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CORE™

***Second Presentation to the Ohio Advisory
Committee on Eligibility and Real Time Claim
Adjudication***

Ohio Department of Insurance

September 2008

Discussion Topics

CORE Status

- Recent Developments
- Goals, Mission and Vision
- Involved players

Challenges

- Industry-wide
- Ohio
- Stakeholders-specific

CORE Outreach to States

- Data element comparison to Ohio HB 125

Phase III and Beyond

NOTE: Please refer to 7/22/08 CAQH/CORE presentation to the Committee for Detailed Overview of CORE Phase I and Phase II Rules

Recent Developments

- CORE Phase II Rules were approved by CAQH Board
- Commitments to Phase II Certification and Endorsement (see separate press release) were announced
- Several more Statements of Supports were received

Statements of Support

“With the Phase II rules now in place and work begun on Phase III, CORE is effectively achieving its mission to create an all-payer approach to streamlined administrative data exchange.”

Ronald A. Williams

CAQH Chairman of the Board,
Chairman and CEO of **Aetna**

"BCBSA is pleased to participate in CAQH CORE's efforts to streamline electronic eligibility. Simplifying provider access to patient insurance coverage information is critical and the Blues believe that CORE is a key initiative to bring the industry together for collaboration and consensus building."

Blue Cross and Blue Shield Association

“Through CORE, the various sectors of the industry have come together to create a thoughtful, and sustainable, path to transparency.”

Karen Greenrose

President and CEO, **AAPPO**

Statements of Support (cont'd)

"The standardized operating rules created by the CAQH CORE multi-stakeholder initiative is an important effort that will dramatically improve the efficiency and accuracy of electronic communications between patients, physicians and payers. This initiative complements the AMA's Heal the Claims Process™ campaign, which has made the elimination of waste and confusion from the medical claims process a top priority."

Joseph M. Heyman, MD

Chair of the **American Medical Association** Board of Trustees

"CAQH CORE standards reduce costs and enhance efficiency by connecting payers, providers and patients with the data they need to support the administration of healthcare."

John Halamka, MD

Healthcare Information Technology Standards Panel (**HITSP**) Chairman,
and Chief Information Officer, Harvard Medical School
and Beth Israel Deaconess Medical Center

Provider-Payer/Health Plan Interaction

Physician Activities That Interact With Payers are Primarily Administrative in Nature (with Some Clinical Interaction)



- Patient inquiry
- Appt scheduling
- Scheduling verification
- Financial review of pending appts.
- Encounter form/medical record preparation

- Registration & referral mgmt.
- Admin & medical record preparation
- Patient visit
- Ancillary testing
- Charge capture
- Prescriptions

- Scheduling & referral mgmt.
- Admin & medical record preparation
- Inpatient care
- Ancillary testing
- Charge capture

- Scheduling & referral mgmt.
- Admin & medical record preparation
- Surgical care
- Post care
- Follow-up care

- Visit orders & instructions
- Education materials
- Prescriptions
- Ancillary tests
- Referrals
- Follow-up visits

- Utilization review
- Claims/bill generation
- Billing
- Payment processing
- Claims follow-up

- Personnel management
- Financial management
- Managed care
- Information systems
- Facilities management
- Medical staff affairs

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CORE Goals

- Industry-wide stakeholder collaboration launched by CAQH in Jan. 2005
- Answer to the question: Why can't verifying patient eligibility and benefits in providers' offices be as easy as making a cash withdrawal?
- Participation from 75% of the commercially insured plus Medicare and some Medicaid

Short-Term Goal

Design and lead an initiative that facilitates the development and adoption of industry-wide operating rules for eligibility and benefits



Long-Term Goal

Apply operating rule concept to other administrative transactions in claims process, using phased approach



A CAQH Initiative



A CAQH Initiative



A CAQH Initiative

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CORE Mission

To build consensus among the essential healthcare industry stakeholders on a set of operating rules that facilitate administrative interoperability between health plans and providers

