CAQH CORE

CAQH CORE Town Hall

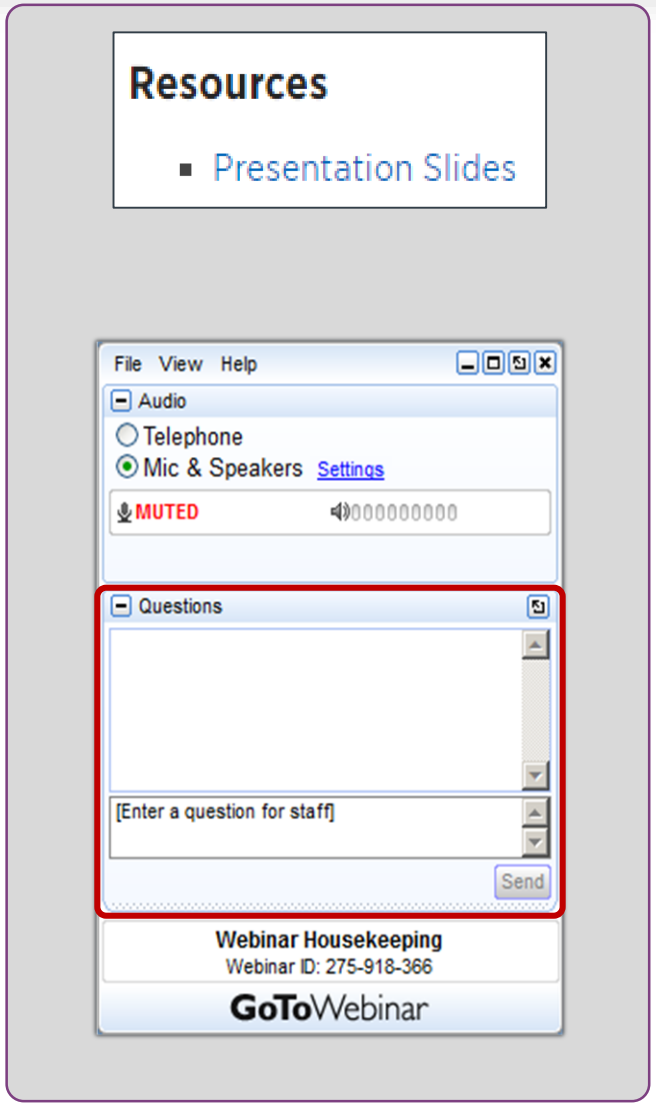
February 6, 2020

2:00-3:00 PM EST

Logistics

Presentation Slides and How to Participate in Today's Session

- **You can download the presentation slides at www.caqh.org/core/events after the webinar.**
- Click on the listing for today's event, then scroll to the bottom to find the Resources section for a PDF version of the presentation slides.
- A copy of the slides and the webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.
- Questions can be submitted ***at any time*** using the **Questions panel on the GoToWebinar dashboard.**



Proposed Agenda

- CAQH CORE Overview
- Key Updates
  - Federal Update
  - Transition to Transaction-based Rule Sets
  - Updated Phase IV Prior Authorization Infrastructure Rule
  - CORE Certification Update
- 2020 Rule Development Focus Areas
  - Spotlight: Value-Based Payments – Payer/Provider Attribution
  - Spotlight: Intersection of Prior Authorization, Connectivity and Attachments
- CAQH 2019 Index
- Q&A

CAQH CORE Overview

CAQH CORE Mission/Vision & Industry Role

Industry-led, CAQH CORE Participants include healthcare providers, health plans, vendors, government entities, associations and standard-setting organizations. Health plans participating in CAQH CORE represent **75 percent of the insured US population.**

MISSION Drive the creation and adoption of healthcare operating rules that **support standards**, **accelerate interoperability and align administrative and clinical activities** among providers, payers and consumers.

VISION An **industry-wide facilitator** of a trusted, simple and sustainable healthcare data exchange that evolves and aligns with market needs.

DESIGNATION CAQH CORE is the **national operating rule author to improve the efficiency, accuracy and effectiveness of industry-driven business transactions.** The Department of Health and Human Services (HHS) designated CAQH CORE as the author of national operating rules for the HIPAA-covered administrative transactions.

INDUSTRY ROLE **Develop business rules to help industry** effectively and efficiently use electronic standards while remaining technology- and standard-agnostic.

CAQH CORE BOARD **Multi-stakeholder.** Members include health plans, providers (some of which are appointed by associations such as the AHA, AMA, MGMA), vendors, and government entities. Advisors to the Board include SDOs (X12, HL7, NACHA, NCPDP) and WEDI.

CAQH CORE

CAQH CORE Operating Rule Overview

CAQH CORE is the HHS-designated Operating Rule Author for all HIPAA-covered transactions, including Claims Attachments.
HIPAA covered entities conduct these transactions using the CAQH CORE Operating Rules.

	Phase I & Phase II	Phase III	Phase IV	Phase V	Phase VI
Transactions	Eligibility Claims Status	Electronic Funds Transfer Electronic Remittance Advice	Health Claims Referral, Certification and Authorization	Prior Authorization	Attachments
Manual to Electronic Savings per Transaction (2019 CAQH Index)	Eligibility: $7.55 Claims Status: $7.72	EFT: $1.59 ERA: $2.96	Claim Submission: $3.16 Prior Authorization: $12.31	$12.31	N/A
	Active				**In Progress**

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

CAQH CORE 2020 Goals

1

Evolve CAQH CORE Integrated Model (rule writing, certification, industry relations) to drive future multi-stakeholder value.

