
Chris Seib, Chief Technology Officer and Co-Founder	InstaMed
Matthew Levesque, Vice President, Product Management	athenahealth

## NON-VOTING MEMBERS

- *Federal Government - CMS: Madhu Annadata, Director, Division of National Standards*
- *State Government - TBD: In Process*

## NON-VOTING ADVISORS

- ASC X12: Cathy Sheppard, Executive Director
- NACHA: Janet Estep, President and CEO
- NCPDP: Lee Ann Stember, President
- WEDI: Jay Eisenstock, Chair

# 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.

# 3



## Federally Mandated Phases of Operating Rules

for HIPAA-covered entities per Section 1104 of the Affordable Care Act to support a range of administrative transactions.

# 350+



## CAQH CORE Certifications

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

# CAQH CORE Operating Rules

## Streamlining the Revenue Cycle Workflow

CAQH CORE is the [HHS-designated Operating Rule Author](#) for all HIPAA-covered transactions.  
 HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules.

	Phase I	Phase II	Phase III	Phase IV	Phase V	Phase VI
Transactions	Eligibility	Eligibility Claims Status	Electronic Funds Transfer Electronic Remittance Advice	Health Claims Referral, Certification and Authorization Enrollment Premium Payments	Prior Authorization	Attachments
Manual to Electronic Savings per Transaction (2018 CAQH Index)	\$6.52	Eligibility: \$6.52 Claim Status: \$9.22	Claim Payment: \$0.65 ERA: \$2.32	Claim Submission: \$1.32 Prior Authorization: \$7.28	\$7.28	N/A
	Active				In Progress	

Notes: (1) All Active Phases include requirements for acknowledgements, e.g., 999 Functional Acknowledgement, 277CA Claims Acknowledgement. (2) CAQH CORE is also evaluating maintenance areas and opportunities to build on existing rules to support value-based payment.

# Example 2018 Accomplishments by the Numbers



7

New CAQH CORE  
Participating  
Organizations

43



CORE Certification  
Seals Awarded

2

New Draft  
Operating  
Rules



42



Interviews  
Completed for  
the  
Attachments  
Environmental  
Scan

>95%

Retention Rate for  
Participating  
Organizations

3



New Versions  
of the CORE  
Code  
Combinations



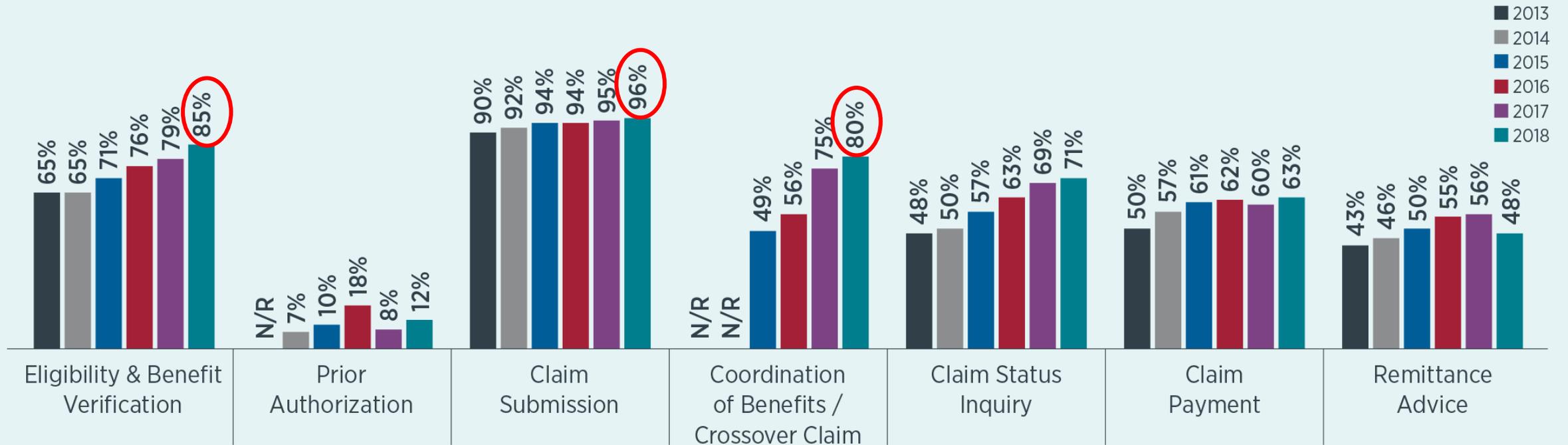
7,000+

Individual Registrations for CAQH CORE  
Education Webinars

# Electronic Adoption of Administrative Transactions in the Medical Industry

## 2018 CAQH Index

Figure 1: Adoption of Electronic Administrative Transactions, Medical, 2013 – 2018 CAQH Index



N/R = Not Reported

The [2018 CAQH Index](#) is the industry resource for benchmarking progress towards reducing industry complexity, including tracking and reporting on adoption of electronic transactions in the medical and dental industry.