- Build on any applicable HIPAA transaction requirements or other appropriate standards such as HTTPS
- Enable providers to submit transactions from the system of their choice and quickly receive a standardized response from any participating stakeholder
- Enable stakeholders to implement CORE phases as their systems allow
- Facilitate stakeholder commitment to and compliance with CORE's long-term vision
- Facilitate administrative and clinical data integration

Key things CORE will not do:

- Build a database
- Replicate the work being done by standard setting bodies like X12 or HL7

Challenges

- “HIPAA” does not offer relief for the current eligibility problems
 - Data scope is limited; elements needed by providers are not mandated
 - Does not standardize data definitions, so translation is difficult
 - Offers no business requirements, e.g., timely response
- Individual plan websites are not the solution for providers
 - Websites offer varying, limited information in inconsistent formats
 - Not necessarily a time-saver for providers (Time = Money in the providers office)
 - Providers have to toggle between numerous websites, maintain various login’s and passwords, etc.
- Vendors cannot offer a provider-friendly solution since they depend upon health plan information that is not available
- Rising price of healthcare has prompted stakeholders to look at ways in which to reduce costs
 - CORE operating rules can help reduce costs while improving the administration of healthcare

Vision: Online Eligibility and Benefits Inquiry



Give Providers Access to Information Before or at the Time of Service...

Providers will send an online inquiry and know:

- Whether the health plan covers the patient *
- Whether the service to be rendered is a covered benefit (including copays, coinsurance levels and base deductible levels as defined in member contract)
- What amount the patient owes for the service
- What amount the health plan will pay for authorized services**

Note:

No guarantees will be provided.

An underlying assumption of CORE rules is that they will address both real time and batch transactions, with movement towards real time as directed by the marketplace.

* This is the only HIPAA-mandated data element; other elements addressed within CORE rules are part of HIPAA, but not mandated.

** This component is critically important to providers, but is not addressed in the CORE Phase I or Phase II Rules.

Vision: Online Eligibility and Benefits Inquiry



... Using any System for any Patient or Health Plan

As with credit card transactions, the provider will be able to submit these inquiries and receive a real-time response*

- From a single point of entry
- *Using an electronic system of their choice (Vendor Agnostic)*
- For any patient
- For any participating health plan

Note:

*Phases I and II require real time, and support batch – moving system to real-time but better supporting what providers still need

Expected Impact

Decrease Administrative Costs

- Call center
- Registration
- Claims processing/billing
- Mail room
- EDI management

Improve Financial Measures

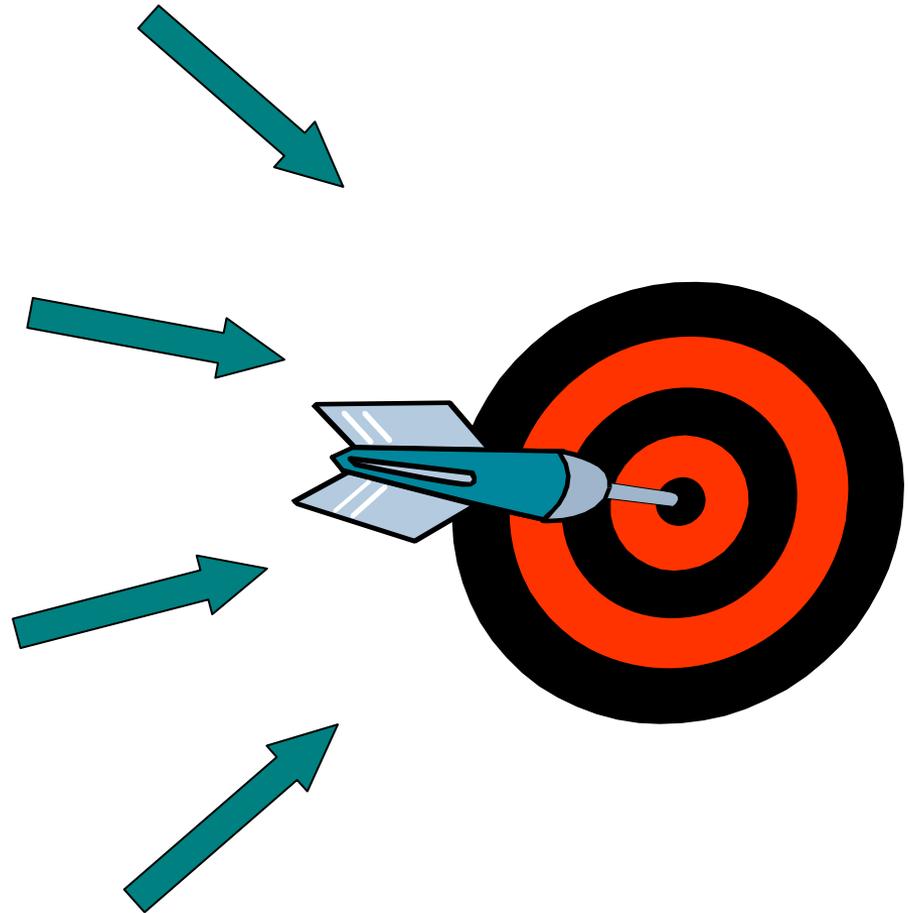
- Reduced denials
- Improved POS collections
- Decreased bad debt
- Reduced cost

