CAQH Committee on Operating Rules for Information Exchange (CORE)
All-CORE Town Hall Call
CORE Phase I AND II Rule Upgrade to Support HIPAA v5010
For discussion only – v 01/2011 ***(Note: Was initially issued to CORE participants in April 2010)***

Table of Contents

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1. Background

Consistent with the CORE policy that whenever the underlying standards addressed by CORE rules are modified as a result of national or state legislation or regulation, CAQH initiated in 3rd quarter 2009 The Phase I AND II CORE Rule Upgrade to Support HIPAA v5010 Project. This document provides a high-level overview of this project and high-level findings for potential substantive revisions. To-date, findings have identified the following CORE rules for substantive changes:

- Phase I CORE Eligibility & Benefits Data Content Rule
- Phase II CORE Eligibility & Benefits Data Content Rule
- Phase II CORE AAA Error Code Reporting Rule

2. Project Approach

CAQH CORE staff and consultants reviewed all Phase I and II CORE Operating Rules and Policies to identify both substantive and non-substantive gaps between the CORE rules and those v5010 HIPAA-adopted transactions addressed by the Phase I and II CORE Operating Rules. The ASC X12 errata adopted under HIPAA in October 2010 for the various HIPAA-adopted transactions were also included in this review.

- ***Substantive*** – Changes or additions to operating rules that change the purpose, scope, requirements, or technical transaction data content of CORE operating rules
- ***Non-substantive*** – Editorial changes to existing operating rules that do not change the purpose, scope, requirements, or technical transaction data content of CORE operating rules

3. High-level Project Scope

Review and identify potential changes within:

- Technical data content in CORE operating rules that is based on HIPAA v 4010A1 Implementation Guides
- Technical scripts and test data that comprise the CORE Certification Test Suite that is based on HIPAA version 4010A1 Implementation Guides

Act upon findings:

- Revise CORE rules and Test Suite that address transaction data content based on the technical gap analysis so that the revised rules appropriately support the HIPAA-adopted v5010 and associated errata
- Work with the CORE-authorized certification testing vendor(s) to revise the certification testing website as needed to support the revisions to the CORE certification Test Suite

Out of scope tasks:

- Revisions to existing CORE rules covering technical content not directly related to migration from Version 4010A1 implementation guides to HIPAA v5010 TR3s and associated errata
- Revisions to existing CORE rules to address *recommendations* in HIPAA-adopted ASC X12 v5010 TR3s that are *not required* by the final rule *HIPAA Electronic Transaction Standards 45 CFR Part 162 dated January 16, 2009*
- Other than references, revisions of Phase I AND II CORE operating rules addressing transactions, process, and rules/policies that are not in the scope of the HIPAA-adopted v5010 transactions, associated errata, code lists, and code sources. *(Examples: Connectivity, response time, system availability, etc – which are not in HIPAA scope, but may refer to HIPAA)*

- Revisions to the draft Phase III CORE operating rules, given draft Phase III is based on v5010 of the HIPAA-adopted transactions

4. Key Timelines

- 2010 Spring: Discuss identified changes with targeted participants (ASC X12, WEDI, BCBSA, Rules Work Group)
- Q2 2010: Obtain Work Group approval of identified rule changes and hold CORE Conference Call
- Q3 2010: Finalize list of changes to certification process due to rule adjustments (Note: Entities already Phase I or II certified will NOT need to get recertified due to CORE HIPAA attestation)
- Q4 2010: Publish updated rules and update testing tools
- Q4 2010: Based on ASC X12 review and feedback, minor edits were made

Reminder: industry v5010 compliance is not required until January 2012

5. High-level Findings to Date

Since CORE rules do not repeat the HIPAA-adopted "minimum" requirements in the HIPAA v5010 TR3s and errata, the majority of potential revisions to the Phase I and II CORE Rules are to remove several sections of the Phase I and II CORE Eligibility & Benefits Data Content Rules. Other revisions are to remove some sentences in the CORE rules that are included in the HIPAA-adopted v5010 TR3s and thus are no longer needed in the CORE rules. The overall implications and impact for CORE-certified entities and entities currently going through CORE certification or considering CORE certification is minimal since these entities will already be HIPAA v5010 compliant and are required to attest to this as part of becoming CORE certified.

CORE review has not identified substantive changes in the other Phase I and II CORE Rules addressing infrastructure, e.g., system availability, real-time/batch response time, connectivity. Rather, changes to these rules will be non-substantive in nature as these rules are not based upon HIPAA adopted standards. The only exception is the replacement of the 997 Functional Acknowledgement with the v5010 999 Implementation Acknowledgement and associated errata, supporting industry direction for the use of the 999 for the ASC X12 administrative transaction for both HIPAA-adopted and non-HIPAA-adopted transactions.

