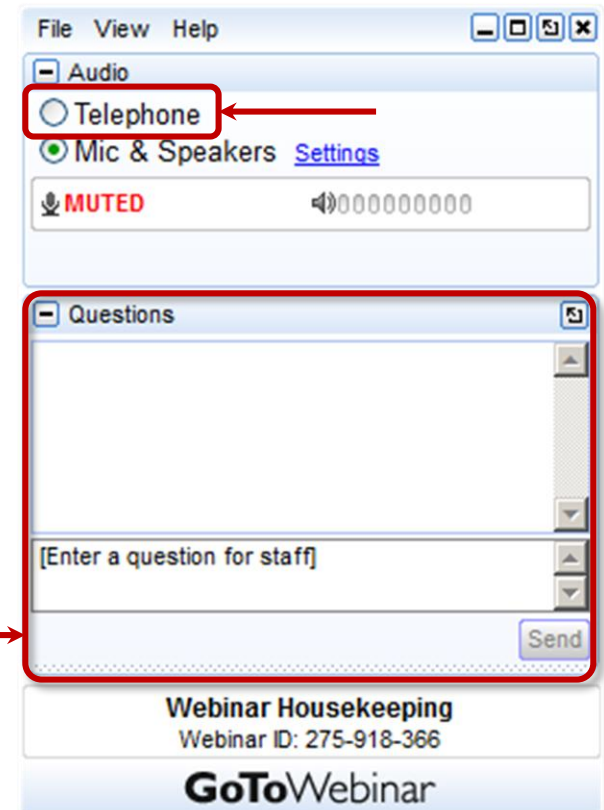# New Phase IV CAQH CORE Operating Rules

Thursday,
January 21st, 2016
2:00-3:00pm ET

Logistics – *How to Participate in Today's Session*

- Download a copy of today's presentation on the CAQH.org website

    - Navigate to the CORE Education Events page and access a pdf version of today's presentation under the list for today's event

- The phones will be muted upon entry and during the presentation portion of the session

- At any time throughout the session, you may communicate a question via the web

    - Questions can be submitted *at any time* with the **Questions panel on the right side of the GoToWebinar desktop**

2

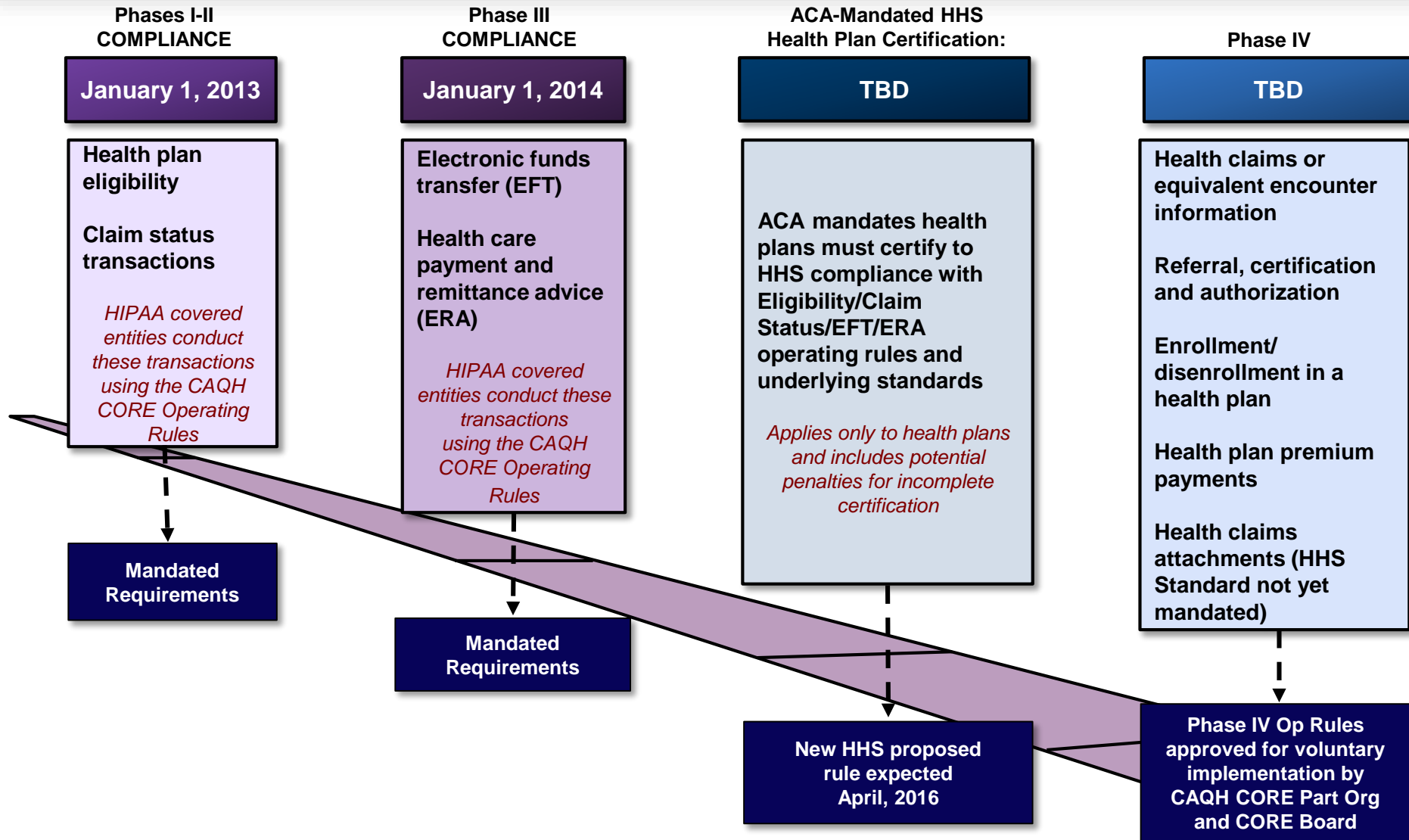CAQH CORE

Session Outline

1. Welcome and Introduction

2. Update on Phase IV CAQH CORE Operating Rules

3. Scope of Phase IV CAQH CORE Operating Rules

4. Phase IV CAQH CORE 470 Connectivity Rule v4.0.0

5. Phase IV CORE Certification

6. Resources and Additional Information

7. Q & A

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Update on Phase IV CAQH CORE Operating Rules