Increase Satisfaction

- Partners
- Patients
- Staff

Meet Patient Expectations

- Wait time
- Personal financial responsibility



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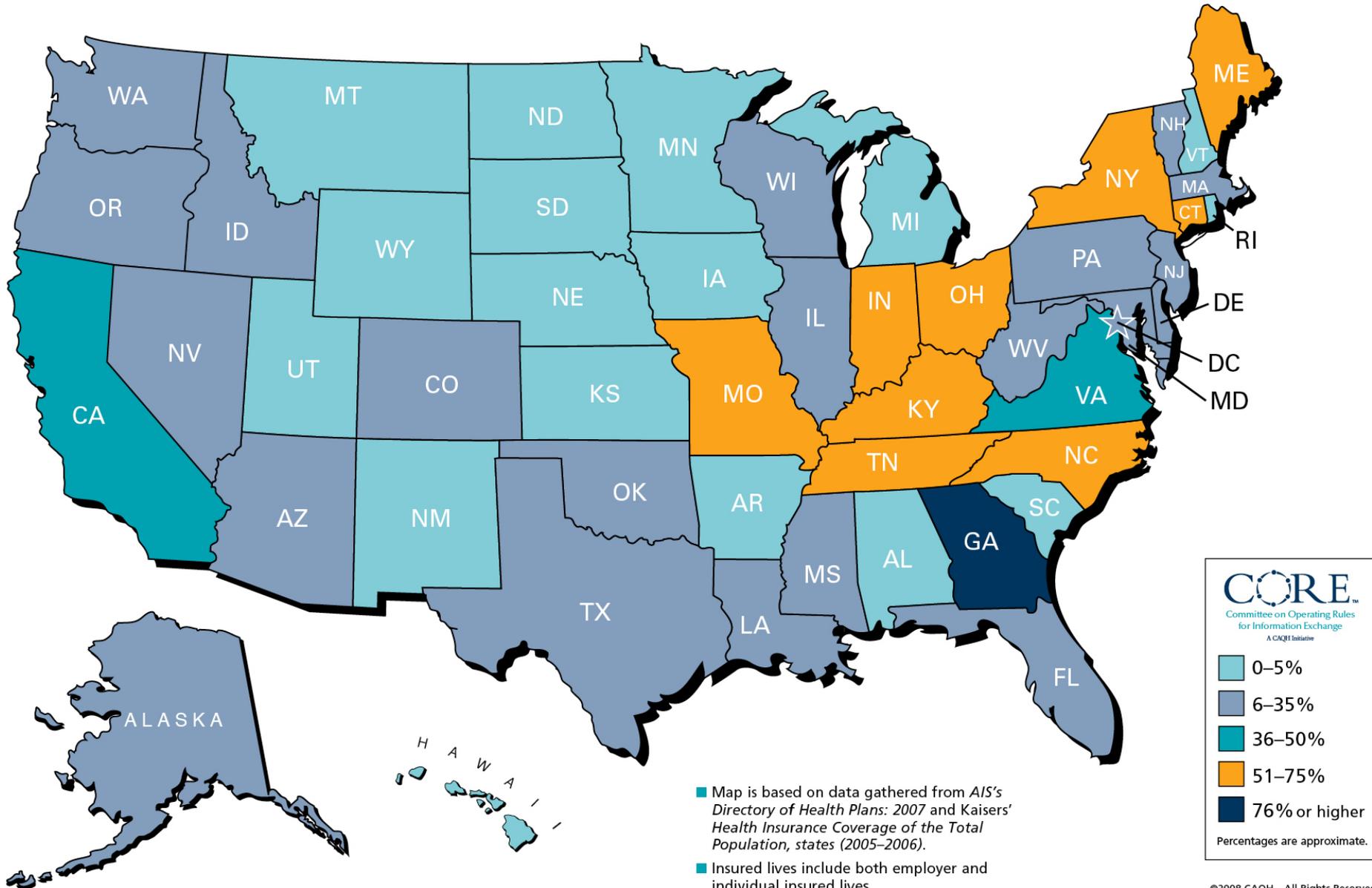
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CORE in Ohio

