Phase IV Connectivity – Best Practices for Success

July 17, 2018

2:00 – 3:00 PM ET

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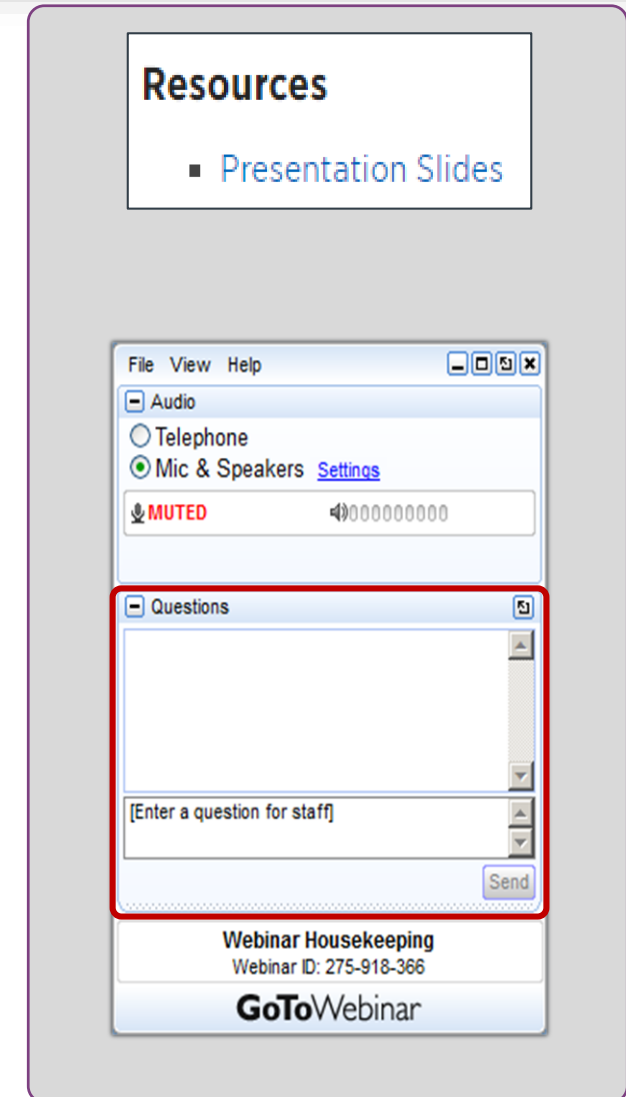
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Session Outline

- Phase IV CAQH CORE Operating Rule Requirements

- Phase IV CORE Certification Overview

- Challenges & Best Practices for Success

    - Top FAQs & General Resources

- Q&A

Phase IV CAQH CORE Operating Rule Requirements

Robert Bowman
Director, CAQH CORE

CAQH CORE Operating Rule Overview

CAQH CORE is the HHS-designated Operating Rule Author.
HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules.

	Phase I	Phase II	Phase III	Phase IV
Transactions	▪ Health Plan Eligibility — X12 270/271	▪ Health Plan Eligibility ▪ Claim Status — X12 276/277	▪ Electronic Funds Transfer (EFT) ▪ Health Care Payment and Remittance Advice (ERA) — X12 835	▪ Health Claims (or equivalent encounter information) — X12 837 ▪ Referral, Certification and Authorization — X12 278 ▪ Enrollment/ Disenrollment in Health Plan — X12 834 ▪ Health Plan Premium Payments — X12 820
Manual to Electronic Savings per Transaction (2017 CAQH Index)	Eligibility: $6.46	Eligibility: $6.46 Claim Status: $7.98	Claim Payment: $0.88 ERA: $4.14	Claim Submission: $2.35 Prior Authorization: $6.84
	Mandatory			**Voluntary**

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Infrastructure Requirements

Scope of Phase IV CAQH CORE Rule Requirements

Infrastructure Requirement	Prior Authorization	Claims	Enrollment/ Disenrollment	Premium Payment
Processing Mode	Batch OR Real Time Required	Batch Required; Real Time Optional	Batch Required; Real Time Optional	Batch Required; Real Time Optional
Batch Processing Mode Response Time	If Batch Offered	X	X	X
Batch Acknowledgements	If Batch Offered	X	X	X
Real Time Processing Mode Response Time	If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered
Real Time Acknowledgements	If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered
Safe Harbor Connectivity and Security	X	X	X	X
System Availability	X	X	X	X
Companion Guide Template	X	X	X	X
Other	N/A	Include guidance for COB in companion guide	Timeframe requirements to process data after successful receipt and verification of transaction	Timeframe requirements to process data after successful receipt and verification of transaction

X = Required.