Erin Weber
Senior Manager

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ACA Mandated Operating Rules and Certification Compliance Dates

Phases I-II COMPLIANCE

January 1, 2013

Health plan eligibility

Claim status transactions

HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules

Mandated Requirements

Phase III COMPLIANCE

January 1, 2014

Electronic funds transfer (EFT)

Health care payment and remittance advice (ERA)

HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules

Mandated Requirements

ACA-Mandated HHS Health Plan Certification:

TBD

ACA mandates health plans must certify to HHS compliance with Eligibility/Claim Status/EFT/ERA operating rules and underlying standards

Applies only to health plans and includes potential penalties for incomplete certification

New HHS proposed rule expected April, 2016

Phase IV

TBD

Health claims or equivalent encounter information

Referral, certification and authorization

Enrollment/ disenrollment in a health plan

Health plan premium payments

Health claims attachments (HHS Standard not yet mandated)

Phase IV Op Rules approved for voluntary implementation by CAQH CORE Part Org and CORE Board

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Phase IV CAQH CORE Operating Rules Next Steps

NCVHS

CAQH CORE updated NCVHS on the status of the Phase IV Operating Rules (earlier hearing and letter)

CAQH CORE testifies before NCVHS Review Committee on the Phase IV CAQH CORE Operating Rules in February 2016

As appropriate, NCVHS could make an adoption recommendation to the HHS Secretary

HHS

HHS may publish a regulation in the Federal Register once it determines what is appropriate for Federal mandate

A public comment period (60 days or more) would follow publication of any regulation whereby entities can submit comments on the regulation to CMS/HHS

Industry

HHS will address any public comments to the regulation, and will require industry to implement the operating rules, usually within two years of publication of a final regulation

Public Comment Opportunity

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Complete Set of Phase IV CAQH CORE Operating Rules

Phase IV CAQH CORE 450 Health Care Claim (837) Infrastructure Rule v4.0.0

Phase IV CAQH CORE 452 Health Care Services Review – Request for Review and Response (278) Infrastructure Rule v4.0.0

Phase IV CAQH CORE 454 Benefit Enrollment and Maintenance (834) Infrastructure Rule v4.0.0

Phase IV CAQH CORE 456 Premium Payment (820) Infrastructure Rule v4.0.0

Phase IV CAQH CORE 470 Connectivity Rule v4.0.0

Scope of Phase IV CAQH CORE Operating Rules

Robert Bowman
Senior Manager

Erin Weber
Senior Manager

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Scope of Phase IV CAQH CORE Rule Requirements

Reminder: Health Claims Attachments transaction not included; there is no formal HIPAA Health Claims Attachments standard(s).

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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Impact of Phase IV CAQH CORE Operating Rules
Rules address four HIPAA transactions including Claims, Prior Authorization, Enrollment, & Premium Payment

- Offering at least one common method of **connectivity** (i.e., a "safe harbor") among entities transmitting data electronically.

- A minimal amount of time for **system availability** to receive and send data.

- An **acknowledgement** to ensure the transaction has been received, has not been lost between entities, and will be addressed.

- Required **response times** for acknowledgement and processing for both real-time and large record "batch" submissions.

- A common format that entities must use when providing information about their proprietary data exchange systems via "companion guides."

✓ Increase consistency and automation across entities

✓ Identify gaps or barriers at any point in the transaction

✓ Increase usage of automated electronic transactions

✓ More efficient processes resulting in reduced administrative costs

✓ Improve customer services to patients and providers

✓ Reduce staff time for phone inquiries

✓ Enhance revenue cycle management, resulting in improved cash flow

Submitter

Health Plan

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Batch Processing Mode Response Time Requirements

Batch Processing Mode Response Time requirements specify the overall length of elapsed time from when a transaction is sent to a health plan and when the acknowledgement(s) or response to the transaction is available for pick up (retrieval) by the sender.

1 Sent by 9 pm ET on a business day

Submitter

Health Plan
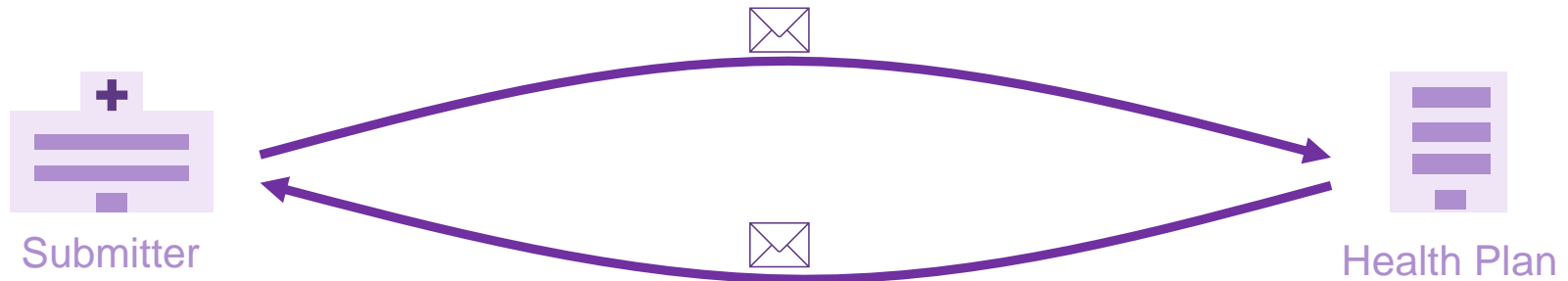
2 Available by 7 am ET within specified # of business days

Applicability of Requirements

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

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# Real Time Processing Mode Response Time Requirements