	National	*Ohio
# of Entities Participating	Over 100 representing all sectors of the industry	Range of plans, vendors and regional offices of provider associations
% of Lives Covered by CORE Participants (commercially insured)	~75% (130 Million)	~75%
% of Lives Covered by CORE Phase I-Certified Health Plans (commercially insured)	Over 37% (63 million)	~57%
Current Phase I Certified Organizations that are Committed to Phase II Certification by Q4 2009/Q1 2010	26	90% of these operate in Ohio

* Figures in above table above are estimates based on range of resources. A detailed environmental scan should be conducted by Ohio stakeholders to confirm CORE involvement in Ohio and Ohio landscape.

Percentage of Insured Lives Covered by a CAQH CORE-Certified Health Plan



CORE at the National Level

Coordination and cooperation are at the heart of the CORE initiative

- **ANSI X12**

- Created the transaction standards mandated by HIPAA; CORE's data content rules focus on gaining adoption of the non-mandated aspects of these transactions that will move the industry towards an electronic system
- X12 serves on the CORE Steering Committee and has issued a Statement of Support
- CORE certification requires entities to attest to being HIPAA compliant
 - *Version 4010* is current
 - The release of *Version 5010* is expected in 2009; public comments due in late October
 - Market implementation could be required in 2011
 - *Version 5010* incorporates aspects of CORE Phase I and II
 - CORE is reviewing impact of 5010 and will adjust rules accordingly

- **ICD-10 (International Classification of Diseases, 10th Revision)**

- Current version is ICD-9; ICD-10 requires use of 5010
- Market implementation could be required by 2014 or earlier
- Entirely new and expanded set of codes (155,000 in ICD-10 vs. 17,000 in ICD-9)
- Market impact of this requirement is being assessed

CORE at the National Level (cont'd)

Coordination and cooperation are at the heart of the CORE initiative

- **HITSP (Healthcare Information Technology Standards Panel)**
 - Established under Federal guidance to “harmonize” existing standards
 - Phase I Rules recognized in HITSP Consumer Empowerment Interoperability Specification
 - Phase II rules, including using Connectivity as the health plan – provider transport, have been recommended for inclusion
- **CCHIT (Certification Commission for Healthcare Information Technology)**
 - Established under Federal guidance to certify EHR/EMR products (clinical data)
 - CORE’s recognition in HITSP’s Interoperability Specifications begins to merge clinical and administrative data and provides CCHIT with a roadmap for standards-based EHRs
- **E-prescribing**
 - Federal government has recognized standards and created incentives for its use
 - CORE has been coordinating with the major e-prescribing entities for several years (e.g., SureScripts/RxHub), which is a CORE-certified entity
 - In Phase III CORE will revisit how it can assist with e-prescribing roll-out