The table below is a high-level summary of the **substantive gap analysis findings** for the CORE rules listed in §1 above.

High-Level Findings of Substantive Gap Analysis Between Phase I AND II CORE Rules **Based on HIPAA-Adopted Transactions: v4010A1 and v5010 Specifications**		
CORE Rule Name	**Summary of Recommended Revision and Implications**	**Gap Analysis Summary**
Phase I CORE Eligibility Data Content Rule (270/271)	***Revision A:*** Remove certain sections of CORE rule requirements as requirements are now adopted in v5010. ***Implication A:*** CORE-certified entities are already compliant with these 5010 requirements, while post-January 2012 CORE-certified entities will no longer be tested on these requirements as all CORE-certified entities sign a HIPAA Attestation.	***11 Rule Sections to be deleted that address:*** Requirements for a non-financial response to a generic inquiry for 9 service types (e.g. 33- Chiropractic, 48-Hospital Inpatient, etc.). *Note: A non-financial response addresses status of coverage and dates*

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High-Level Findings of Substantive Gap Analysis Between Phase I AND II CORE Rules **Based on HIPAA-Adopted Transactions: v4010A1 and v5010 Specifications**		
CORE Rule Name	**Summary of Recommended Revision and Implications**	**Gap Analysis Summary**
	Revision B: **(1)** Revise wording in sections of CORE rule. The majority of wording revisions are because CORE rules do not repeat HIPAA-adopted ("minimum") requirements, but rather CORE rules focus on requirements that are not required, e.g., returning patient financial responsibility information. **(2)** Replace one code (307 – eligibility date) with a new code required in 5010. **(3)** Add 3 service type codes not included in CORE-required response to a generic inquiry (47-Hospital, MH-Mental Health, UC-Urgent Care) to the existing CORE requirements. ***Implication B:*** CORE-certified entities are already compliant with these 5010 requirements, while post-January 2012 CORE-certified entities will no longer be tested on the requirements as all CORE-certified entities sign a HIPAA Attestation.	***11 Rule Sections to be revised*** If sentence is in 5010, remove from CORE rules, e.g. CORE Phase I rules required that base deductible must be a dollar amount, this specification is now part of 5010. One date code update and three service type codes added.
Phase II CORE Eligibility Data Content Rule (270/271)	***Revision A:*** Remove certain sections of CORE rule requirements as requirements are now adopted in v5010. ***Implication A:*** CORE-certified entities are already compliant with these 5010 requirements, while post-January 2012 CORE-certified entities will no longer be tested on the requirements as all CORE-certified entities sign a HIPAA Attestation.	***6 Rule Sections to be deleted*** Requirements for a non-financial response to a generic inquiry for 9 service types (e.g. 33- Chiropractic, 48-Hospital Inpatient, etc.) *Note: A non-financial response addresses status of coverage and dates*

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Phase II AAA Error Reporting Rule	**Revision A:** (1) Replace Code 75 with Code 72 Invalid/Missing Subscriber/Insured ID for CORE Error Condition #7. (2) Replace Code 75 with Code 73 Invalid/Missing Subscriber/Insured ID for CORE Error Condition #8. ***Implication A:*** CORE-certified entities are already compliant with these 5010 requirements, while post-January 2012 CORE-certified entities will no longer be tested on the requirements as all CORE-certified entities sign a HIPAA Attestation.	***1 Rule Section to be revised*** HIPAA v5010 situational note placing constraints on when these error codes may be used. Removal of 3 error conditions now part of 5010.

High-Level Findings of Substantive Gap Analysis Between Phase I AND II CORE Rules **Based on HIPAA-Adopted Transactions: v4010A1 and v5010 Specifications**		
CORE Rule Name	**Summary of Recommended Revision and Implications**	**Gap Analysis Summary**
	Revision B: Remove Error Conditions #14, #15, and #18 Remove corresponding notes in error conditions #16, and #17 Remove column for code 65 in the Subscriber section of the table ***Implication B:*** CORE-certified entities are already compliant with these 5010 requirements, while post-January 2012 CORE-certified entities will no longer be tested on the requirements as all CORE-certified entities sign a HIPAA Attestation.	
High-Level Non-Substantive Revisions to All CORE Phase I AND II Rules		
• Document Revision Date • Document Revision Number • Revise Reference from v4010 in Documents to v5010 • All CORE infrastructure rules have been revised to reflect references to X12 as ASC X12 and to more precisely reference the respective ASC X12 TR3 Implementation Specifications with their complete ASC X12 name and registry number, including reference to the recently CMS-approved errata • Revision to Phase II CORE 270 Connectivity Rule to support versions 4010 and 5010 for all ASC X12 administrative transactions and associated errata, including HIPAA-adopted and non-HIPAA-adopted transactions		

6. CORE Rule v5010 Upgrade FAQs

Q1: If my organization is already Phase I and/or Phase II CORE certified, what is the impact of these rule revisions?