- Transition from phase-based to business transaction-based rule sets.
- Evaluate and launch processes to update/expand existing rules as needed.

2

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

- Targeted effort to increase certification for Phase III, IV, V and Medicaid.
- Launch re-certification efforts.

3

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

- Prior Authorization
- Attachments
- Value-based Payments
- Connectivity
- Value Enhancement

CAQH CORE

Key Updates

- **Federal Update**
- Transition to Transaction-based Rule Sets
- Updated Phase IV Prior Authorization Infrastructure Rule
- CORE Certification Update

Federal Update

ONC Interoperability Standards Advisory

The 2020 ISA has been released and is a catalog of the identification, assessment, and public awareness of interoperability standards and implementation specifications that can be used by the healthcare industry to address specific interoperability requirements. It addresses interoperability needs for clinical, public health and research purposes. Section IV includes administrative transactions and operating rules.

ONC Draft 2020-2025 Federal Health IT Strategic Plan

The ONC released the draft Federal Health IT Strategic Plan for public comment. This plan is intended to guide federal health IT activities. The plan's goals are outcomes-driven, with objectives and strategies focused on using health IT as a catalyst to empower patients, lower costs, deliver high-quality care, and improve health for individuals, families, and communities.

Comments due March 18, 2020.

CMS and ONC Interoperability/Information Blocking Final Rules

Two major federal rules, proposed by CMS and ONC and aimed at stopping information blocking and spurring data sharing, are close to being final. The rules are a centerpiece of the 21st Century Cures Act and are designed to drive increased efficiency and potentially to shake up the industry -- will have significant implications for healthcare providers, payers and health IT vendors.

Final Rules Have Not Been Released

Federal Advisory Committees

NCVHS

The National Committee on Vital and Health Statistics serves as the public advisory body to the HHS Secretary for health data, statistics, privacy, and national health information policy and the Health Insurance Portability and Accountability Act.

Next Meeting: March 24-25, 2020

HITAC

The Health IT Advisory Committee makes recommendations to ONC on policies, standards, implementation specifications, and certification criteria relating to the implementation of a health IT infrastructure that advances the electronic access, exchange and use of health information.

Next Meeting: February 19, 2020

Key Updates

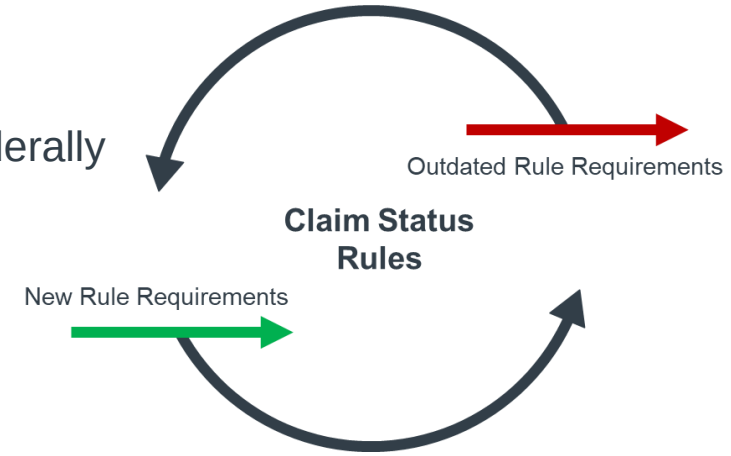
- Federal Update
- **Transition to Transaction-based Rule Sets**
- Updated Phase IV Prior Authorization Infrastructure Rule
- CORE Certification Update