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Phase IV Batch Requirements
Processing Mode Response Time & Acknowledgment

Response Time

1	Sent by 9 pm ET on a business day.
2	Available by 7 am ET within specified # of business days.

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
Batch Processing Mode Response Time	X	If Batch Offered	X	X

Batch Acknowledgment

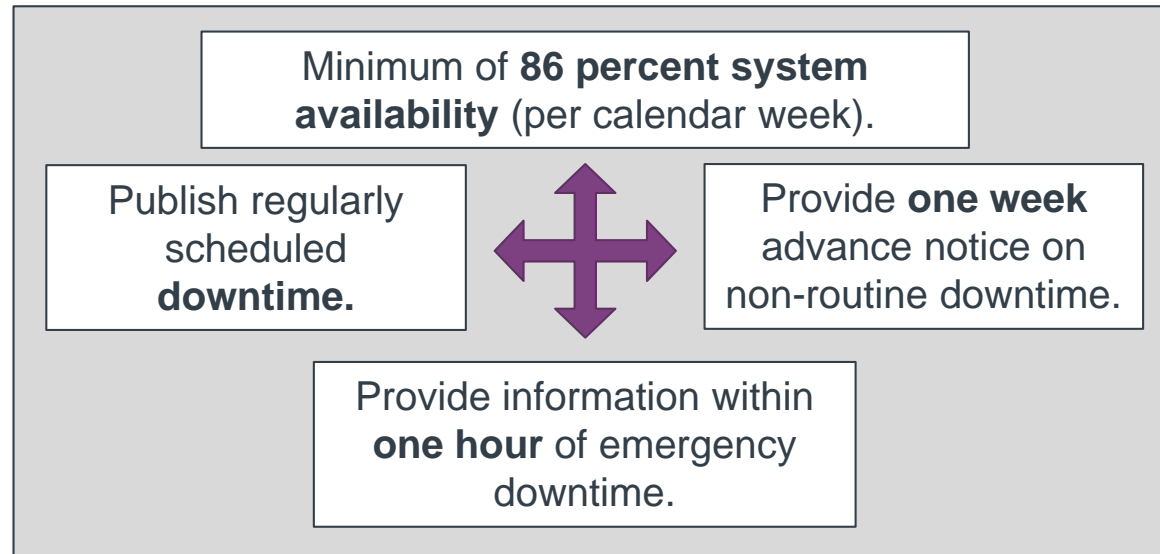| Transaction	Action
All Four Transactions	Health plan must return an ASC X12C v5010 999 to indicate: ■ Functional Group was accepted, accepted with errors, or rejected. ■ Transaction Set was accepted, accepted with errors, or rejected.
ACS X12N v5010 837 Transaction	Health plan must acknowledge each claim received using the ASC X12N v5010 277CA unless previous processing resulted in rejection of the Interchange or a Transaction Set in a Functional Group.

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
Batch Ack	X	If Batch Offered	X	X

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Phase IV Real Time Requirements
Processing Mode Response Time & Acknowledgment

Response Time

20 Seconds
Round Trip Max Response Time

Real Time Acknowledgment*

Transaction	Action
All Four Transactions	Health plan must return an ACS X12C v5010 999 to indicate Functional Group is rejected.
ACS X12N v5010 837 Transaction	Health plan must return an ASC X12N v5010 277CA to indicate Functional Group is accepted or accepted with errors.

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
Real Time Processing Mode Response Time	If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
Real Time Acknowledgement	If Real Time Offered	If Real Time Offered	If Real Time Offered	If Real Time Offered

* When claim submitted in real time processing mode <u>without adjudication</u>.

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Phase IV System Availability Requirements

Establish amount of time a system must be available to process the transaction.

Minimum of **86 percent system availability** (per calendar week).

Publish regularly scheduled **downtime.**

Provide **one week** advance notice on non-routine downtime.

Provide information within **one hour** of emergency downtime.

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
System Availability	X	X	X	X

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Phase IV Companion Guide Requirements

Establish the format and flow for any entity that publishes a Companion Guide.

Format & Flow Specified in Template	
▪ Introduction. ▪ Getting started. ▪ Testing with the payer. ▪ Connectivity with payer/communications. ▪ Contact information. ▪ Control segment/envelopes.	▪ Payer specific business rules and limitations. ▪ Acknowledgements and/or reports. ▪ Trading partner agreements. ▪ Transaction specific information.

Applicability of Requirements

Infrastructure Requirement	X12N v5010 837	X12N v5010 278	X12N v5010 834	X12N v5010 820
Companion Guide	X	X	X	X

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Unique Phase IV Infrastructure Requirements
Not Included in Previous CAQH CORE Operating Rules

Phase IV Operating Rule	Unique Infrastructure Requirement
Health Care Claim	Receiver (defined as the HIPAA-covered provider or its agent) of ASC X12C v5010 999 transaction and ASC X12N v5010 277CA transaction required to: ▪ Process transactions <u>within one business day</u> of receipt. ▪ Recognize all error conditions and pass them on to the end user OR display text that describes the specific error conditions.
Benefit Enrollment and Maintenance	HIPAA-covered health plan or its agent must process benefit enrollment/maintenance data within five business days following receipt and validation of data.
Payroll Deducted and Other Group Premium Payment for Insurance Products	HIPAA-covered health plan or its agent must process the Payroll Deducted and Other Group Premium Payment for Insurance Products data within five business days following successful receipt and validation of data.

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Connectivity Requirements

Phase IV CAQH CORE Connectivity Rule
Phase IV Rule Enhances Phase II Connectivity Requirements

Technical Improvements

Adds implementer feedback to improve the clarity of the rule wording.

Increases network transport security.

Separates the payload and processing mode documentation into separate documents for easier change maintenance.

Simplifies interoperability.
- Convergence to single message envelope.
- Single authentication standard.

Contains additional message interactions for conducting additional transactions.

Transaction Support

Adds support for Claims, Premium Payments, Benefit Enrollments and Prior Authorizations transactions.