Real Time Processing Mode Response Time requirements specify the overall length of elapsed time from when a provider/health plan purchaser (sender) sends a transaction to a health plan and the related response transaction is received by the sender.
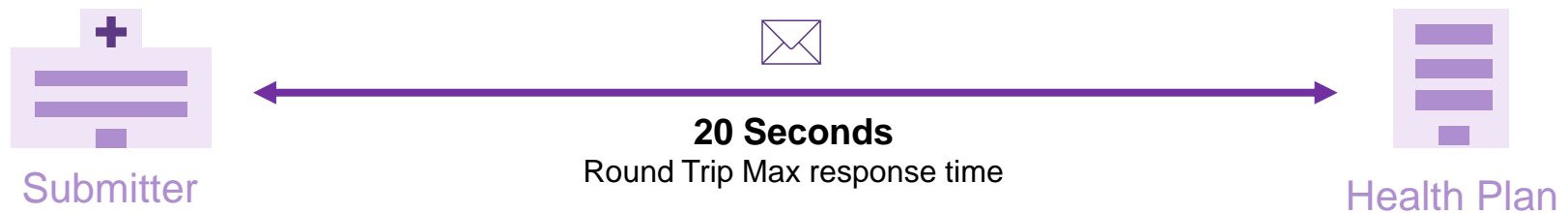
Submitter

20 Seconds
Round Trip Max response time

Health Plan

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

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Batch Acknowledgement Requirements

837/278/834/820

Submitter

Health Plan

999/277CA
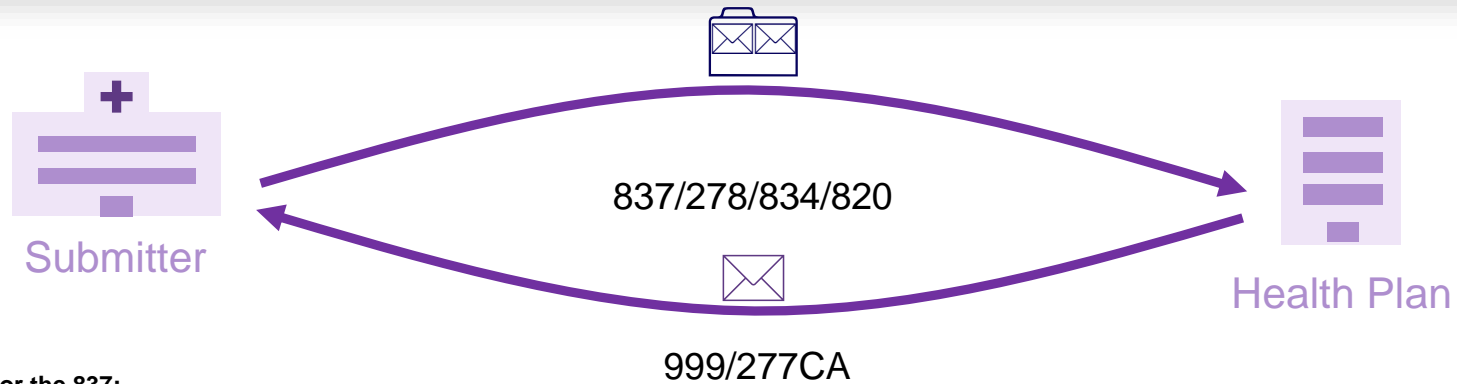
Requirements for the 837:
- A health plan must return an ASC X12C v5010 999 for each Functional Group of any ASC X12N v5010 837 Transaction Set to indicate that the Functional Group was either accepted, accepted with errors, or rejected and to specify for each included ASC X12N v5010 837 Transaction Set that the Transaction Set was either accepted, accepted with errors, or rejected
- A health plan must acknowledge each claim received in any institutional, professional, or dental ASC X12N v5010 837 Transaction Set using the ASC X12N v5010 277CA unless previous processing resulted in a rejection of the Interchange or a Transaction Set in a Functional Group

Requirements for the 278:
- An entity must return an ASC X12C v5010 999 for each Functional Group of ASC X12N v5010 278 Request or Response transactions to indicate that the Functional Group(s) was either accepted, accepted with errors, or rejected to specify for each included ASC X12N v5010 278 Request or Response transaction set that the transaction set was either accepted, accepted with errors, or rejected
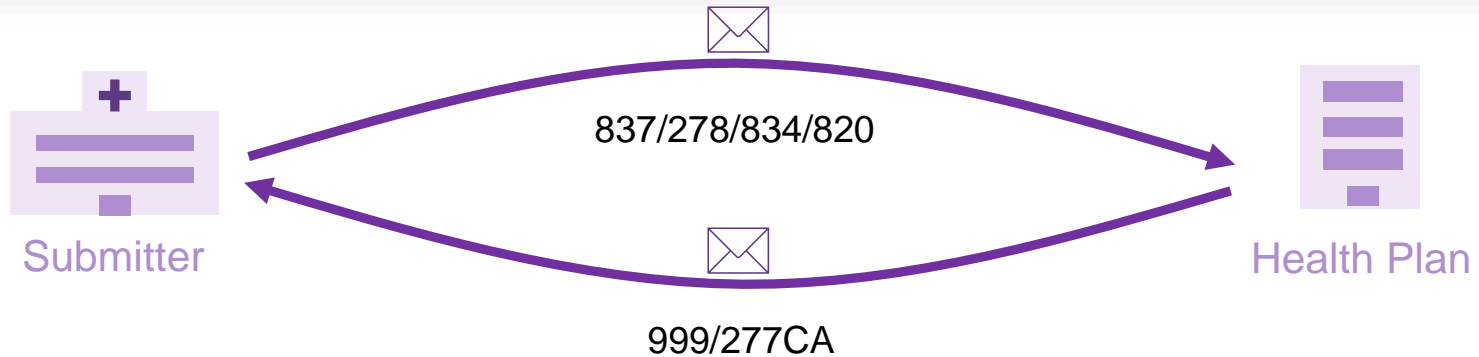
Requirements for the 834 & 820:
- A health plan must return an ASC X12C v5010 999 for any Functional Group of any ASC X12N v5010 834 Benefit Enrollment & Maintenance Transaction Set or 820 Health Plan Premium Payment & Remittance Advice Transaction Set to indicate if the Functional Group is accepted, accepted with errors, or rejected