CORE at the National Level (cont'd)

Coordination and cooperation are at the heart of the CORE initiative

- **Medicaid**

- Interest for all stakeholders

- Medicaid is a key portion of most provider's payer mix
 - Electronic eligibility, and other administrative transactions, can have a significant impact on efficiency for all stakeholders – public, private, payers, providers, etc - when all-payer solutions are available

- Interest at Federal level

- CORE complements a number of federally-sponsored health IT initiatives
 - CMS's Center for State Operations (Medicaid) is designing the Medicaid Information Technology Architecture (MITA) - CORE rules mirror much of what MITA wants to design for
 - Data content and Connectivity - MITA is reviewing
 - MITA's 2009 plan includes the development of a closer partnership with CORE
 - CORE is an example of a public-private collaboration

- Interest at state level

- Specific Medicaid reviewing or participating in CORE, and some participating plans and clearinghouse manage Medicaid business
 - CORE could help Medicaid address the administrative requirements of the Deficit Reduction Act (DRA)
 - CORE could be way to have Medicaid involved in RHIOs / state mandates regarding health care administrative cost reduction

Key Challenges - National

Challenges	How does CORE Address?
Market is fragmented	Create trusted partnerships <ul style="list-style-type: none"> – Private-private – Public-private
Coordination	Do not reinvent the wheel <ul style="list-style-type: none"> – Build upon, learn from and coordinate with what exists – Every entity still need to meet its own strategic plan and meet regulations
Leadership	Identify leaders who will participate in identifying change and then implement the agreed upon change
Magnitude of what needs to be done – no “magic bullet”	Plan for making BIG change, BUT implement in reasonable milestones that add value <ul style="list-style-type: none"> – Recognize that entities have limited resources, and are managing many IT priorities, e.g. 5010, ICD-10
Proof of Concept - ROI	Outline the ROI and/or benefits to each stakeholder, and get their help in communicating the benefits to their stakeholder community <ul style="list-style-type: none"> – BCBSNC has seen over a 200% increase in its real-time eligibility transactions since becoming CORE certified

Key Challenges – States-based/Regional

- Many of the same challenges faced by CORE on a national level can be applied at the state and regional level
- State and regional efforts have an opportunity to come together to serve as a catalyst for regional and national change

Challenges	How does CORE Address?
Complexity of the issues	Significant outreach and education <ul style="list-style-type: none"> – National approach through achievable milestones – This is not just a content issue: “Flow” of information is also important (i.e., infrastructure requirements such as connectivity, response time, system availability)
All stakeholders need to be at the table	CAQH makes CORE members aware of its state efforts and invites them and their trading partners to participate; more outreach is needed if a regional/state effort is going to be a catalyst for CORE
Coordination	Encourage local, state, regional and national efforts to work together
No instant fix or “magic bullet”	Share CORE’s research, expertise and lessons learned; real-time claims adjudication needs to be achieved in manageable steps