CORE Safe Harbor allows entities to implement the Phase I, II and/or IV Connectivity Rules for all transactions, or other connectivity methods.

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Phase IV CAQH CORE Connectivity Rule
Safe Harbor Connectivity & Security Requirements

Safe Harbor
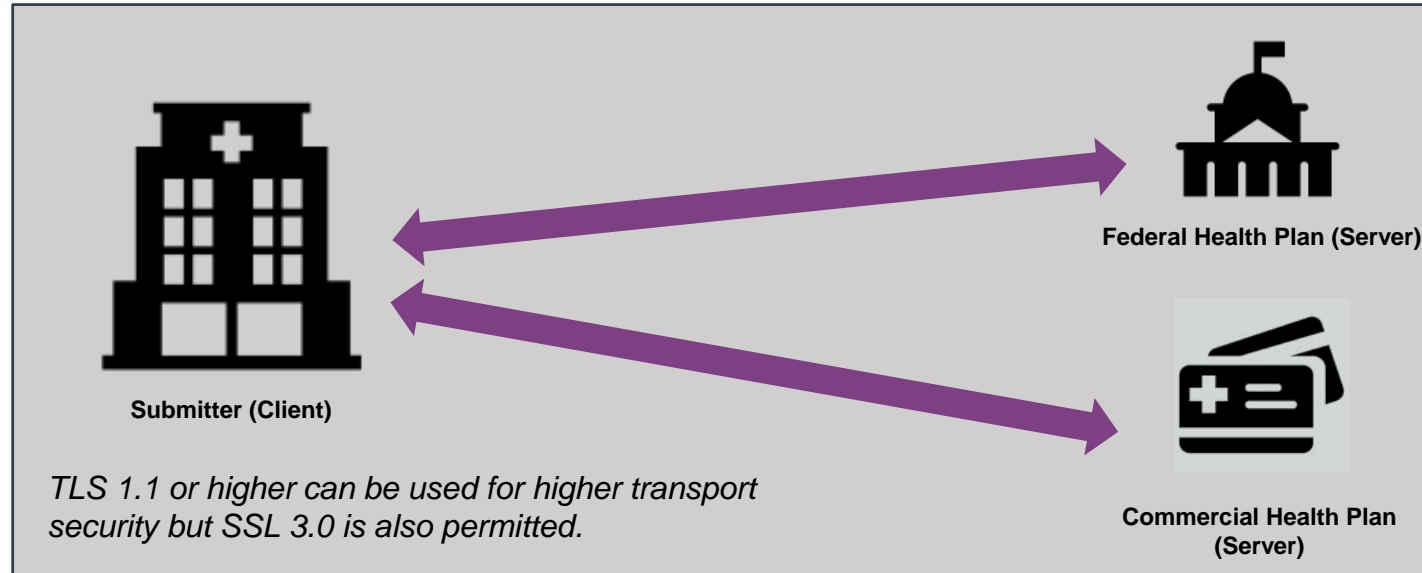
Health Plan   Provider

Enables trading partners to use different communications and security methods in addition to what specified in rule.

- HIPAA covered entities must support CORE Connectivity Rule requirements for real time and batch processing modes.

- Safe Harbor principle allows HIPAA-covered entities or their agents to implement other connectivity/security methods in addition to the requirement to support the CORE Connectivity Rule (no need to de-implement existing connectivity methods not compliant with CORE Connectivity Rule).

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Phase IV CAQH CORE Connectivity Rule
Security Requirements

Federal Health Plan (Server)

Commercial Health Plan (Server)

Submitter (Client)

TLS 1.1 or higher can be used for higher transport security but SSL 3.0 is also permitted.

1. Submitter Authentication:
- X.509 Digital Certificate over SSL/TLS.
- Username and Password authentication has been phased out in this rule.

2. Transport Security:
- SSL Version 3 or TLS 1.1 or higher (TLS 1.1 or higher can be used in addition to or in lieu of SSL 3.0 for FIPS 140-2 compliance, or to support an entity's stronger security policy).
- SHA-2 for payload integrity using a checksum (in lieu of SHA-1).

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Phase IV CAQH CORE Connectivity Rule
X.509 Digital Certificate: A Single Submitter Authentication Method

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X.509 Digital Certificate Single Authentication Benefits

Simplicity:

- Having single authentication standard reduces implementation costs and complexity.

Security:

- X.509 Client Certificate based authentication over SSL/TLS is stronger than username + password.
- Client certificate based authentication requires submitter to access cryptographic (private) key to use public key certificate.
- Digital Certificates:
  - Expire and need to be renewed; potential for a successful brute force attack is low.
  - Can be revoked through Certificate Revocation List (CRL) or Online Certificate Status Protocol (OCSP) mechanism.

Industry Alignment:

- Clinical initiatives (e.g., NwHIN Exchange) use SOAP over HTTP for clinical data exchanges, and use client certificate based authentication for Business-to Business authentication.

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Sample Phase IV Implementation Benefits

Tangible Benefits of Phase IV Implementation

- **Enhances revenue cycle management during healthcare claim submission** as providers immediately learn if the claim submission was successfully received by the plan and moved into adjudication.

- **Reduces staff time on manual phone or fax inquiries for prior authorization requests** as they are informed electronically 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 receipt of employee information between health plan and employer.

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Phase IV CORE Certification Overview

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Manager, CAQH CORE

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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

Covered Lives Impacted by CORE-certification

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Certifications have been awarded since the program's inception.