Applicability of Requirements

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

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Real Time Acknowledgement Requirements

837/278/834/820

Submitter

Health Plan

999/277CA

When a claim is submitted in real time processing <u>mode without adjudication a health plan</u>
- must return an ASC X12C v5010 999 only when the Functional Group is rejected
- must return an ASC X12N v5010 277CA only when the Functional Group is accepted or accepted with errors

A health plan must return one response to an ASC X12N v5010 278 request: either an ASC X12C v5010 999 rejection or an ASC X12N v5010 278 response

A health plan must return an ASC X12C v5010 999 for any Functional Group of any ASC X12N v5010
- 834 Benefit Enrollment & Maintenance Transaction Set, or
- 820 Health Plan Premium Payment & Remittance Advice Transaction Set

To indicate if the Functional Group is accepted, accepted with errors, or rejected

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

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System Availability Requirements

The System Availability requirements establish the amount of time a system must be available to process the specified transactions:
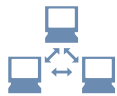
Minimum of **86 percent system availability** (per calendar week)

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

Publish regularly scheduled **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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Companion Guide Requirements

When an entity publishes a Companion Guide, the CAQH CORE Companion Guide requirements establish the format and flow of Companion Guides

CORE v5010 Master
Companion Guide Template

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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Polling Question #1:
Phase IV CAQH CORE Operating Rules

Please indicate whether your organization intends to voluntarily implement the Phase IV CAQH CORE Operating Rules:

1. Yes, we plan on implementing all of them

2. Yes, we plan on implementing some of them

3. Need to learn more

4. Not at this time

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Phase IV CAQH CORE 470 Connectivity Rule v4.0.0

Robert Bowman
Senior Manager

CAQH CORE

Safe Harbor Connectivity & Security Requirements

Connectivity

HTTP 1.1

Other key rule requirements:

- Rule applicable to HIPAA mandated ASC X12N v5010 837, 278. 834, 820 transactions
- Transport Layer Security (SSL minimum/TLS instead of SSL when required by HIPAA covered entity's security policy)
- Single Message Envelope Standard (SOAP v1.2)
- Single Submitter Authentication Method (X.509)
- Normative Message Envelope Metadata
- Standard CORE-specified Schema (.xsd)
- Standard CORE-specified Web Services Description Language (.wsdl)
- Transaction Specific Required/Optional Processing Modes
- Standard Payload Type Identifiers for each transaction for each processing mode
- Process for maintaining Processing Mode and Payload Type Identifiers
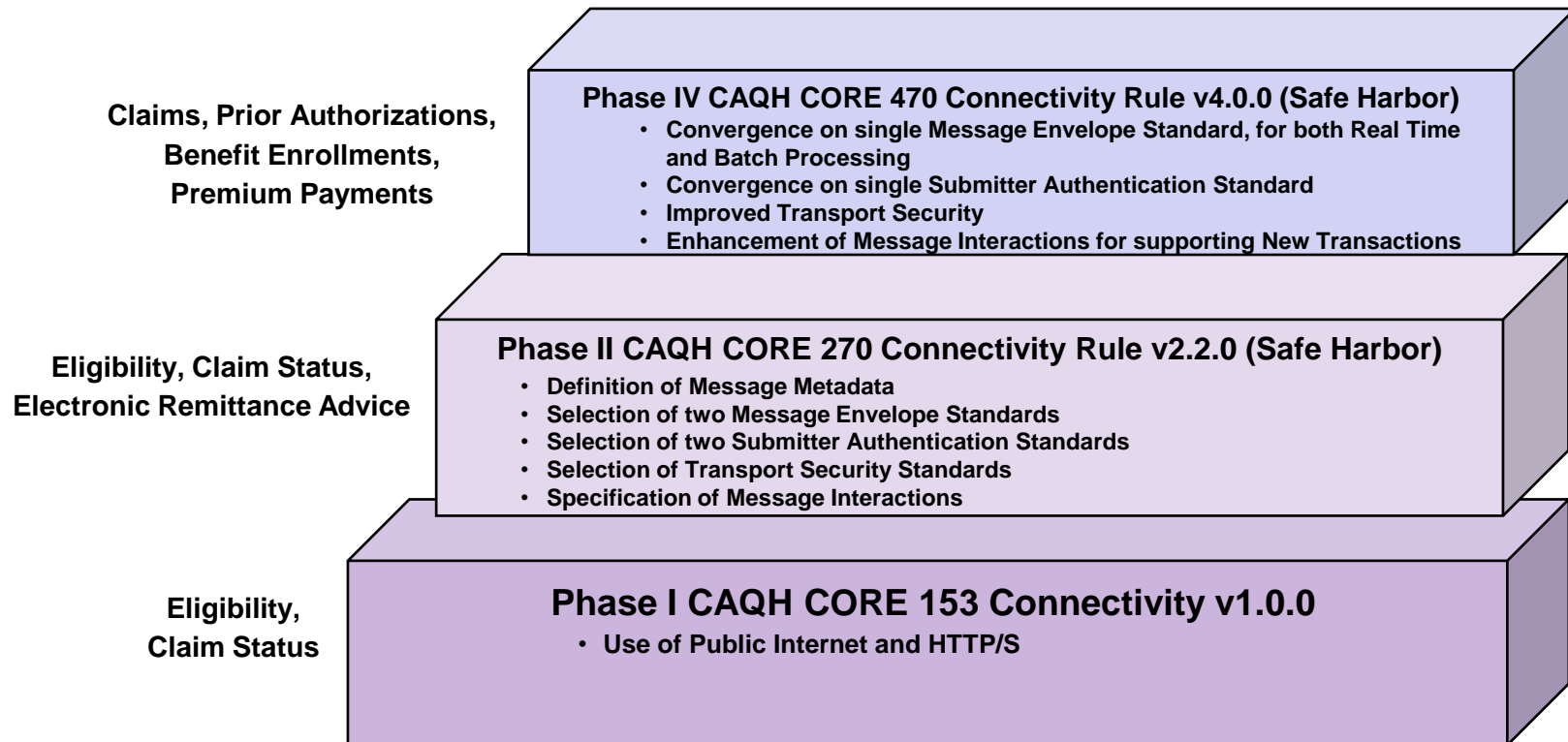
Safe Harbor