# CAQH Index Milestone: Medical Industry Savings Opportunity Declined

Despite the continued increase in volume, potential savings opportunity dropped, suggesting that industry is becoming more efficient at conducting administrative transactions.

Figure 5: Estimated National Volume and Potential Savings Opportunity, Medical, 2013 – 2018 CAQH Index



To participate in the 2019 CAQH Index, please contact [explorations@caqh.org](mailto:explorations@caqh.org) or visit [www.caqhindex.org](http://www.caqhindex.org).

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## 2019 CAQH CORE Goals

# CAQH CORE Participating Organization Benefits

## CAQH CORE Participation enables healthcare organizations to:

- **Lead development of rules** that remove unnecessary cost and complexity from the healthcare system.
- **Stay up to date** on industry developments, upcoming regulations & real-world case studies.
- Ensure that rules continue to **meet evolving business needs** and **address specific markets**.
- Lead innovation in the industry by **participating in pilot programs**.
- **Influence the direction of health IT policy through participation in CAQH CORE work groups**, public forums and industry commentaries.
- Develop guidelines for **measurement and tracking of ROI across the industry**.
- **Engage with decision makers** and influencers across the industry.



For the first time in its history, the CAQH CORE Board has adjusted the participation fee for applicable organizations.

# 2019 CAQH CORE Direction

## High Level Summary

**Effectively serve as the “Gold Standard” industry certifier for operating rules and underlying business standards.**

- Targeted effort to increase certification for Phase III, Phase IV, Medicaid and dental.
- Modify certification processes to increase value and adoption.

**Evolve CAQH CORE Integrated Model (rule writing, certification, outreach/education/participant relations) to drive future multi-stakeholder value.**

- Increase pace of rule development through adoption of lead/agile methodologies and pilots.
- Improve value/ROI messaging across work products.

**Continue to successfully serve as the national operating rule author to improve the efficiency, accuracy and effectiveness of industry-driven business transactions.**

- Prior Authorization
- Acknowledgements
- Rule Enhancements
- Attachments
- Value-based Payments

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# CORE Certification Updates

# CORE Certification

*Developed by Industry, for Industry to Promote Adoption*

[CORE Certification](#) is the most robust and widely-recognized industry program of its kind – the Gold Standard. The approach allows organizations to demonstrate their ability to reduce administrative costs through adoption of operating rules.



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



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



CAQH CORE serves as a neutral, Certification administrator.



# 2018 Health IT Certification Landscape Report

## Overview

- 🎯 **Goal:** Conduct an assessment of the CORE Certification program in relation to other Health IT certification programs offered across the industry.
- 💡 **Purpose:** To understand the Health IT certification marketplace, evaluate market trends, determine best practices, and better position CORE Certification as the Gold Standard Health IT Certification Program.
- 🔍 **Scope of the Report:**
  - **Environmental Scan**
    - Comparative assessment of targeted Health IT certification programs across various elements.
  - **Best Practices**
    - Highlight of common themes, trends and use cases applied across the landscape of Health IT certification programs.
  - **Recommendations**
    - Proposals on how to evolve the CORE Certification program based off key findings from the environmental scan and evolution of best practices.

The following 9 programs were assessed by the HIT Certification Landscape:



# 2019 Certification Direction

These updates, approved by the CAQH CORE Board, involve strategic changes to overall policies, design and structure of the existing CORE Certification program. Application of these updates will align the CORE Certification Program with industry best practices, provide additional revenue sources and add value to the CORE Seal.

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## Re-certification

- Require organizations to re-certify their IT systems or products on a recurring basis.

## Bundled Certification

- Offer packaged pricing or discounts to organizations pursuing multiple phases of certifications.

## Update Base Pricing

- Update application fees for CORE Certification.

# Re-certification to Launch in 2020



## Rationale:

- With evolving technology, mergers/acquisitions and system upgrades, there is a need to assess ongoing conformance with the operating rules to maintain program integrity.
- Re-certification enables ongoing conformance should existing rule requirements be updated over time to align with market needs.
- Almost all certification/accreditation programs have re-certification policies that require organizations to renew their certifications every two to three years.



## Current Model:

- CORE Certification reflects a “snapshot in time” towards adherence to operating rules.
- CORE Certification polices require organizations to notify CAQH CORE in the event a product is updated or IT systems is upgraded.
- Current enforcement process is complaint-driven.



## New Model:

- CAQH CORE will adopt policies and requirements for re-certification **every three years** to ensure the value of the CORE Seal is preserved.
  - > Policy development will occur in 2019 and **re-certification will launch in 2020.**
- Any updates to the CAQH CORE Operating Rules will be incorporated within the re-certification process.