	Commercially Insured	Publicly Insured
Phases I & II	Seventy-Six Percent	Forty-Four Percent
Phase III	Twenty-Seven Percent	Twenty-Five Percent
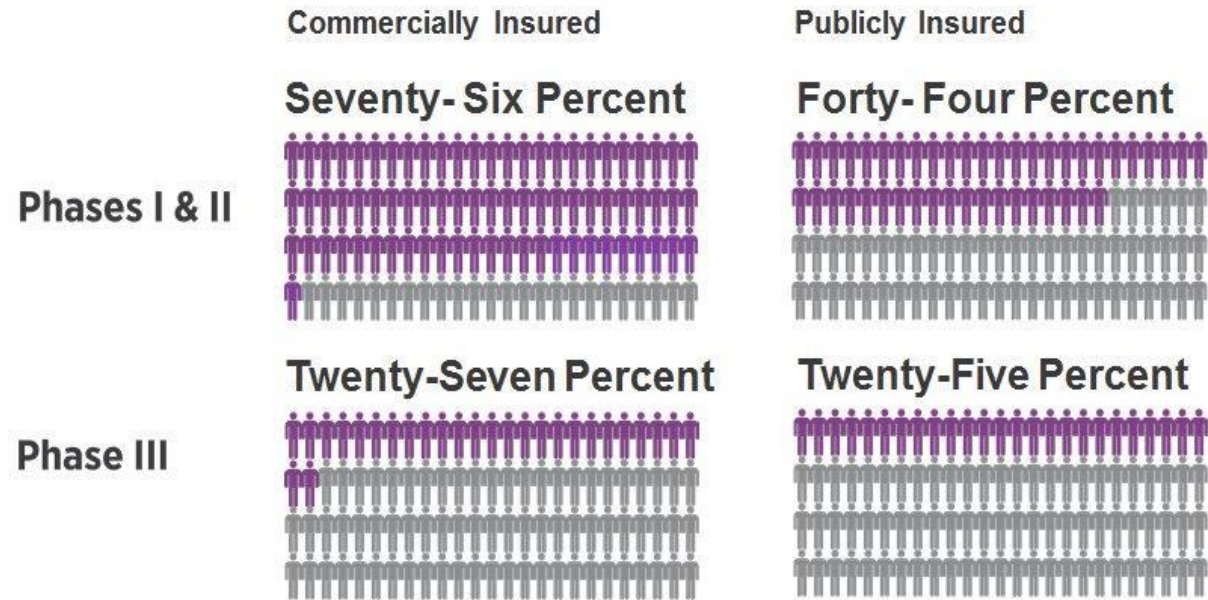
Recent Certifications

Humana	Humana (Phase IV)	WorkCompEDI *Connectivity Simplified*	WorkComp EDI (Phase IV)
pokitdok	PokitDok (Phase IV)	TEXAS Health and Human Services	Texas Medicaid (Phase IV)

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CORE Certification Testing Portal

Phase IV CAQH CORE Operating Rule Implementation Approach

USE CORE ANALYSIS & PLANNING GUIDE RESOURCES!

1 Assess Rules → **2 Engage Internal Resources** → **3 Perform Analysis** → **4 Remediate Product/ Systems/ Applications**

5 Engage Trading Partners → **6 Coordinate Certification Planning** → **7 Perform Certification Testing** → **8 Apply for the CORE Seal**