Phases to Business Transactions

Overview and Key Considerations

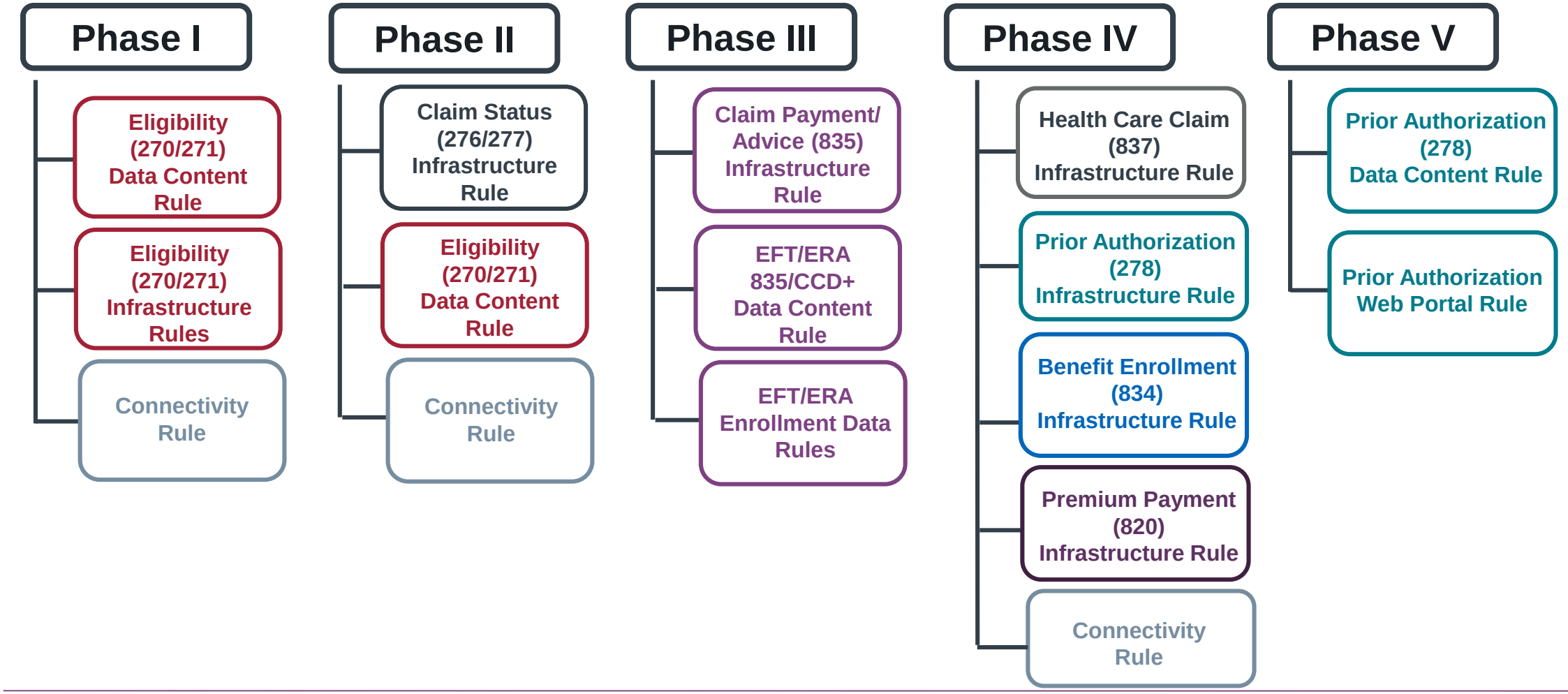
Overview

- CAQH CORE is restructuring its operating rules from phase-based rule sets to rule sets based on business transactions.
- A transaction-based model aligns operating rules to the business processes the rules support and:
  - Creates a **flexible framework** for adding new rules/requirements, updating existing operating rules and removing outdated requirements for each business transaction.
  - Eases implementation burden by structuring rules into logical categories with **implementation of a rule set no longer dependent on other rule set implementations.**
  - Enables application of a **uniform connectivity rule** across all operating rules.
  - With new re-certification process, ensures industry stays aligned with most recent updates.
  - Positions operating rules to be **standard-agnostic.**
- CAQH CORE has coordinated with CMS to ensure clear communications related to federally mandated rules.



Current Phase-based Approach

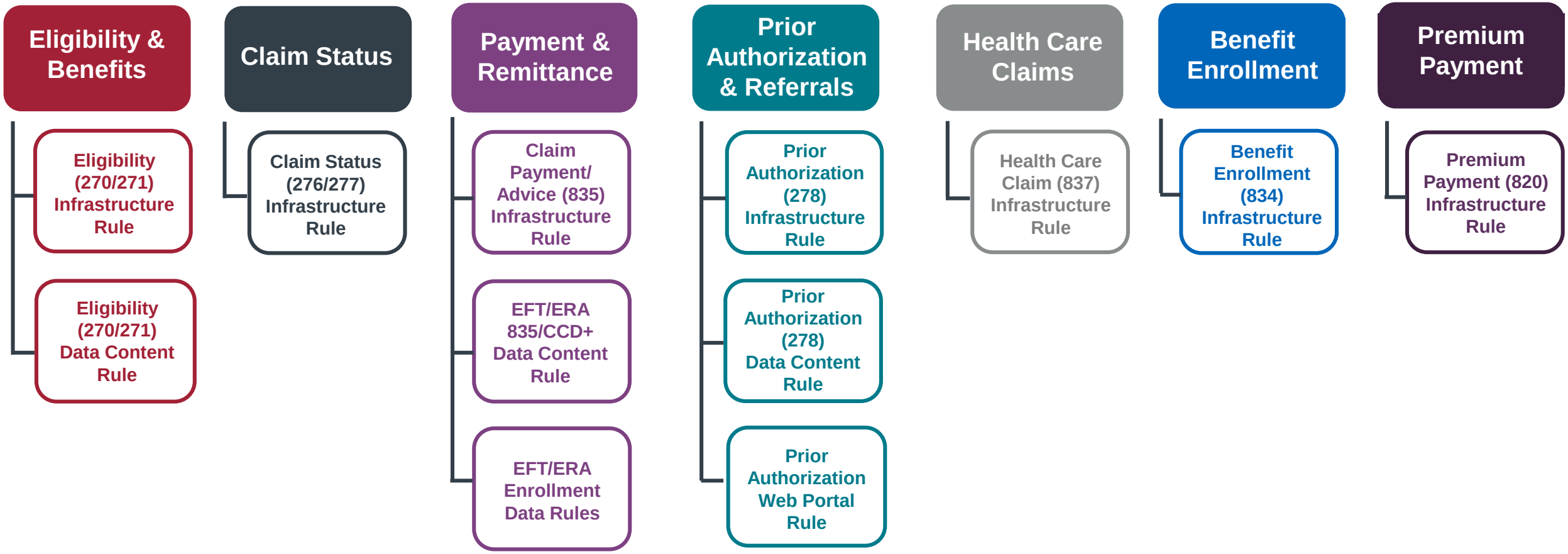
An ongoing phase-based approach creates challenges for industry implementation as business transactions are split across phases and phases cover multiple business transactions. Additionally, an infinite number of operating rule phases is not a sustainable model.



CAQH CORE

New Business Transaction-based Approach

A transaction-based model aligns operating rules to the **business processes** the rules support.