Health Plan   *Provider*
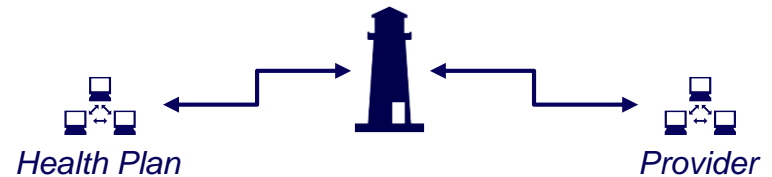
Enables trading partners to use different communications and security methods than what is specified in rule:
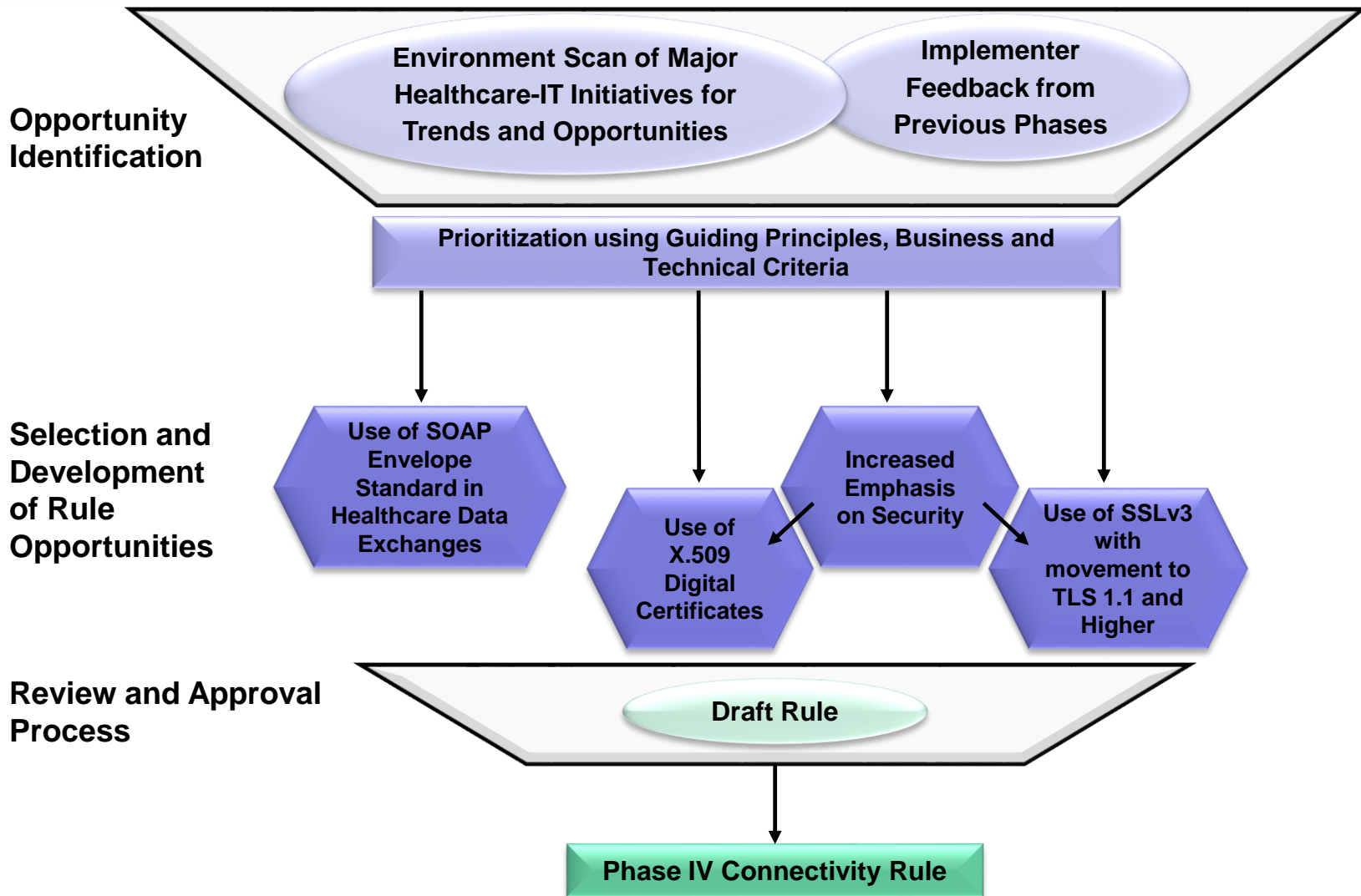
- HIPAA covered entities must support CORE rule requirements for real time and batch processing modes
- Can offer other communications and security methods
- Does not require trading partners to deimplement any existing connectivity methods not compliant with CORE rule

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CAQH CORE Connectivity Rules Phases & Applicability to X12 Transactions

Each Phase Builds on Previous Phases

Claims, Prior Authorizations, Benefit Enrollments, Premium Payments

Phase IV CAQH CORE 470 Connectivity Rule v4.0.0 (Safe Harbor)
- Convergence on single Message Envelope Standard, for both Real Time and Batch Processing
- Convergence on single Submitter Authentication Standard
- Improved Transport Security
- Enhancement of Message Interactions for supporting New Transactions