Key Stakeholder-Specific Challenges

Stakeholder	Challenges	Benefits of CORE
Vendor/ Clearinghouse	<ul style="list-style-type: none"> ▪ Exchange and use of robust “Open Standards” has not been a feasible part of their business given how many entities they must work with to offer a provider-friendly product ▪ Creation of critical mass ▪ Use of products 	<ul style="list-style-type: none"> • Access to standard information that can be easily transmitted to provider • Knowledge while creating product design that certain information will be available from a critical mass and increased transactions • Cost savings from not having to design multiple interfaces
Provider	<ul style="list-style-type: none"> ▪ Limited IT resources ▪ Need to communicate with a wide range of payers ▪ Heavy reliance on vendors ▪ Need to meet regulations ▪ Cost of administration 	<ul style="list-style-type: none"> • Industry agreed upon and supported interpretation of HIPAA by a critical mass • Centralized place to discuss needs, create plan • Reduced time and cost to verify eligibility • Reduced bad debt • Phased implementation
Health Plan	<ul style="list-style-type: none"> ▪ Limited IT resources • Need to meet Federal and State regulations • Interpretation issues with HIPAA • Legacy systems • Large scale of moving parts and costs • Regional requests for variances 	<ul style="list-style-type: none"> • Community in which to share IT goals and knowledge, e.g. connectivity • Industry agreed upon interpretation of HIPAA • National approach with phased implementation • ↑ Electronic eligibility/other adm inquires, ↓ Phone Calls • Improved accuracy of received claims

CAQH/CORE State-Based Outreach: Examples

State-based approaches to reducing healthcare costs are emerging, and CAQH is working with the trade associations to encourage CORE's national approach:

Colorado

- Commission report delivered to state legislature in February 2008 stated the cost savings for healthcare administrative simplification. CAQH presented CORE to government and private stakeholders in March. Legislation (SB 135) established a work group to review and recommend healthcare technology and tools

Texas

- Texas Department of Insurance had CAQH present CORE in response to state legislation (HB 522) that focuses on administrative simplification and mentions CORE; CORE has presented twice, and has been invited to present again.

Virginia

- Secretary of Technology reviewing how technology can reduce the state's healthcare costs; CAQH presented CORE three times, most recently to a statewide Committee in April

(Note: Minnesota did pass state-specific eligibility rules in Dec. 2007, however, they are complementary to CORE Phase I data content requirements)

CORE Data Element Comparison to HB 125

(Refer to separate document for comparison of data elements)

- Areas
 - Patient information
 - Payer information
 - Subscriber information
 - Benefit information
- Individual elements
 - Some required by HIPAA, some required by CORE Phase I or II; others not address by CORE or HIPAA requirements

Considerations

- Data content is only part of the issue
 - Infrastructure elements addressed by CORE like response time, system availability and connectivity are equally as important
- Data Content requirements will continue to grow be in later phases
 - Example: Phase II Data Content added remaining deductible to the static information (year to date) required by Phase I
- CORE rules are a floor and not a ceiling

Phase III and Beyond

- Continue moving toward components needed for real-time claims adjudication (RTA) and promoting coordination and transparency
 - Patient identification
 - Product identification
- Administrative rules that complement clinical goals of Federal government, e.g., detailed payment information for lab services
- Rules related to transactions not yet addressed in Phase I or II
 - Data content aspects of Claims Status
 - Terms and definitions used in electronic remittances
 - Referrals/ Prior authorizations
 - Coordination of benefits
- More detailed cost information
 - Additional data related to patient financial responsibility
 - Procedure-level data?
- Support for the electronic delivery of pharmacy benefit information
 - Detailed proposal created in Phase II, deferred to Phase III
- Further enhancement of Infrastructure Rules e.g., Connectivity

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Questions?

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Appendix

- CORE Participants
- CORE Certified Entities and Endorsers
- Entities Committed to Phase II Certification or Endorsement

Current Participants

- **Health Plans**

- Aetna, Inc.
- AultCare
- Blue Cross Blue Shield of Michigan
- Blue Cross and Blue Shield of North Carolina
- BlueCross BlueShield of Tennessee
- CareFirst BlueCross BlueShield
- CIGNA
- Coventry Health Care
- Excellus Blue Cross Blue Shield
- Group Health, Inc.
- Harvard Pilgrim HealthCare
- Health Care Service Corporation
- Health Net, Inc.
- Health Plan of Michigan
- Horizon Blue Cross Blue Shield of New Jersey
- Humana Inc.
- Independence Blue Cross
- UnitedHealth Group
- WellPoint, Inc.