# CORE Certification Pricing Updates

To align with industry trends, CAQH CORE has increased the initial cost of CORE Certification for all applicable stakeholder types. This is the first increase in CORE Certification fees since inception.

Stakeholder Type	CORE Initial Certification Seal Fee
Health Plans	\$6,000 - \$9,000 fee
Clearinghouses <i>EHNAC HNAP-EHN accredited</i>	\$6,000 - \$9,000 fee <i>apply 10% discount</i>
Vendors	\$6,000 - \$9,000 fee
Providers	\$750 - \$2250 fee
Federal or State Government Entities	No Fee



## New Bundled Certification:

- CAQH CORE offers certification for multiple phases of operating rules. To promote adoption and certification, a 20% discount on initial certification fees will be offered to organizations completing multiple certifications at once.



## Re-Certification:

- CORE Re-certification will be 50% of the initial CORE Certification fee.

# Future Operating Rule Development

# Opportunities to Increase Pace and Impact of Rule Development

- The pace of change in healthcare technology is accelerating. CAQH CORE processes must evolve to be nimble and responsive to industry needs.
  - Current CAQH CORE rule development takes, on average, 1.5 to 2 years from launch of an Advisory Group and environmental scan to completion of the formal CAQH CORE voting process.
  - Draft NCVHS Predictability Roadmap also recommends changes in process and frequency.
- CAQH CORE is adjusting current processes to increase the pace of rule development while maintaining the quality and impact of the rules.
  - Tightening the timeline and scope of Advisory Groups.
  - Applying Agile Methodology to the rule development process to increase pace and output.
  - Addressing more contentious topics with smaller group of stakeholders committed to piloting solutions.
  - Measuring ROI through pilot activities to encourage broader industry adoption.

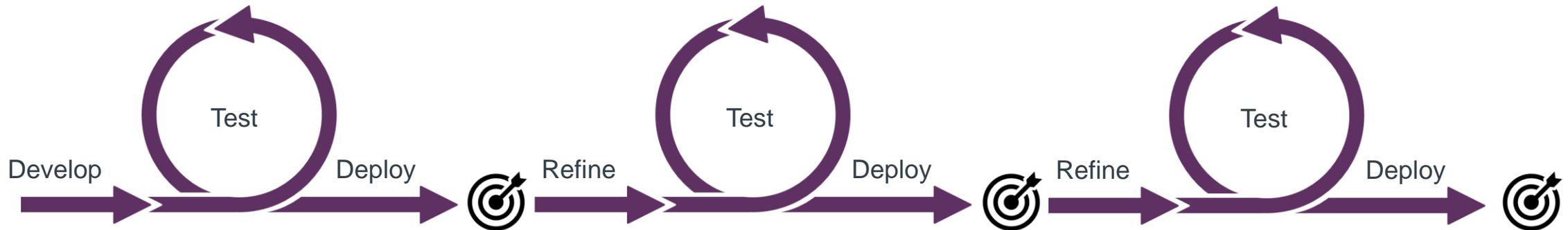
# Modified Methodology Could Enable a More Rapid Development Cycle

## Traditional Approach



The traditional method used in CAQH CORE in identifying and developing opportunity areas is a linear process and results in one large outcome at the end of the process.