Eligibility, Claim Status, Electronic Remittance Advice

Phase II CAQH CORE 270 Connectivity Rule v2.2.0 (Safe Harbor)
- Definition of Message Metadata
- Selection of two Message Envelope Standards
- Selection of two Submitter Authentication Standards
- Selection of Transport Security Standards
- Specification of Message Interactions

Eligibility, Claim Status

Phase I CAQH CORE 153 Connectivity v1.0.0
- Use of Public Internet and HTTP/S

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CAQH CORE Phase IV Connectivity Rule Development Process

Opportunity Identification

Environment Scan of Major Healthcare-IT Initiatives for Trends and Opportunities

Implementer Feedback from Previous Phases

Prioritization using Guiding Principles, Business and Technical Criteria

Selection and Development of Rule Opportunities

Use of SOAP Envelope Standard in Healthcare Data Exchanges

Use of X.509 Digital Certificates

Increased Emphasis on Security

Use of SSLv3 with movement to TLS 1.1 and Higher

Review and Approval Process

Draft Rule

Phase IV Connectivity Rule

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Phase IV CAQH CORE 470 Connectivity Rule v4.0.0 Key Features

Technical Improvements

Address Implementer Feedback to Improve Clarity

Increased Transport Security

Separate Payload and Processing Mode Document for Easier Maintenance

Simplified Interoperability (Convergence to Single Envelope and Authentication Standard)

Additional Message Interactions for Conducting New Transactions

Transaction Support

Added Support for Premium Payments, Claims, Prior Authorizations and Benefit Enrollments

CORE Safe Harbor Allows Entities to Implement Phase IV Connectivity for Eligibility, Claim Status, and Remittance Advice; Same Connectivity Used for All Transactions

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CAQH CORE Connectivity Rule Features: Detailed View & Comparison of Phases

Features	Phase II *CORE Connectivity Rule* *Mandated under ACA*	Phase IV *CORE Connectivity Rule*
Payload(s)	X12 Administrative Transactions NCPDP, HL7 V2.x or V3 Messages Other	X12 Administrative Transactions NCPDP, HL7 V2.x or V3 Messages Other
Submitter (Client) Authentication	Username/Password (WS-Security Token) x.509 Digital Certificate	x.509 Digital Certificate over SSL TLS ⭐
Message Interactions	Real Time and Batch Interactions	Real Time, Batch, Generic Push and Pull Interactions ⭐
Message Envelope Metadata	CORE Specified Message Envelop Metadata	CORE Specified Message Envelop Metadata
Message Envelope(s)	MIME Multipart SOAP + WSDL	SOAP + WSDL ⭐
Communications Channel Security	Secure Sockets Layer - (SSL)	Secure Sockets Layer (SSLv3.0 with optional use of TLS1.1 or higher. Entities needing higher security can use TLS1.1 in lieu of SSLv3.0) ⭐
Transport Layer	HTTP over TCP	HTTP over TCP
Network	Public Internet	Public Internet

⭐ = Revised from Phase II

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Polling Question #2:
Phase IV Implementation

Which of the following would you consider to be the biggest challenge to your organization's implementation of the Phase IV CAQH CORE Operating Rules:

1. Not applicable

2. Fully understanding my organization's role and/or responsibility in the implementation process

3. Need to learn more to fully understand the Phase IV CAQH CORE Operating Rules

4. Overcoming resource constraints (i.e. time, staff, internal expertise)

5. No major challenges - we plan on implementing all/some of the Phase IV CAQH CORE Operating Rules

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Phase IV CORE Certification

Matthew Albright
Senior Manager

CAQH
CORE

What is Voluntary CORE Certification?

> *The gold standard in certifying administrative simplification conformance, CORE Certification is the most robust and widely-recognized industry program of its kind. Its multi-layered approach assures an independent, industry-developed confirmation of conformance with operating rules and underlying standards.*

Requirements developed by broad, multi-stakeholder representation through transparent discussion and polling process – ***Conformance is defined by industry, for industry***

Requires conformance testing 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 and conformance test reports before Certification Seal is awarded

Phase IV CORE Certification

Certification Test Suites list the specific tests (test scripts) that an entity or a product must pass in order to demonstrate conformance with CAQH CORE Operating Rules.

The Phase IV CAQH CORE Certification Test Suite was developed and **approved** by CAQH CORE Participating Organizations as part of the Phase IV CAQH CORE Operating Rule development and voting process.

CORE-authorized Testing Vendor, Edifecs, is currently building a platform that implements and automates the Phase IV CAQH CORE Certification Test Suite and the required test scripts.

Phase IV CORE Certification will be offered in late summer, 2016.

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2016: Phase IV CORE Certification

Be an industry leader and become Phase IV Certified in 2016!

As in previous Phases

°Health plans
°Clearinghouses
°Providers

°Vendor products
°Vendor solutions

can become CORE-Certified for Phase IV

If you're a health plan, clearinghouse, provider, or if you have a product or solution that helps those entities conduct transactions, **be the first** of your competitors to be CORE-certified in the Phase IV CAQH CORE Operating Rules in late summer 2016!

Contact CORE@CAQH.org if you're interested, or if you have further questions about CORE Certification.

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Does your organization plan to pursue voluntary CORE Certification in 2016?