- **Providers**

- Adventist HealthCare, Inc.
- American Academy of Family Physicians (AAFP)
- American College of Physicians (ACP)
- American Medical Association (AMA)
- Catholic Healthcare West
- Cedars-Sinai Health System
- Greater New York Hospital Association (GNYHA)
- HealthCare Partners Medical Group
- Mayo Clinic
- Medical Group Management Association (MGMA)
- Mobility Medical, Inc.
- Montefiore Medical Center of New York
- New York-Presbyterian Hospital
- North Shore LIJ Health System
- University Physicians, Inc. (University of Maryland)

- **Government Agencies**

- Louisiana Medicaid – Unisys
- Michigan Department of Community Health
- Michigan Public Health Institute
- Minnesota Department of Human Services
- Oregon Department of Human Resources
- TRICARE
- United States Centers for Medicare and Medicaid Services (CMS)
- United States Department of Veterans Affairs

- **Associations / Regional Entities / Standard Setting Organizations**

- America's Health Insurance Plans (AHIP)
- ASC X12
- Blue Cross and Blue Shield Association (BCBSA)
- Delta Dental Plans Association
- eHealth Initiative
- Health Level 7
- Healthcare Association of New York State
- Healthcare Billing and Management Association
- Healthcare Financial Management Association (HFMA)
- Healthcare Information & Management Systems Society
- LINXUS (an initiative of GNYHA)
- National Committee for Quality Assurance (NCQA)
- National Council for Prescription Drug Programs (NCPDP)
- NJ SHORE
- Private Sector Technology Group
- Utah Health Information Network (UHIN)
- Utilization Review Accreditation Commission (URAC)
- Work Group for Electronic Data Interchange (WEDI)

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Current Participants (continued)

- **Vendors**

- ACS EDI Gateway, Inc.
- athenahealth, Inc.
- Availity LLC
- CareMedic Systems, Inc.
- Claredi (an Ingenix Division)
- CSC Consulting, Inc.
- EDIFECS
- Electronic Data Systems (EDS)
- Electronic Network Systems (ENS) (an Ingenix Division)
- Emdeon Business Services
- Enclarity, Inc.
- First Data Corp.
- GE Healthcare
- GHN-Online
- HMS
- Healthcare Administration Technologies, Inc.
- IBM Corporation
- InstaMed
- MedAvant Healthcare Solutions
- MedData
- Microsoft Corporation
- Mpay Gateway
- NASCO
- NaviMedix
- NextGen Healthcare Information Systems, Inc.
- Passport Health Communications
- Payerpath, a Misys Company
- RealMed Corporation
- Recondo Technology, Inc.
- RelayHealth
- Secure EDI
- Siemens / HDX

- SureScripts-RxHub, LLC
- The SSI Group, Inc.
- The TriZetto Group, Inc.
- VisionShare, Inc.

- **Other**

- Accenture
- Foresight Corp.
- Omega Technology Solutions
- PNC Bank
- PricewaterhouseCoopers LLP

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Phase I Certified Entities/Products

** Entities In ***Bold Italic*** are conducting or are believed to be conducting business in Ohio, though confirmation has not been made in every case **

Clearinghouses

- ***ACS EDI Gateway, Inc. / ACS EDI Gateway, Inc. Eligibility Engine***
- ***Availity, LLC / Availity Health Information Network***
- ***Emdeon Business Services / Emdeon Real-Time Exchange***
- ***Emdeon Business Services / Emdeon Batch Verification***
- ***HMS / HMS***
- ***MD On-Line, Inc./ACCE\$\$ Patient Eligibility Verification***
- ***MedAvant Healthcare Solutions / Phoenix Processing System***
- ***MedData / MedConnect***
- ***NaviMedix, Inc. / NaviNet***
- ***Passport Health Communications / OneSource***
- ***Post-N-Track / Doohickey™ Web Services***
- ***RelayHealth / Real Time Eligibility***
- ***RxHub / PRN***
- ***Siemens Medical Solutions / Healthcare Data Exchange***
- ***The SSI Group, Inc. / ClickON® E-Verify***