SHARE PROJECT PLANS & TIMING; SIGN/SUBMIT CORE CERTIFICATION PLEDGE!
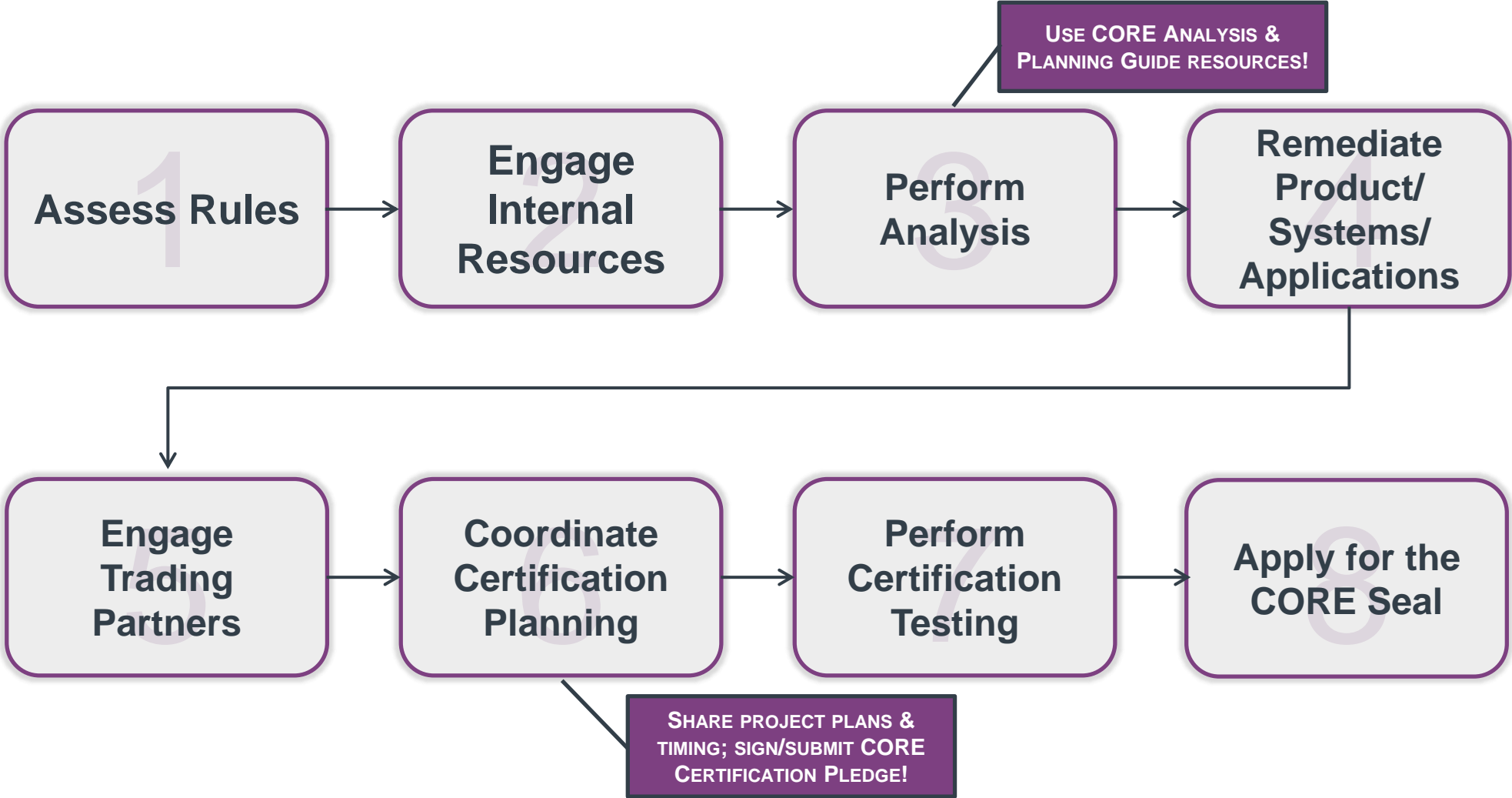
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CAQH CORE Certification Enforcement

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

Would you like to schedule a consultation with CAQH CORE staff to see whether PIV Certification is right for your organization?

- Yes

- No

- Unsure

Challenges & Best Practices for Success
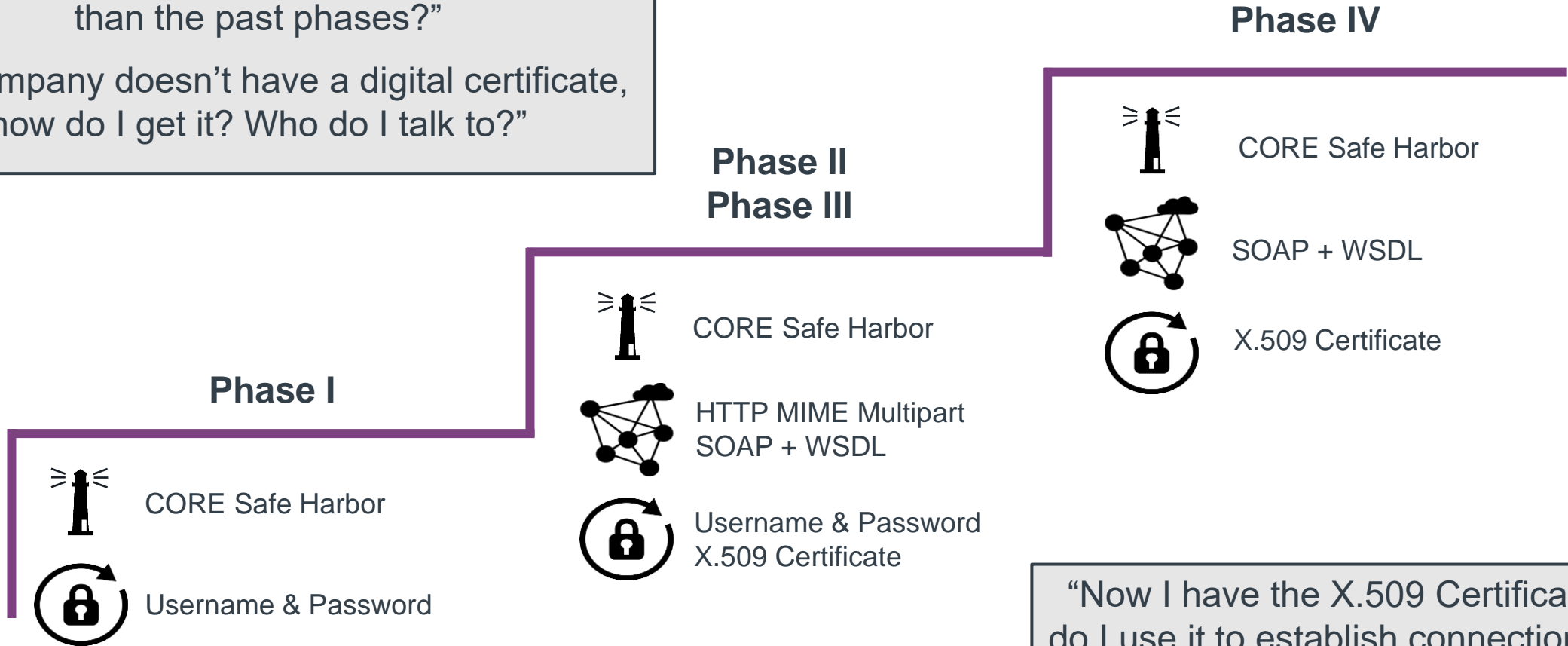
Robert Bowman
Director, CAQH CORE

Taha Anjarwalla
Manager, CAQH CORE

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Phase IV CORE Certification Challenge
X.509 Certificate

"I'm testing for Phase IV, how is that different than the past phases?"