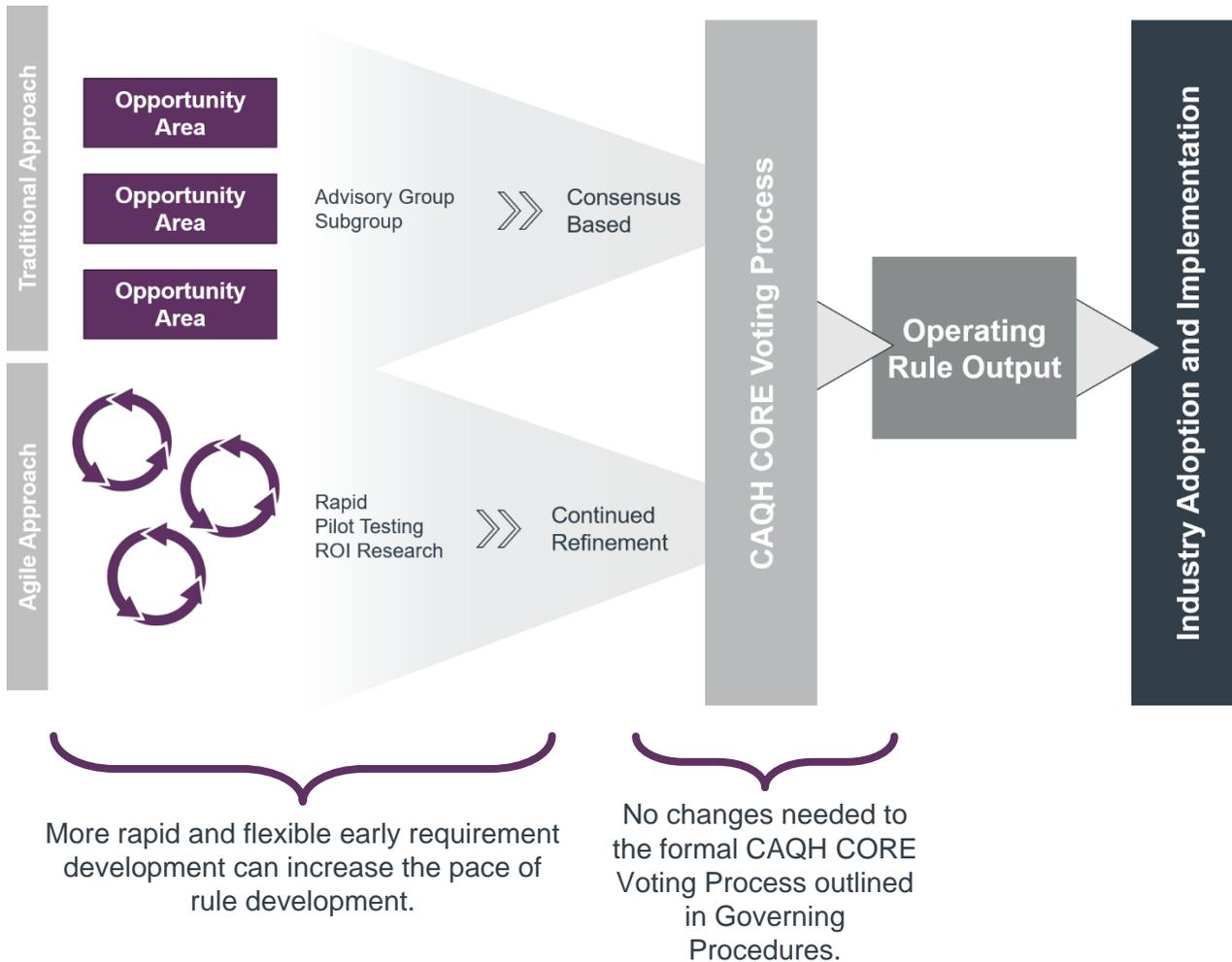
## Agile Approach



An Agile Method allows for shorter iterations of rule development, piloting and ROI assessment to support quicker and broader market adoption. Using this method, we can also approach more challenging topics by testing multiple potential solutions before deciding on a refined approach.

# Increase Pace of Operating Rule Output

*Early Rule Development Processes Offer Greatest Potential to Condense Timelines*



- CAQH CORE Governing Procedures do not specify how operating rules opportunities are identified or how rules are drafted.
- The formal CAQH CORE Voting Process, which is outlined in the Governing Procedures, is initiated after rules are drafted and can occur in much shorter timeframes (3-6 months).
- The application of agile/lean methodologies will be most impactful during the early stages of rule development and thus a formal change to the Governing Procedures is not required to test new approaches.
- This approach aligns with NCVHS Recommendations to streamline and quicken the pace of rule development.

## Prior Authorization Example

# Continued Industry Engagement to Address Prior Authorization

- In response to the Phase IV CAQH CORE Operating Rules, the National Committee on Vital and Health Statistics (NCVHS) recommended research and development of additional operating rules to address barriers to improving the prior authorization process.\*
- Significant public and private sector interest in addressing challenges throughout the prior authorization continuum.
  - July 31, 2018 Senate Health, Education, Labor and Pensions (HELP) Committee hearing on "[Reducing Health Care Costs: Decreasing Administrative Spending](#)" was the third in a series of hearings the committee has held on reducing health care costs – prior authorization was a key topic in multiple testimonies.
  - Multiple industry statements and guiding principles from multi-stakeholder and provider coalitions.
    - CAQH CORE Board responded with an [open letter](#) to the authors of the [Consensus Statement on Improving the Prior Authorization Process](#).
  - ONC's work on drafting a [strategy to reduce clinician burden](#), to which CAQH CORE [responded](#).
  - CMS' [Documentation Requirement Lookup Service Initiative](#).
  - Other complementary work efforts include [AMA research](#), WEDI PA Council and Subworkgroup efforts, HL7, HATA, DaVinci Project use cases, etc.

In total, more than 100 organizations have substantively contributed to the CAQH CORE prior authorization rule development process through interviews, site visits, subgroup and work group participation and surveys demonstrating the strong industry commitment to this topic.

\*[Letter to the Secretary - Findings from Administrative Simplification Hearing](#), [Letter to the Secretary - Recommendations for the Proposed Phase IV Operating Rules](#), [Review Committee Findings and Recommendations on Adopted Standards and Operating Rules](#).