CAQH CORE Connectivity Rules

Key Updates

- Federal Update
- Transition to Transaction-based Rule Sets
- **Updated Phase IV Prior Authorization Infrastructure Rule**
- CORE Certification Update

Interest in Enhancing the CAQH CORE Phase IV Operating Rules

Approved by CAQH CORE Participants and published in 2015, the Phase IV CAQH CORE Prior Authorization (278) Infrastructure Rule response time requirement represented a **first step to setting national expectations for the completion of a prior authorization request and response exchange**.

- CAQH CORE performed an extensive analysis of national and state-level prior authorization response time requirements. The analysis revealed:
  - 30 states have existing response time requirements in place, ranging from 24 hours to 15 business days and there is a wide variation in the definition of when the clock starts “ticking”. Of these states, 11 have response time requirements of less than 3 business days, with the **most common being 2 business days**.
  - Plans and providers that cover patients from multiple states are faced with varying time requirements, which can lead to timing disparities in care delivery.
  - Response time requirements exist for provider submission of additional information/documentation when a request is pended and for final determination (approval/denial of a prior authorization) by the health plan once all information/documentation has been received.

Phase IV Prior Authorization (278) Response Time Requirement Enhancements

- **Two-Day Additional Information Request:** A health plan, payer or its agent has two business days to review a prior authorization request from a provider and respond with additional documentation needed to complete the request.

- **Two-Day Final Determination:** Once all requested information has been received from a provider, the health plan, payer or its agent has two business days to send a response containing a final determination.

- **Optional Close Out**: A health plan, payer or its agent may choose to close out a prior authorization request if the additional information needed to make a final determination is not received from the provider within 15 business days of communicating what additional information is needed.

NOTE: Each HIPAA-covered entity or its agent must support the *maximum* response time requirements for at least **90 percent** of all X12 278 Responses returned within a calendar month.

Polling Question #1

What barriers has your organization encountered when implementing/considering implementing the CAQH CORE Prior Authorization Operating Rules? (Check all that apply)

- Resources (budget or staffing)/Competing priorities
- Lack of a federal mandate
- Vendor product does not conduct the X12 278
- No significant barriers/Plan to implement in 2020/2021

Key Updates

- Federal Update
- Transition to Transaction-based Rule Sets
- Updated Phase IV Prior Authorization Infrastructure Rule
- **CORE Certification Update**

CORE Certification

Developed BY Industry, FOR Industry

CORE Certification is the most robust, independent testing program available for organizations seeking to demonstrate adherence to the CAQH CORE Operating Rules and underlying standards.

Why CORE Certification?

As the industry Gold Standard, the CORE Certification Seal demonstrates commitment to streamlining administrative data exchange and enables us to lower costs and improve the efficiency of health care delivery for our clients, customers, members and the nation.

CAQH CORE Operating Rules:

CAQH CORE began as a voluntary movement in 2005 and has been selected by HHS as the author of operating rules for HIPAA-related claims transactions. The CAQH CORE Operating Rules set requirements for how data is exchanged for transactions, such as claim status inquiries, eligibility and benefits, and healthcare payments.

Five phases of operating rules have been developed by CAQH CORE, a multi-stakeholder group whose health plan members represent 75 percent of the insured US population. To date, 370 CORE Certifications have been attained.

Benefits of CORE Certification

Achieving CORE Certification demonstrates that an entity can conduct secure, timely, and efficient transactions, help eliminate time consuming calls and paperwork, and guaranteed to our trading partners that we are following the operating rules for HIPAA-related claims transactions … plus going above and beyond what is federally required.

Recertification to Launch in 2020 for Newly Certified Entities

Rationale for Recertification

- CORE Certification currently reflects a “snapshot in time” towards adherence to the operating rules.
- With evolving technology, mergers/acquisitions and system upgrades, there is a need to assess ongoing conformance with the operating rules to maintain program integrity (some CORE Certifications are more than 10 years old).
- Recertification enables ongoing conformance when rule requirements are updated over time to align with market needs.

Key Changes

- CORE-certified entities will remain certified for three years. Recertification will be required for an entity to maintain its certification status.
- Recertification testing will have a reduced number of test cases and provide opportunity to recertify across multiple operating rules at one time.
- CORE-certified organizations must implement versions of CAQH CORE Operating Rules that have been published 24 months prior to the CORE Certification Seal renewal date.

CAQH CORE will reach out to organizations with current CORE Certifications to discuss organization-specific recertification policies, process and timelines in more detail in Q2.

Polling Question #2

Do you anticipate your organization will pursue CORE Certification in 2020/2021?

- Yes, in 2020
- Yes, in 2021
- Unsure or need more information
- No/Already CORE-certified

2020 Rule Development Focus Areas

- **Spotlight: Value-Based Payments – Payer/Provider Attribution**
- Spotlight: Intersection of Prior Authorization, Connectivity and Attachments

Providers Ready to Take on Risk

Deterrents Need to be Addressed

72% of health system senior executives believe their organizations have the capabilities needed to support increased levels of risk and plan to take on additional risk in the next one to three years.
(HFMA, 2019)

42% of executives cite operational processes (e.g. contract execution, care coordination/management) as the top challenge to maintaining risk-based capabilities.
(HFMA, 2019)

57% of provider executives do not believe they have data and tools to be successful under VBP.
(Quest Diagnostics, 2018)

CAQH CORE Value-based Payments Initiative

Topic Areas for 2020 and Beyond

CAQH CORE's vision of Value-Based Payments is a common infrastructure that drives adoption of value-based payment models by reducing administrative burden, improving information exchange and enhancing transparency across clinical and administrative verticals.