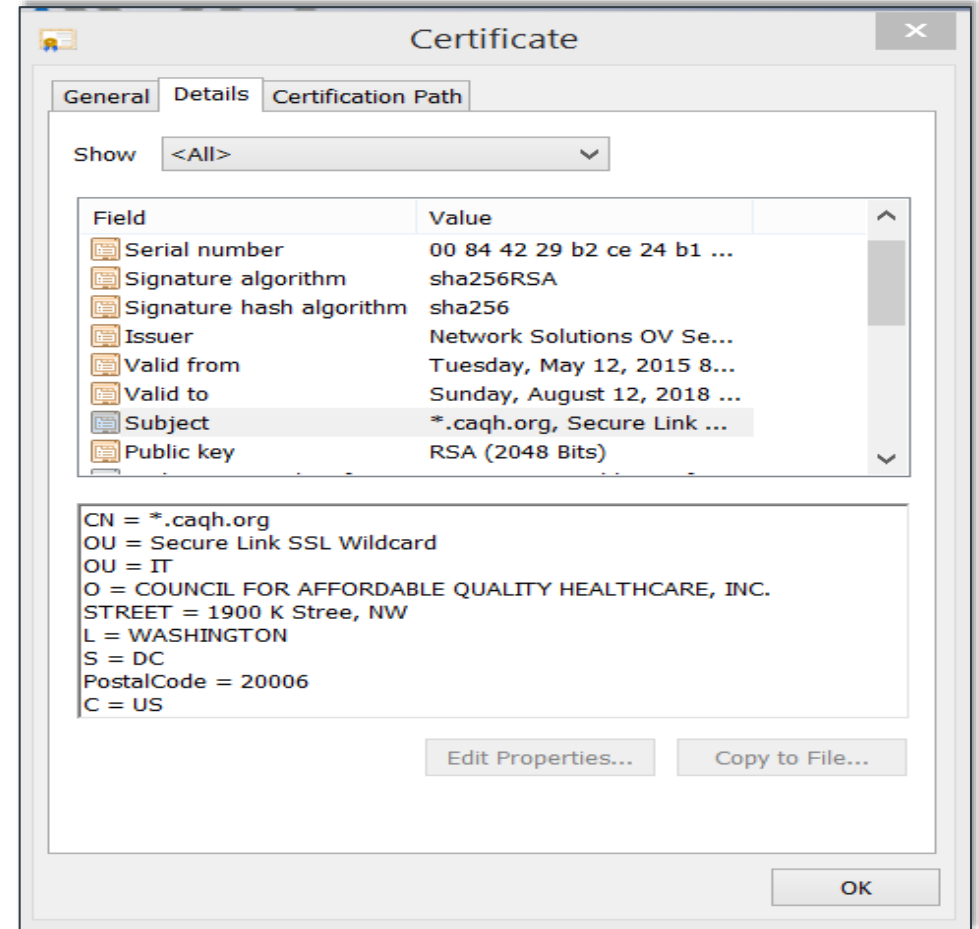"My company doesn't have a digital certificate, how do I get it? Who do I talk to?"

Phase IV

CORE Safe Harbor

SOAP + WSDL

X.509 Certificate

Phase II
Phase III

CORE Safe Harbor

HTTP MIME Multipart
SOAP + WSDL

Username & Password
X.509 Certificate

Phase I

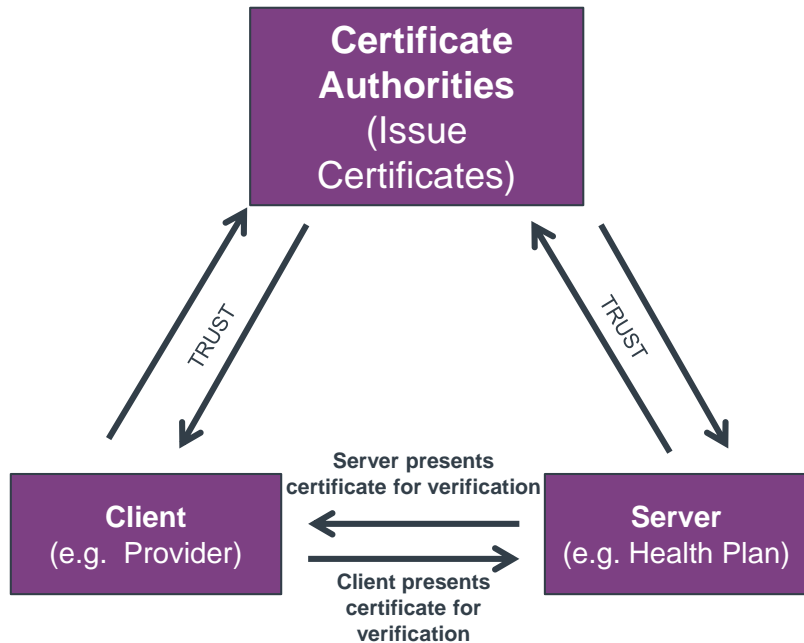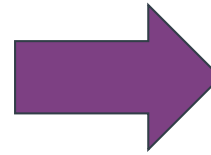CORE Safe Harbor

Username & Password

"Now I have the X.509 Certificate, how do I use it to establish connection to start certification testing?"