# CAQH CORE Focus for Prior Authorization



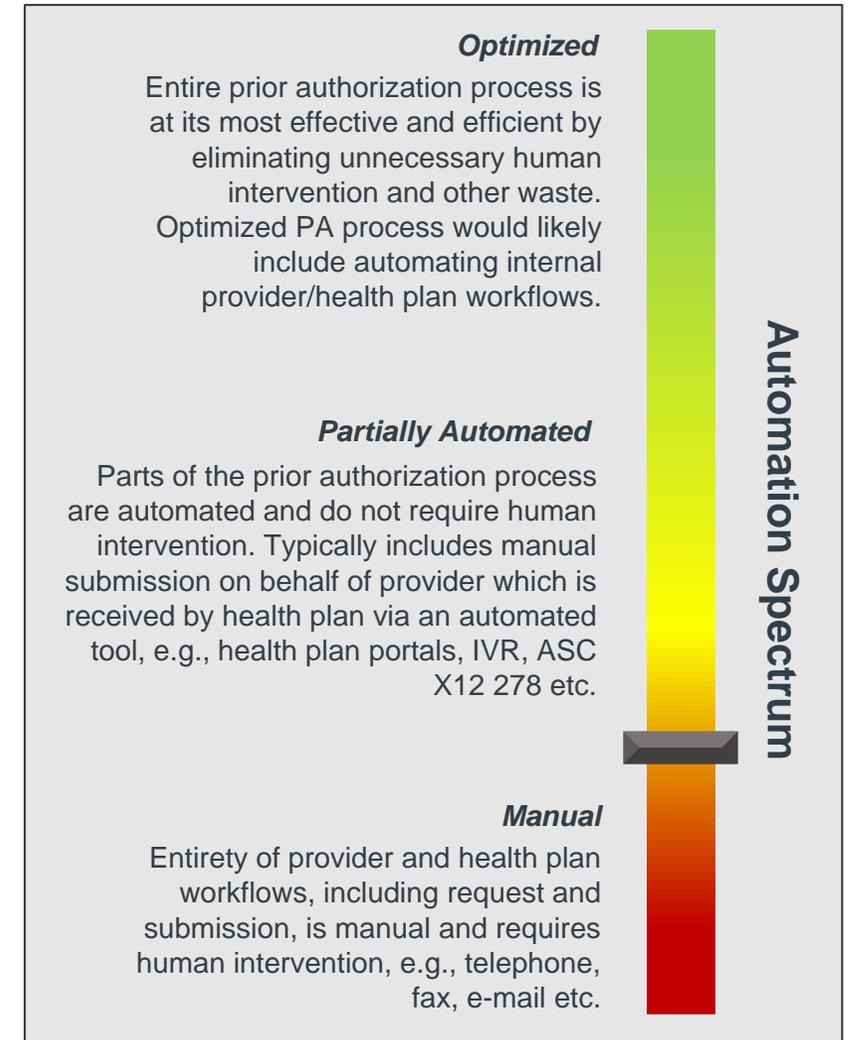
The Phase IV Operating Rule established foundational infrastructure requirements such as connectivity, response time, etc. and builds consistency with other mandated operating rules required for all HIPAA transactions.



The Draft Phase V Operating Rules address needed data content in the prior authorization transaction and enable greater consistency across other modes of PA submissions.