Move Forward

Pursue through CAQH CORE VBP Subgroup

- Patient/Provider Attribution Status at Time of Eligibility Check
- Patient Risk Identification Prior to Point of Service

Pursue through Potential VBP Pilot

- Inclusion of Expanded Code Sets on Claims

Explore

Explore Synergies with Current CAQH CORE PA Discovery Pilot

- Provider Notification of Need for Additional Documentation/ Information.

Align

Align with CAQH CORE Attachments Initiative

- Standardization of the Exchange of Additional Documentation

VBP Subgroup Roadmap

Achieving Consistent Expectations for Patient/Provider Attribution

There are currently no industry standards for the exchange of patient/provider attribution information. To streamline this business process, the VBP Subgroup will draft a series of operating rules to enable greater uniformity across the industry.

Uniform Data Content Requirements

Draft operating rules which **standardize the maximum data elements a health plan may require when a provider requests** patient/provider attribution status of a patient/roster of patients **and the minimum data elements they must return.** These data elements would be consistent across any exchange mechanism or format.

Improve Exchange Infrastructure

Draft infrastructure operating rule requirements would **improve the reliability and predictability** of the exchange of patient/provider attribution **through requirements such as system availability, exchange frequency, response time, acknowledgements, etc.**

Build Connectivity Safe Harbor

Draft operating rule requirements to create a **connectivity safe harbor for the standard electronic exchange** of patient/provider attribution information; exchange formats may include the X12 270/271 and/or X12 834 transactions.

The VBP Subgroup is meeting now through May to draft these operating rule requirements.

2020 Rule Development Focus Areas

- Spotlight: Value-Based Payments – Payer/Provider Attribution
- **Spotlight: Intersection of Prior Authorization, Connectivity and Attachments**

Closing Prior Authorization Automation Gaps through Operating Rules

The CAQH CORE Approach to Accelerate Automation & Reduce Burden

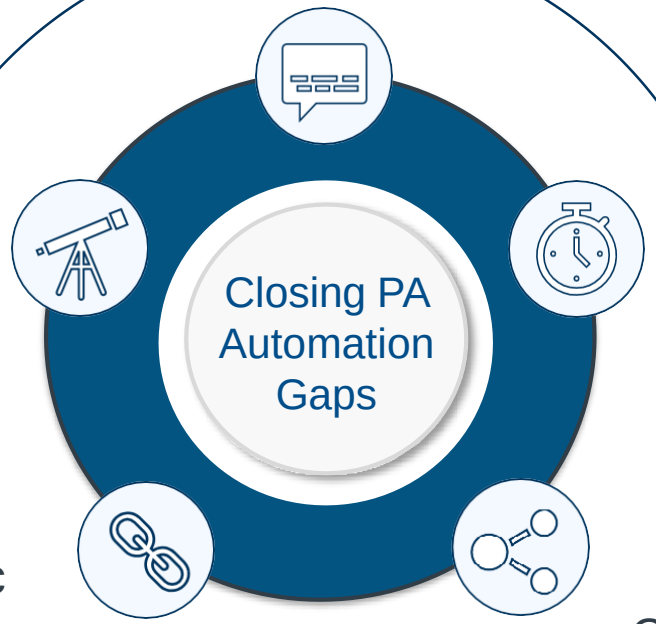
1. Enhance **Data Content** to Streamline Review and Adjudication

2. Establish National **Timeframes** for Consistent Expectations on Turnaround Time

3. Provide for Updated, Consistent **Connectivity** Modes for Data Exchange

4. Enable Consistent Electronic Exchange of **Additional Clinical Information**

5. **Evaluate across Pilots** for Impact and Further Gap Identification



CAQH CORE

Barriers to Industry Adoption of Electronic Prior Authorization

Top Barriers Identified Through CAQH CORE Research

1. There is lack of consistency in use of data content across industry and electronic discovery of what information is required for an authorization request to be fully adjudicated.
2. No federally mandated attachment standard to communicate clinical documentation.
3. Lack of integration between clinical and administrative systems.
4. Limited availability of vendor products that readily support the standard transaction.
5. State requirements for manual intervention.
6. Lack of understanding of the breadth of the information available in the 5010X217 278 Request and Response, as well as lack of awareness that this standard prior authorization transaction is federally-mandated – particularly among providers.
7. Varying levels of maturity along the standards and technology adoption curve, making consistent interoperability a challenge.

- **33%** of prior authorizations are submitted and responded to manually: phone, fax, email
- **54%** are partially electronic: portal and interactive voice response system
- **13%** are electronic: 5010X217 278 Prior Authorization Request and Response

CAQH CORE

Status of CAQH CORE Operating Rules Related to Prior Authorization

Prior Authorization Operating Rules reduce administrative burden, close automation gaps and allow for patients to receive more timely care.