1. Yes
2. No
3. Not Sure
4. Need more information
5. Not applicable/Already Certified

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Resources & Additional Information
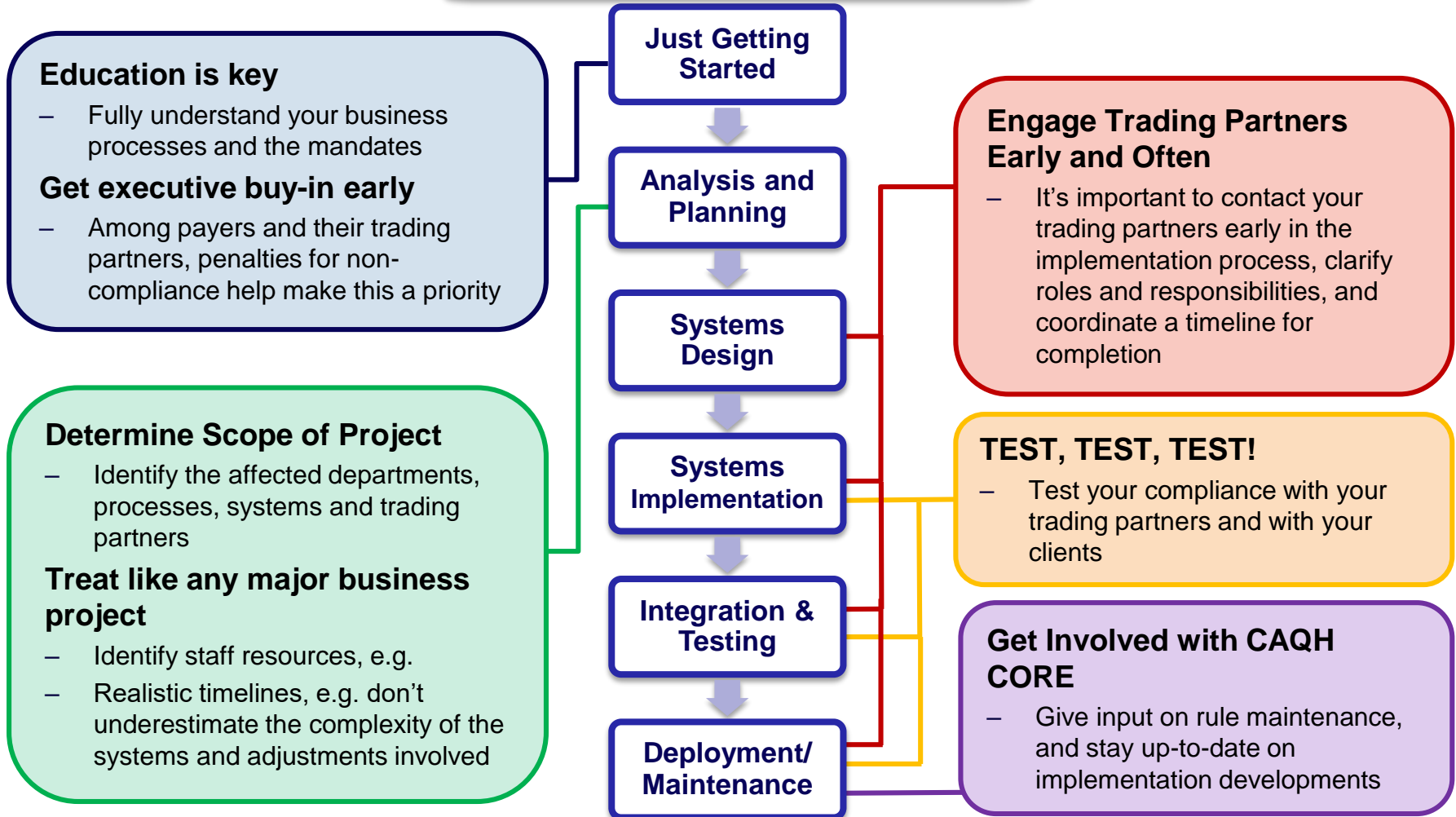
Erin Weber
Senior Manager

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Value of Implementing the Phase IV CAQH CORE Voluntary Operating Rules

There is value in implementing the Phase IV CAQH CORE Voluntary Operating Rules, such as:

✓ Builds on work that has been implemented in previous Phases

✓ Starting early allows for the determination of your own timeline rather than a mandated one

✓ Demonstrates your organization's commitment to administrative simplification

✓ Establishes your organization's leadership in the industry as an early adopter

✓ Results in greater ROI from implementation of CAQH CORE Infrastructure and Connectivity requirements across all HIPAA-mandated transactions

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Implementation Steps for HIPAA Covered Entities: *Best Practices and Lessons Learned from Past Phases*

Communication is Critical

Education is key
- Fully understand your business processes and the mandates

Get executive buy-in early
- Among payers and their trading partners, penalties for non-compliance help make this a priority

Determine Scope of Project
- Identify the affected departments, processes, systems and trading partners

Treat like any major business project
- Identify staff resources, e.g.
- Realistic timelines, e.g. don't underestimate the complexity of the systems and adjustments involved

Just Getting Started

↓

Analysis and Planning

↓

Systems Design

↓

Systems Implementation

↓

Integration & Testing

↓

Deployment/ Maintenance

Engage Trading Partners Early and Often
- It's important to contact your trading partners early in the implementation process, clarify roles and responsibilities, and coordinate a timeline for completion

TEST, TEST, TEST!
- Test your compliance with your trading partners and with your clients

Get Involved with CAQH CORE
- Give input on rule maintenance, and stay up-to-date on implementation developments

CAQH CORE

CAQH CORE Phase IV Analysis & Planning Guide Assists in Understanding Applicability of Rules to Various Trading Partners

*As with previous Phases, CAQH CORE now has 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

Planning Guides includes three tools to assist entities in completing analysis and planning:

1. Stakeholder & Business Type Evaluation
2. Systems Inventory & Impact Assessment Worksheet
3. Gap Analysis Worksheet

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Phase IV CAQH CORE Operating Rules Frequently Asked Questions (FAQ)

Coming in early 2016

New Phase IV FAQs addressing five Operating Rules and general concepts/questions

Plus newly revamped CAQH CORE FAQ website with *searchable*, web-based FAQs

(NO MORE PDFs!)

New FAQ format will:

- **Enable users to more quickly find answers to their questions**

- **Allow users to search only the CAQH CORE FAQs for keywords**

- **View in one place all FAQs available for a given Operating Rule**

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New CAQH CORE FAQ Website

Phase IV Implementation Support

As with previous Phases, over the next few months CAQH CORE will roll out a set of Phase IV CAQH CORE Operating Rules education resources and implementation tools to support industry implementation of the new operating rules
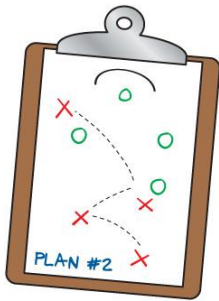
Analysis and Planning Guide

Dedicated Phase IV Webpage

FAQ's

Informational Webinars with downloadable recording and presentations

"**Cheat Sheets**" and other unique Phase IV Tools

Staff Experts available to answer your questions

CAQH CORE

AHA Webinar Announcement - FYI

The American Hospital Association will host a webinar at 3pm ET TOMORROW (Jan. 22) to explore how hospitals and health systems can improve patients' care experience and realize significant savings by adopting key administrative simplification standards.