Health Plans

- ***Aetna Inc.***
- ***AultCare***
- Blue Cross and Blue Shield of North Carolina
- BlueCross BlueShield of Tennessee
- ***Health Net***
- ***WellPoint, Inc.*** (and its 14 blue-licensed affiliates)

Providers

- ***Mayo Clinic***
- Montefiore Medical Center
- Summit Medical Group
- ***US Department of Veterans Affairs***

Vendors

- ***athenahealth, Inc. / athenaCollector***
- ***CSC Consulting, Inc./CSC DirectConnectsm***
- Emerging Health Information Technology, LLC / TREKS
- ***GE Healthcare / EDI Eligibility 270/271***
- ***Medical Informatics Engineering, Inc. (MIE) / WebChart EMR ****
- ***NoMoreClipboard.com***
- ***RelayHealth / RevRunner***
- ***The SSI Group, Inc. / ClickON® Net Eligibility***
- ***VisionShare, Inc. / Secure Exchange Software***

* Product also certified by the Certification Commission for Healthcare Information Technology (CCHITsm). For accurate information on certified products, please refer to the product listings at www.cchit.org.

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Phase I Endorsers

Endorsement

- Accenture
- American Academy of Family Physicians (AAFP)
- American Association of Preferred Provider Organizations (AAPPO)
- American College of Physicians (ACP)
- American Health Information Management Association (AHIMA)
- California Regional Health Information Organization
- Claredi, an Ingenix Division
- Edifecs, Inc.
- eHealth Initiative
- Electronic Healthcare Network Accreditation Commission (EHNAC)
- Enclarity, Inc.
- Foresight Corporation
- Greater New York Hospital Association and Linxus
- Healthcare Financial Management Association (HFMA)
- Healthcare Information and Management Systems Society (HIMSS)
- Medical Group Management Association (MGMA)
- Michigan Public Health Institute
- Microsoft Corporation
- MultiPlan, Inc.
- NACHA – The Electronic Payments Association
- Pillsbury Winthrop Shaw Pittman, LLP
- Smart Card Alliance
- URAC
- Workgroup for Electronic Data Interchange (WEDI)

Entities Committed to Phase II Certification/Endorsement

CORE Participants Committed to Phase II Certification by end of 2009 or Q1 2010

- Affiliated Computer Services, Inc. (ACS)
- Aetna Inc.
- athenahealth, Inc.
- AultCare
- Availity, LLC
- BlueCross BlueShield of Tennessee
- CSC Consulting, Inc.
- Emdeon Business Services
- GE Healthcare
- HMS
- Harvard Pilgrim Health Care
- Health Net
- Humana
- Ingenix
- Mayo Clinic
- MedAvant Healthcare Solutions
- MedData
- Montefiore Medical Center
- NaviMedix
- Passport Health Communications
- RelayHealth
- Siemens Medical Solutions
- SureScripts-RxHub
- The SSI Group, Inc.
- VisionShare, Inc.
- WellPoint, Inc.

CORE Non-Participants Committed to Phase II Certification by end of 2009 or Q1 2010

- Emerging Health Information Technology
- Medical Informatics Engineering, Inc.
- NoMoreClipboard.com
- Post-N-Track Corporation

Entities Committed to Phase II Certification/Endorsement

CORE Participants Committed to Phase II Endorsement

- American Academy of Family Physicians (AAFP)
- AAPPO
- American College of Physicians (ACP)
- American Medical Association (AMA)
- Edifecs
- eHealth Initiative
- Enclarity, Inc.
- Foresight Corporation
- Greater New York Hospital Association (GNYHA)
- Healthcare Financial Management Association (HFMA)
- Healthcare Information and Management Systems Society (HIMSS)
- Medical Group Management Association (MGMA)
- Microsoft Corporation
- NACHA - The Electronic Payments Association
- Work Group for Electronic Data Interchange (WEDI)

CORE Non-Participants Committed to Phase II Endorsement

- AHIMA
- EHNAC
- MPHI
- MultiPlan