Provider Determines if PA is Required & Information Needed

Provider identifies if PA is required and what documentation is required; collects info

Existing*

- Standard Companion Guide
- Accurate patient identification
- Application of standard data field labels to proprietary web portals

Under Consideration

- Use of codes to communicate if a PA is required and what documentation is needed

Provider & Health Plan Exchange Information

Provider submits PA Request; Health Plan receives and pends for additional documentation; Provider submits additional documentation

Existing*

- System availability for standard transaction
- PA receipt confirmation
- Consistent connectivity and security methods
- Time requirement for initial response
- Consistent system availability for web portals
- Consistent review of diagnosis/procedure/revenue codes for adjudication
- Consistent communication of specific errors
- Display of code descriptions
- Use of codes to communicate reason for pend and additional documentation needed
- Response time requirement for requesting additional clinical information

Under Consideration

- Updated, consistent connectivity modes for data exchange (APIs, REST)
- Consistent electronic exchange of additional clinical information

Health Plan Adjudicates & Approves / Denies PA Request

Health Plan reviews request and determines response; sends responsee to Provider

Existing*

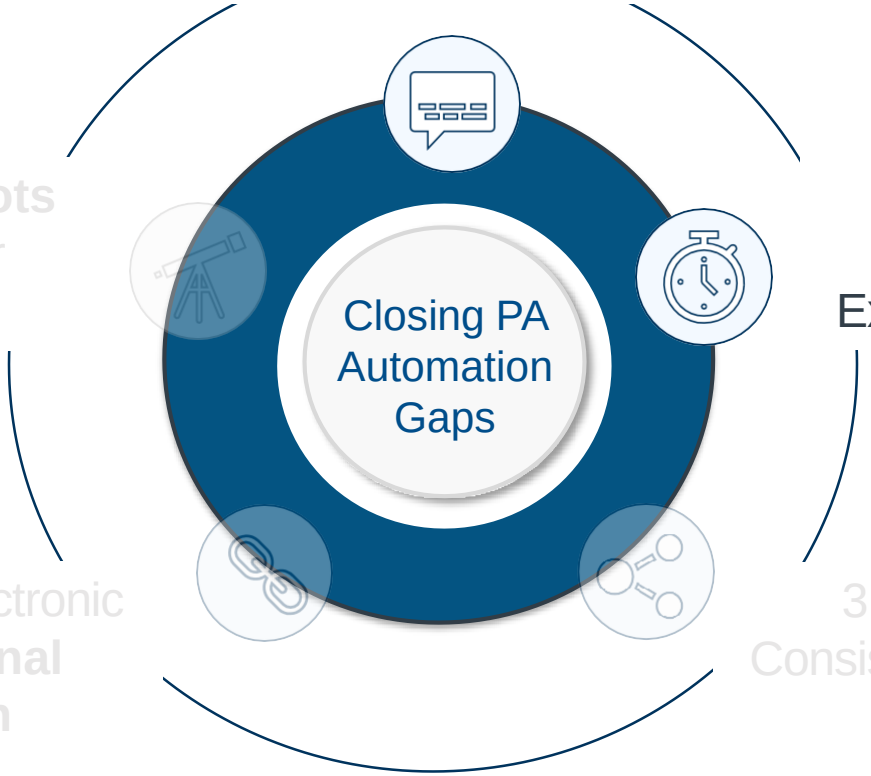
- Consistent connectivity and security methods
- Detection and display of code descriptions
- Response time requirement for final determination
- *Optional* – close out a prior authorization request if requested information is not received (Note: this is not an approval or denial).

Under Consideration

- Updated, consistent connectivity modes for data exchange (APIs, REST)
- Reassociation of additional clinical documentation with prior authorization request

* Available for CORE Certification.

1. Enhance **Data Content** to Streamline Review and Adjudication



2. Establish National **Timeframes** for Consistent Expectations on Turnaround Time

3. Provide for Updated, Consistent **Connectivity** Modes for Data Exchange

4. Enable Consistent Electronic Exchange of **Additional Clinical Information**

5. **Evaluate across Pilots** for Impact and Further Gap Identification

CAQH CORE

Enhanced Data Content Enables Consistent Prior Authorization Response Timeframes at a National Level

Together, the updated CAQH CORE Phase IV Infrastructure Rule and the new Phase V Data Content Rule can encourage adoption of the HIPAA-mandated 5010X217 278 Request and Response by providers, plans and vendors.

Enhanced Data Content

Phase V – Published May 2019

- Specifies data content requirements for patient identification, error/action codes, communicating with providers regarding needed information/clinical documentation, status/next steps and decision reasons.
- Reduces manual back and forth, accelerating adjudication timeframes.
- Encourages auto adjudication.

Faster Turnaround

Consistent National Timeframes

*Phase IV Update – Published February 2020**

Enhanced data content enables faster turnaround, allowing for **maximum timeframes** at key stages in the process:

- Two business days to request **additional information** from provider.
- Two business days to send **final determination** to provider once all information has been received.
- Optional time requirement to **close out** a prior authorization request after 15 business days if requested information is not received from a provider.

*The Phase IV CAQH CORE 278 Prior Authorization Infrastructure Rule was initially approved via the CAQH CORE Voting Process in 2015.