> According to CAQH CORE®, an industry-wide collaboration among health care stakeholders, providers could save $7.2 billion if operating rules are fully adopted. During the webinar, representatives from CHRISTUS Health and Kaiser Permanente will discuss how they obtained buy-in from their organization for investment, how they are working with vendors and the latest recommendations from the National Committee on Vital Health Statistics in regards to administrative simplification.
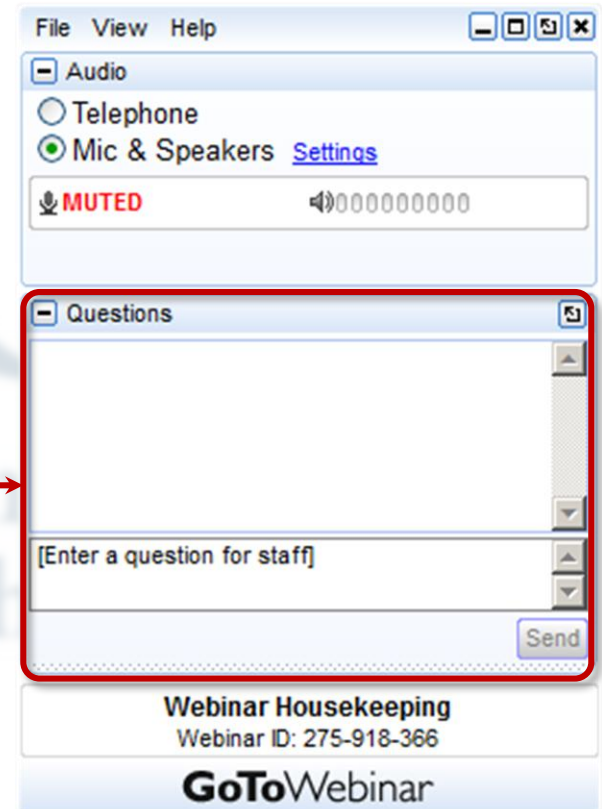
Participants can register by clicking here:

http://www.conferenceamerica.com/events/QkI0QjY0ODE1OTBBREUyMg==

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Audience Q & A

Please submit your questions

Enter your question into the "Questions" pane in the lower right hand corner of your screen.

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Key Takeaways

✓ The Phase IV CAQH CORE Voluntary Operating Rules build upon Phases I-III implementation.

✓ There is value in planning for implementation now.

✓ CAQH CORE is available to answer your questions and provide implementation resources for the Phase IV CAQH CORE Operating Rules as well as for Phases I-III.

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Upcoming CAQH CORE Educational Webinars

Voluntary CORE Certification National Webinar with Alabama Medicaid Agency

Tuesday, January 26, 2016 | 2:00 - 3:00 pm ET **Register HERE** Get an insider look at the experience of a recent CORE-certified entity, Alabama Medicaid Agency, who completed all three Voluntary CORE Certification Phases. Register now for this webinar to learn about CORE Certification and whether it is appropriate for your state Medicaid agency or similar state or Federal organization.

W*e want to hear from you!*
If you have ideas for educational sessions that you would like to see in the future, contact Education and Outreach staff directly by emailing dvoytal@caqh.org or provide comments on today's Post-Event Survey.
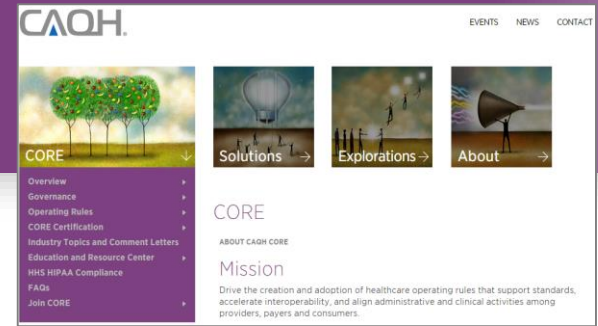
Engage with CAQH CORE!

CAQH CORE Website

or contact us at CORE@CAQH.org

Participate in the CAQH CORE Code Combinations Task Group (CCTG) or the Enrollment Data Task Group

Become a CAQH CORE Participating Organization

Explore Voluntary CORE Certification

Register for our educational webinars

Dedicated webpages:
- ✓ Code Combination Maintenance
- ✓ EFT/ERA Enrollment Maintenance
- ✓ Voluntary CORE Certification
- ✓ CAQH CORE Phase IV Operating Rules

Thank you for joining us!

Website: www.CAQH.org/CORE

Email: CORE@CAQH.org

@CAQH

Please take a moment to complete the post-webinar survey.

CAQH CORE

Appendix

Final versions of each rule are available for free on our website (www.CAQH.org/CORE)

Phase IV CAQH CORE 450 Health Care Claim (837) Infrastructure Rule version 4.0.0

Phase IV CAQH CORE 452 Health Care Services Review – Request for Review and Response (278) Infrastructure Rule version 4.0.0

Phase IV CAQH CORE 454 Benefit Enrollment & Maintenance (834) Infrastructure Rule version 4.0.0

Phase IV CAQH CORE 456 Premium Payment (820) Infrastructure Rule version 4.0.0

Phase IV CAQH CORE 470 Connectivity Rule v4.0.0

- XML Schema Specification (normative)

- Web Services Definition Language (WSDL) Specification (normative)

- Phase IV CAQH CORE-Required Processing Mode and Payload Type Tables v4.0.0

CAQH CORE