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Utilizing the X.509 Certificate
Establishing Connectivity

How Do I Establish Connectivity?

- Obtain an X.509 Digital Certificate based authentication over SSL/TLS.
  - Username and password has been removed for Phase IV testing.

Certificate Authorities (Issue Certificates)

TRUST

TRUST

Client (e.g. Provider)

Server (e.g. Health Plan)

Server presents certificate for verification

Client presents certificate for verification

Certificate

General | **Details** | Certification Path

Show: <All>

Field	Value
Serial number	00 84 42 29 b2 ce 24 b1 ...
Signature algorithm	sha256RSA
Signature hash algorithm	sha256
Issuer	Network Solutions OV Se...
Valid from	Tuesday, May 12, 2015 8...
Valid to	Sunday, August 12, 2018 ...
Subject	*.caqh.org, Secure Link ...
Public key	RSA (2048 Bits)

```
CN = *.caqh.org
OU = Secure Link SSL Wildcard
OU = IT
O = COUNCIL FOR AFFORDABLE QUALITY HEALTHCARE, INC.
STREET = 1900 K Stree, NW
L = WASHINGTON
S = DC
PostalCode = 20006
C = US
```

Edit Properties... | Copy to File...

OK

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How Do I begin Phase IV Testing?

- Click to access the Phase IV CORE Certification test site [HERE](#).
- Contact Edifecs at Info.CoreCertification@edifecs.com.

1. Run the test wizard.

   Run Test ▶

2. Return to this page to get the test results.

Indicate connectivity used for 278

Select Option (When finished be sure to click save and close.)

○ Process 278 transaction with connectivity (SOAP+WSDL) in Real time processing mode Only.

○ Process 278 transaction with connectivity (SOAP+WSDL) in Batch processing mode Only.

◉ Process 278 transaction with connectivity (SOAP+WSDL) in Both Real time and Batch processing mode.

○ Process 278 transaction without connectivity (Upload/Download).

Responder Real-Time Verification Test Wizard

Enter server URL and request parameters

Server URL
Specify the URL of your server where the real-time request will be sent.

URL: [   ]

Authentication Method: *   ◉ X.509 Certificate

The **Sender ID** and **Receiver ID** specified below will be inserted into the EDI data file before it is sent to your server. Be sure to configure your EDI system to expect this Sender and Receiver ID pair. Your server must also be configured to use these IDs when sending response documents. Be sure the Sender and Receiver IDs are reversed when sending your response.

Sender ID: EDIFECSTEST

Receiver ID: [   ]

Payload ID: 948e80c5-d809-45da-8de8-c2ee4de5e7ec

Data file: **278.bad.dat**

Click **Next** to continue or **Cancel** to exit the wizard.

[Cancel] [Previous] [Next]

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Phase IV CORE Certification Testing Steps

"What is the next step in testing?"

1. Run the test wizard.

   Run Test ▶

2. Retreive the Responses

   Retreive Responses ▶

3. Return to this page to get the test results.

Test Results

No tests have been submitted yet.
Please complete the testing instructions in section one above.

Task Status: Not Started -- Incomplete (Action Optional)

Test Results

Your last test **PASSED.**
Please check the last test for details.

Task Status: Completed -- Complete

Test Results

Your last test **FAILED.**
Please check the last test for details.

Task Status: Failed -- Incomplete (Action Required)

① **Test Summary**

Test Status:	Failed
Submission to URL:	https://connect.dakotacare.com/EdiTransactionServiceIV/EdiTransactionIV.svc
Authentication Method:	X.509 Certificate
SenderID:	EDIFECSTEST
ReceiverID:	
PayloadID:	0004da6b-149a-4465-accc-ff4abd92c7de
OrgTaskID:	498718
TestID:	431668

② **Initial Submission**

Initial File Sent:	837I_Phase4_TestFile_BAD.dat
Transaction Type:	837Ix(005010X223A2)
Sent Date:	09/06/2017 12:10 AM

③ **Responses Received by Ramp Manager**

There are currently no test results to report.

Include Transmission Viewer...

④ **Test Status and Notes**

Status:	Failed ▼
Notes:	Error Code: Sender; Error Message: java.lang.ArrayIndexOutOfBoundsException: 318

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I still have questions… Who should I ask?

Topic Area	My Organization	CAQH CORE	Testing Vendor
CAQH CORE Operating Rule Interpretation and Guidance		✓	
CORE Certification Process		✓	
Systems Inventory and Evaluation (I.e. Digital Certificate)	✓		
Establishing and Authenticating Connectivity with Testing Vendor	✓		✓
Certification Testing Support (Error Support/Troubleshoot Issues)	✓	✓	✓
Remediation Efforts	✓		

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Top FAQs & General Resources

Phase IV Implementation Tools
1. Frequently Asked Questions (FAQs)

CAQH CORE FAQ Website

Includes more than 100 Phase IV CAQH CORE Operating Rule FAQs, from general concepts to technical questions.