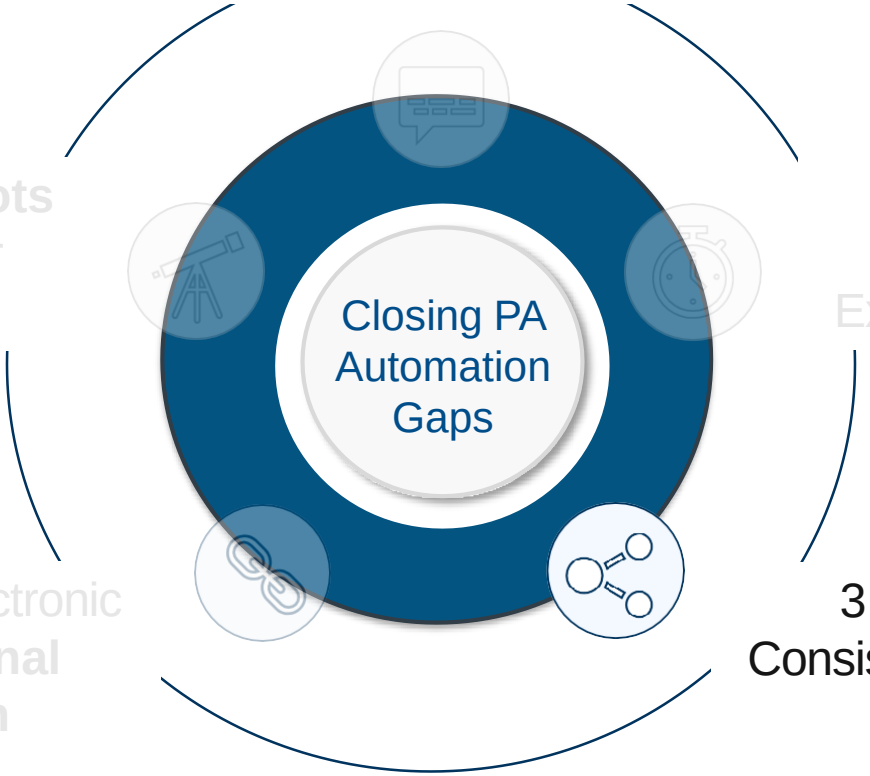
1. Enhance **Data Content** to Streamline Review and Adjudication

2. Establish National **Timeframes** for Consistent Expectations on Turnaround Time

3. Provide for Updated, Consistent **Connectivity** Modes for Data Exchange

4. Enable Consistent Electronic Exchange of **Additional Clinical Information**

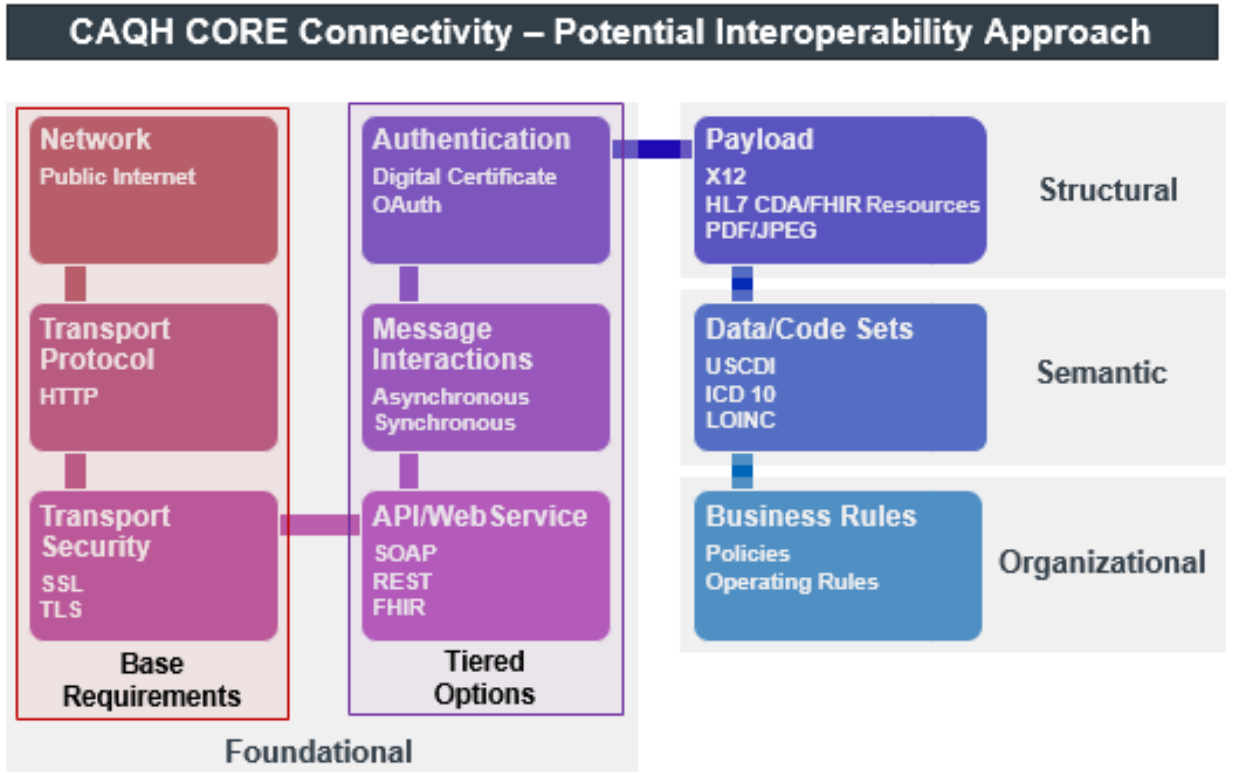
5. **Evaluate across Pilots** for Impact and Further Gap Identification



CAQH CORE

CAQH CORE Connectivity Requirements to Provide Consistent Modes for Data Exchange

Connectivity is fundamental for systems to interoperate. It enables data exchange and allows for subsequent processes to occur, presenting data in ways that can be easily understood by an end user.



CAQH CORE Connectivity is an industry-trusted method for data exchange.
The rules drive industry alignment by converging on common transport, message envelope, security and authentication standards to reduce implementation variations, improve interoperability and advance the automation of administrative data exchange.

CAQH CORE

CAQH CORE Connectivity

Rule Update Effort Launching this Month

Healthcare organizations have implemented a multitude of connectivity methods to facilitate the exchange of healthcare data. As the industry progresses towards alignment and interoperability across administrative and clinical systems, common methods of connectivity could ease the burden of data exchange. **A strong industry foundation for interoperability has been set by the CAQH CORE Connectivity Rules** as demonstrated by a large national install base and federal mandate.