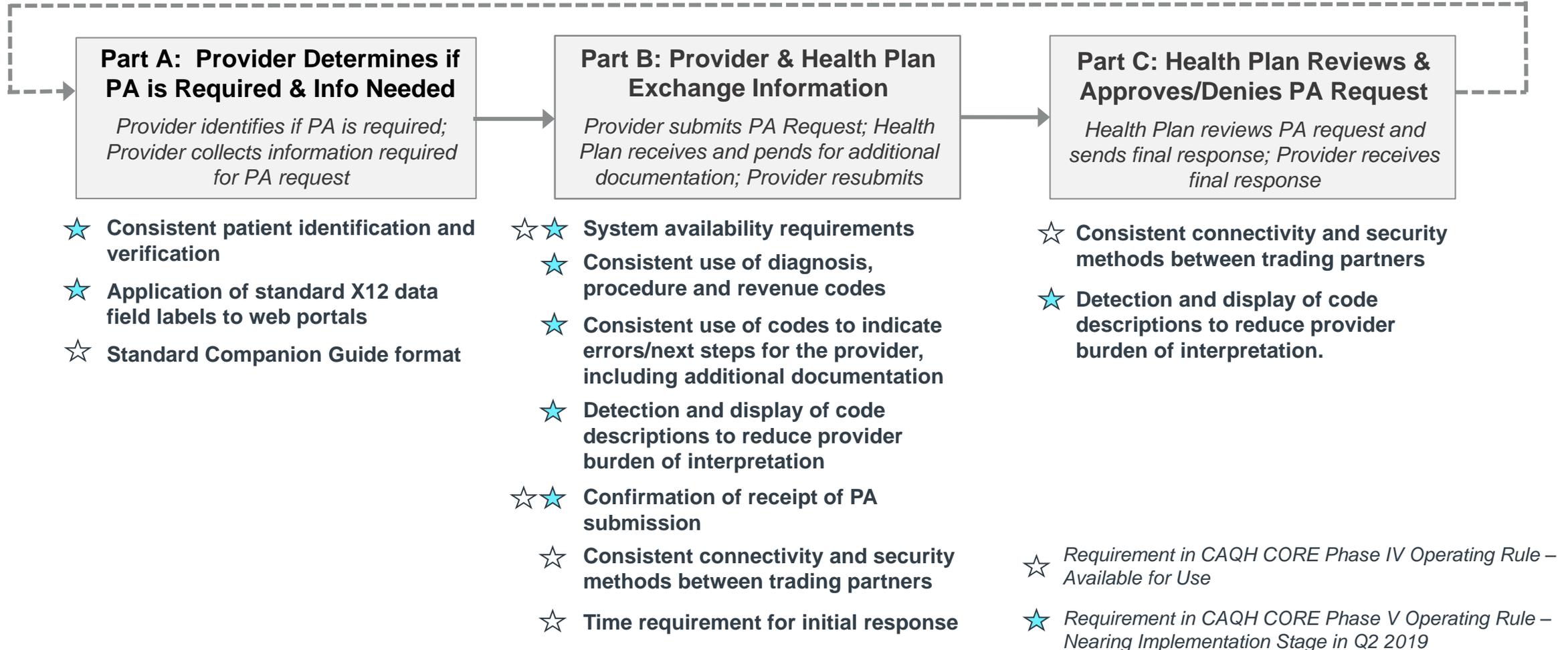
Ongoing efforts in 2019 to update the Phase IV Rule with a timeframe for a completed response and pilot test rules for a provider to determine whether an authorization is needed.



# Prior Authorization Process

## CAQH CORE Operating Rules Address Significant Pain Points in Prior Authorization Process

### Major Parts of the Prior Authorization Process



# CAQH CORE Rule Approval Process

## Importance of Upcoming Final CAQH CORE Participant Vote

CAQH CORE Participants cast votes on rules at various levels. At the Final Vote level, only Participating Organizations that *implement* CAQH CORE Operating Rules vote.

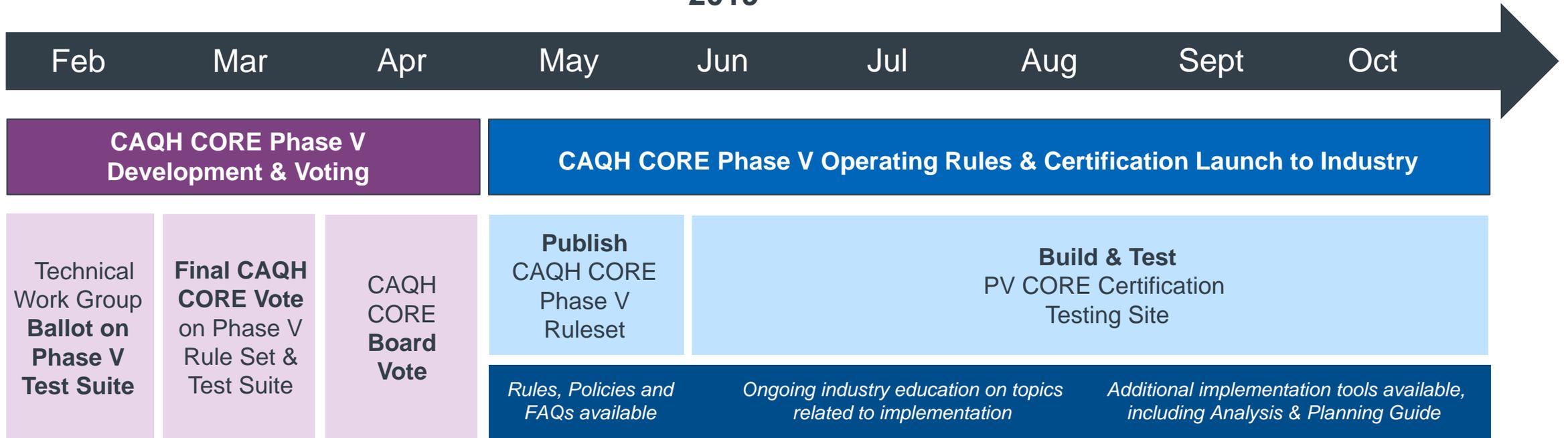
CAQH CORE Body*	CAQH CORE Requirements for Rules Approval
Level 1: Subgroups and Task Groups	<ul style="list-style-type: none"><li>▪ Not addressed in governing procedures, but consensus must occur via feedback forms, group discussion and straw polling in order to move forward.</li></ul>
Level 2: Work Groups	<ul style="list-style-type: none"><li>▪ Work Groups require for a quorum that 60% of all organizations participating in the Work Group are voting.</li><li>▪ Simple majority vote (greater than 50%) by this quorum is needed to approve a rule.</li></ul>
Level 3: Final CAQH CORE Participant Vote	<ul style="list-style-type: none"><li>▪ Full CAQH CORE Voting Membership vote requires for a quorum that 60% of all Full CORE Voting Member organizations (i.e., CAQH CORE Participants that create, transmit, or use transactions) vote on the proposed rule at this stage.</li><li>▪ With a quorum, a 66.67% approval vote is needed to approve a rule.</li></ul>
Level 4: CAQH CORE Board	<ul style="list-style-type: none"><li>▪ The CAQH CORE Board's normal voting procedures would apply.</li><li>▪ If the Board does not approve any proposed Operating Rule, the Board will issue a memorandum setting forth the reasons it did not approve the proposed Operating Rule, and will ask the CORE Subgroups and Work Groups to revisit the proposed Operating Rule.</li></ul>