A1: Since Phase I and Phase II CORE Rules were written with v5010 in mind and were designed to complement the HIPAA v5010-adopted requirements, the CORE rule revisions can be addressed concurrent with your HIPAA v5010 implementation.

Q2: My organization is considering becoming or in process of becoming Phase I and/or Phase II CORE certified, what is impact of these rule revisions?

A2: Since Phase I and Phase II CORE Rules were written with v5010 in mind and were designed to complement the HIPAA v5010 adopted requirements, the CORE rule revisions can be addressed concurrent with your HIPAA v5010 implementation.

Appendix: CORE Requirements for Acknowledgements

Although acknowledgments are not adopted (mandated) by HIPAA[1] or other Federal health care efforts, CORE has, since its inception, worked collaboratively among its stakeholders to drive industry adoption for the consistent use of acknowledgments. The same approach to support non-HIPAA-adopted standards in a milestone-driven phased approach was taken by CORE with other standards such as WSDL or HTTPS. The CORE rules have been supporting such standards when there is the existence of a business need and where an operational solution can be delivered that includes a standard, complementary rule requirement, and a cost/benefit-based adoption plan can be developed. With regard to acknowledgements, CORE has sought to support the work done by ASC X12 and WEDI while also maintaining the CORE goals of critical mass implementation and real-world cost-benefit considerations such as frequency of version control. As with all CORE rules, the CORE rules regarding the use of acknowledgements are supported not only through the rule requirements, but also in the CORE certification and testing process.

Current Phase I and Phase II CORE Rules for v4010A1 include requirements for the ASC X12 TA1 and the 997 in association with the CORE rules for using the 270/271 Eligibility and Benefits Request and Response in real-time and batch. In Phase II, CORE also has requirements for these acknowledgements when using the CORE rules for 276/277 Claim Status Request and Response in real-time and batch. Current Phase I and II CORE certified health plans cover over 40% of the commercially insured (CORE participating health plans cover almost 75% of the commercially insured). *In late 2009, the acknowledgement standards were updated and thus it was recommended that the Phase I and Phase II CORE Rules could be revised to replace the requirement for the 997 Functional Acknowledgement with the requirement to use the v5010 999 Implementation Acknowledgement.* Additionally, the draft Phase III CORE Rules require the use of the 999 Implementation Acknowledgement rather than the 997 Functional Acknowledgment and do not include requirements for the TA1 as this standard is under review by ASC X12 for enhancements. Although CORE supports the use of the TA1, it is recommended that CORE consider its removal from the Phase I and Phase II rules until ASC X12' review is completed and the updated standard is published and publicly available. Finally, the draft Phase III rules require the 277CA for the acknowledgement of 837 Claim transactions (see Phase I and II CORE Rule enhancements due to NCVHS for support of this rule).

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[1] Reference CMS https://questions.cms.hhs.gov/app/answers/detail/a_id/10159/~/does-compliance-with-hipaa-require-the-submission-of-the-999-implementation

Does compliance with HIPAA require the submission of the 999 Implementation Acknowledgement Transaction
Published 10/05/2010 02:33 PM | Updated 10/06/2010 02:41 PM | Answer ID 10159

Does compliance with HIPAA require the submission of the 999 Implementation Acknowledgement Transaction when submitting a batch 271, Version 5010, response to a 270, Version 5010, eligibility inquiry?

No. The 5010 271 Eligibility response TR3 Report (ASC X12N 005010X279), in Section 1.6 of the Front Matter states a requirement to submit a 999 response to all 270 batch eligibility inquiries. The TR3 Report could be interpreted to mean that the 999 acknowledgement response is required by the TR3 Report. However, compliance with HIPAA does not require the reporting of the 999 Acknowledgement because it is not an adopted standard. Nor has the acknowledgement been recognized as a transaction under HIPAA for which the Secretary will adopt a standard.

The 999 Acknowledgement informs the submitter that the submitted functional group arrived at its destination. It may include information about the syntactical quality of the functional group and compliance with the TR3 report. The 5010 271 TR3 report requires the submission of the 999 Acknowledgement as a response to the receipt of a compliant batch 270 transaction. It is not required as a response to receipt of a compliant real-time 270 transaction.

The use of X12 Acknowledgements is discussed in the 5010/D.0 final rule (Federal Register, Volume 74, NO. 11, 1/16/09, page 3309, columns 1-2). We did not adopt an Acknowledgement Standard when we adopted version 5010 because it had not been vetted through the standards adoption process.

We intend to consider future adoption of a standard for the acknowledgement transaction. During the interim, X12 acknowledgement standards are available for voluntary use among trading partners, but not required.