Part E: Phase IV CAQH CORE Operating Rules
I. Overview of Phase IV CAQH CORE Operating Rules
II. CAQH CORE 450: Health Care Claim (837) Infrastructure Rule
III. CAQH CORE 452: Health Care Services Review - Request for Review and Response (278) Infrastructure Rule
IV. CAQH CORE 454: Benefit Enrollment and Maintenance (834) Infrastructure Rule
V. CAQH CORE 456: Premium Payment (820) Infrastructure Rule
VI. CAQH CORE 470: Connectivity Rule
VII. Resources for Implementing the Phase IV CAQH CORE Operating Rules

Part G: ACA Section 1104 Certification, CORE Certification, Proposed CORE HIPAA Credential, and CORE Endorsement
II. A. i. CORE Certification Overview
II. C. I. CORE Certification Testing Overview
II. C. v. Phase IV CIRE Certification Testing

Phase IV Implementation Tools
2. CAQH CORE Analysis & Planning Guide

*As with previous Phases, CAQH CORE offers an **Analysis & Planning Guide** for the Phase IV CAQH CORE Operating Rules.*

Planning Guide should be used by project staff to:

- *Understand applicability of the Phase IV CAQH CORE Operating Rule requirements* to organization's systems and processes that conduct the transactions.

- *Identify all impacted external and internal systems* and outsourced vendors that process the transactions.

- *Conduct detailed rule requirements gap analysis* to identify system(s) that may require remediation and business processes which may be impacted.

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Phase IV Implementation Tools
3. Past Phase IV Webinars Available for Download Free of Charge

Previous PIV Webinars

Phase IV CORE Certification Pioneers Panel
DECEMBER 20TH, 2017

Why Phase IV Implementation is Good for Business
APRIL 20TH, 2017

Phase IV Connectivity Experience with PokitDok
NOVEMBER 10TH, 2016

Phase IV Implementation Experience with Humana
SEPTEMBER 20TH, 2016
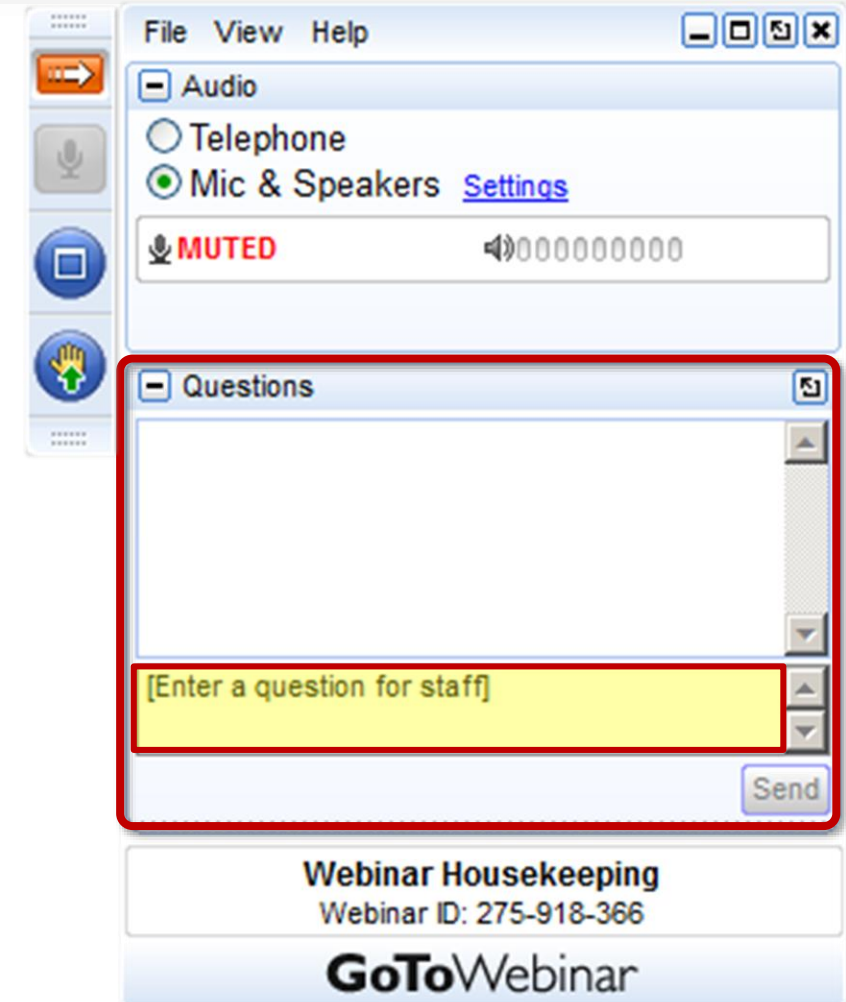
Phase IV Infrastructure Requirements
JUNE 10TH, 2016

You can download the presentation slides and view the recording at www.caqh.org/core/events.

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CAQH CORE Q&A

Please submit your questions and comments:

Submit written questions or comments on-line by entering them into the **Questions panel on the right-hand side of the GoToWebinar dashboard.**

Attendees can also submit questions or comments via email to core@caqh.org.

Reminder: A copy of the slides and the webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.

Thank you for joining us!

@CAQH

Website: www.CAQH.org/CORE

Email: 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.

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