CAQH CORE will host a webinar for Participating Organizations in good standing to prepare for the vote that will review the value of the operating rules, details of the rule requirements and information on how to cast your vote as a Participating Organization.

\* The CAQH Board does not have veto or voting power over the CAQH CORE Operating Rules.

# Next Steps: Phase V CAQH CORE Prior Authorization Operating Rule Development, Voting and Industry Launch

2019



**CAQH CORE will continue to focus on prior authorization beyond Phase V. Opportunities under consideration include:**

- Launch a Task group to update the CAQH CORE Phase IV Prior Authorization Rule to consider a requirement on a maximum allowable response time by which a health plan must send a final determination to the provider (current requirement only addresses timeframe for initial response).
- Pilots to measure impact of potential high-value operating rules with less consensus and then iterate requirements based on findings.

# Future Opportunity Areas – Prior Authorization

## Updates to Phase IV

### Task Group Launching Q2 2019: Update to Phase IV PA Response Time Requirement



**Task Group Objective:** Evaluate opportunities to strengthen the [Phase IV CAQH CORE 452 Health Care Services Review –Request for Review and Response \(278\) Infrastructure Rule v4.0.0](#) to include a response time requirement for a final PA determination and update the PIV Certification Test Suite accordingly. The goal of the requirement is timely delivery of patient care and reduced administrative burden stemming from manual status checks and inconsistent timeframes.

**Background Context:** Interest in a standard maximum allowable response time for a health plan to communicate a final determination (once all necessary additional documentation has been received by the health plan) is evident across industry work groups, provider association research and state-level legislative activity. A recent poll of CAQH CORE Participating Organizations engaged in PA rule development indicated a 73% support rate for a requirement.

**Call for Subject Matter Experts:** Organizations interested in joining the Task Group will be asked to appoint a **Subject Matter Expert (SME)** and **Sponsor**. SMEs should possess knowledge of how their organization operates today (with respect to final determination response times) and be able to speak to how a standard requirement would impact their organization, both in terms of feasibility to implement as well as value. Organization Sponsors should be executive-level leaders interested in development of this requirement and supportive of their SME's involvement in this effort.

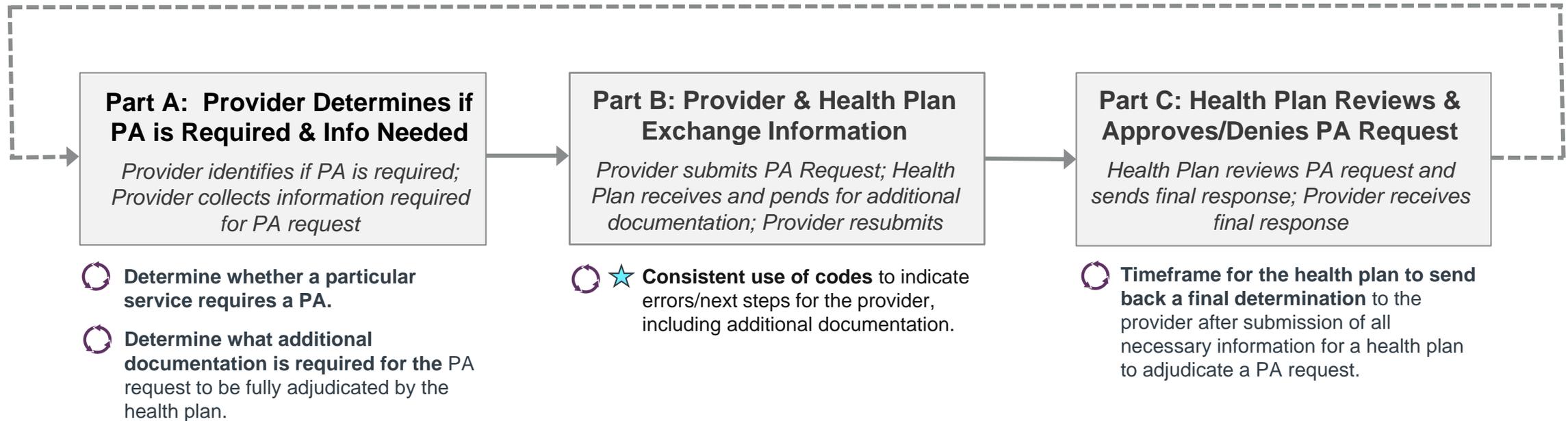


***SME involvement at this level enables requirement development that is more focused, efficient and impactful. As the requirement progresses to Work Group approvals, the Technical and Rules Work Groups will combine to streamline and speed up reviews.***

# Prior Authorization Process

## Potential Requirements to Pilot

### Major Parts of the Prior Authorization Process\*



○ Future CAQH CORE Requirements & Potential Pilot Opportunities

★ Requirement in CAQH CORE Phase V Operating Rule – Nearing Implementation

\* Depicts the most common path for the PA process to follow.

# Next Steps for Requirements Development and Pilot Testing

## *Get Involved*



***Guiding Principle of Pilot:*** Develop, test, and track impact of requirements that **are flexible to support various connectivity and security methods**, and **work in concert to add value to existing and emerging standards.**

CAQH CORE is engaged in initial discussions with industry partners interested in developing and piloting new and potential CAQH CORE Operating Rule requirements for prior authorization.

### **Participation in this effort entails:**

- Scoping and developing the requirements or combination of requirements to test in a pilot.
- Identifying primary measures of success for the pilot.
- Providing pre and post data on the measures.
- Implementing the requirements and providing data during a limited time period for the pilot.

# Polling Question

**Would you be interested in working on a pilot on potential prior authorization requirements?**

- Yes
- No
- Unsure/Need More Information

# Immediate Next Steps

The expertise and leadership that Participating Organizations bring to CAQH CORE's work is essential to making an impact in the industry. To maximize this impact, we need ongoing guidance and input from our Participating Organizations.

- Prepare for the Phase V Final Vote.
  - The Final CAQH CORE Vote for the Phase V Operating Rules will launch on March 12, 2019.
  - To prepare for the vote, CAQH CORE will host a webinar for Participating Organizations that will review the value of the operating rules, details of the rule requirements and information on how to cast your vote as a Participating Organization.
- Begin internal conversations within your organization to plan for Phase IV and Phase V implementation and CORE Certification.
- Reach out to CAQH CORE if you are interested in getting involved in the early stages of rule development via pilot programs or Advisory Group work.
- Stay tuned for a Call for Subject Matter Experts for the Phase IV Update Task Group.

For more information or to get involved, contact [core@caqh.org](mailto:core@caqh.org).

# Polling Question

**What aspect of CORE Participation is of most value to your organization? (Check all that apply)**

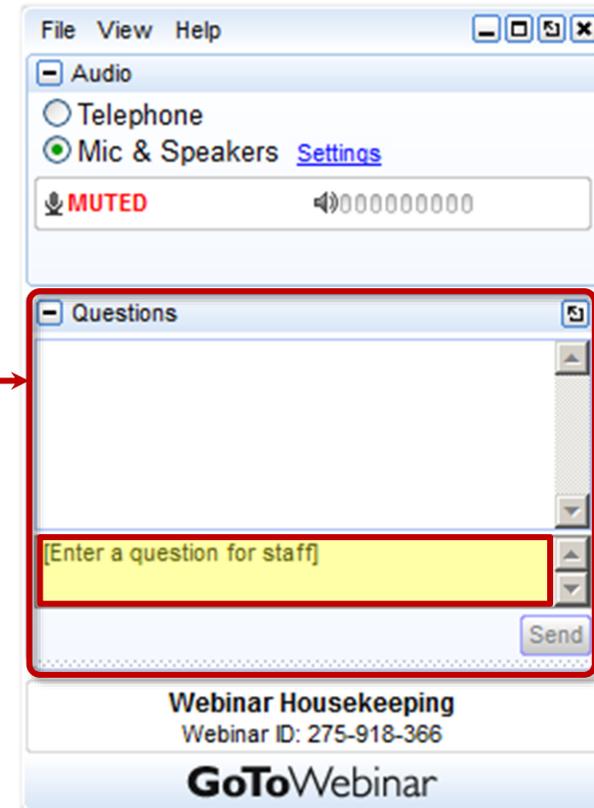
- Participating in CAQH CORE groups to develop operating rules.
- Receiving updates on industry and federal developments.
- Engaging with decisionmakers and influencers.
- Influencing the direction of health IT policy through industry commentaries.
- Accessing free education and implementation resources.

# 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)**



- The slides and webinar recording will be emailed to attendees and registrants in the next 1-2 business days.

# 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.