Update to CAQH CORE Connectivity Requirements

In response to the continued interest across the industry and from CAQH CORE Participants, **CAQH CORE is launching the CAQH CORE Connectivity & Security Work Group in mid-February 2020** to address potential Connectivity Rule updates.

- Build upon the existing set of requirements through a **structured, yet flexible framework.**
- Consider **Safe Harbor for additional connectivity methods** (e.g. REST, APIs).
- Potential to **support alignment of administrative and clinical data exchange**, as well as align with efforts to support consumer data access under proposed CMS/ONC interoperability rules.

Updating the existing CAQH CORE Connectivity Rule has the potential to address foundational interoperability challenges that create automation gaps in the prior authorization and attachments processes and limit adoption of electronic solutions.

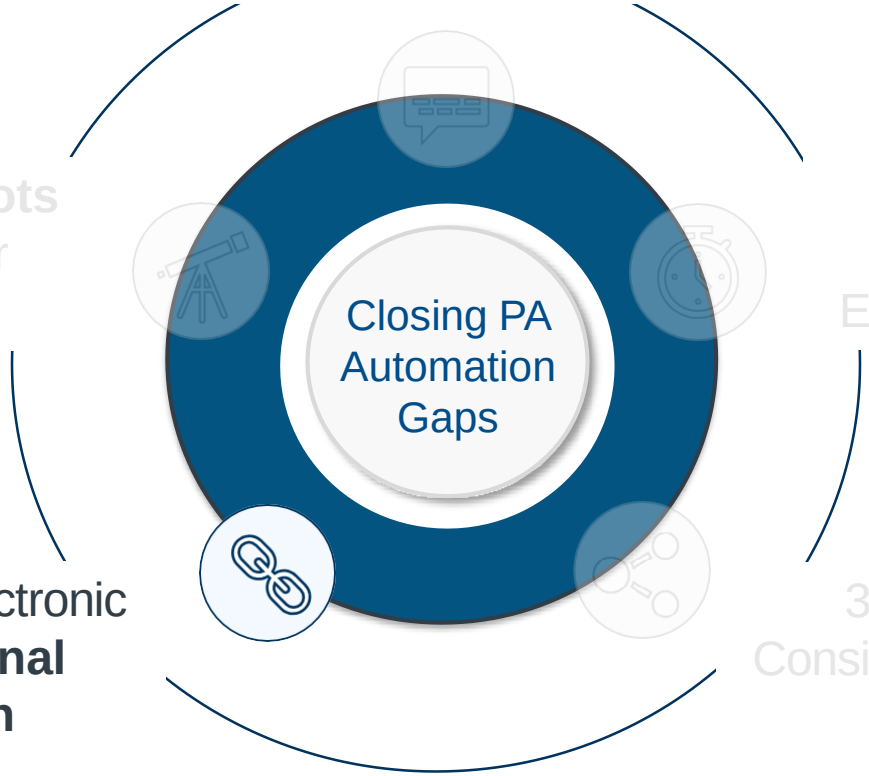
1. Enhance **Data Content** to Streamline Review and Adjudication

2. Establish National **Timeframes** for Consistent Expectations on Turnaround Time

3. Provide for Updated, Consistent **Connectivity** Modes for Data Exchange

4. Enable Consistent Electronic Exchange of **Additional Clinical Information**

5. **Evaluate across Pilots** for Impact and Further Gap Identification



CAQH CORE

Development of Operating Rules to Enable Consistent Electronic Exchange of Additional Clinical Information

Overview

- **Attachments** refer to the exchange of patient-specific medical information or supplemental documentation to support an administrative healthcare transaction.
- Exchanging medical documentation for prior authorization and claims is **highly manual** and a source of significant burden.
- **A HIPAA-mandated standard for attachments has not been named**, resulting in lack of industry direction on a uniform approach.

Scoping of Potential Attachments Operating Rules

As the **HHS-designated author for operating rules,** CAQH CORE is committed to supporting and accelerating industry adoption of electronic attachments, with or without a mandated attachment standard. In Q4 2019, the CAQH CORE Attachments Advisory Group:

Discussed the pain points related to the exchange of additional documentation.

- Assessed the five opportunity area categories outlined in the Attachments White Paper.

Reviewed and ranked 20 opportunity areas in order of priority for a CAQH CORE Rule Development Group to pursue.

- ***Prioritized Prior Authorization and Claims as use cases for rule development.***

Rated support for potential attachment operating rule requirements on a Likert scale from "Do Not Support" to "Support".

CAQH CORE Attachment Initiative

Topic Areas for 2020 and Beyond

In collaboration with CAQH CORE Participating Organizations and industry, CAQH CORE plans to produce guidance materials, educational content and new operating rules for attachments in 2020.

Move Forward

Pursue through CAQH CORE Attachments Subgroup (ASG)

Exchange Formats
X12 275, X12 277 RFAI, HL7 FHIR

Infrastructure
Acknowledgements, Response Times, Processing Modes, System Availability

Data Variability
Reassociation and Use of Structured Data

Education

Collaborate with Industry to Enhance Awareness

Workflows
Highlight industry best practicing for streamlining exchange of attachments

Align

Align with CAQH CORE Connectivity Work Group

CAQH Connectivity Rule Update
Connectivity, Security, and Authentication

Align with CAQH CORE VBP Initiative

VBP Attachment Operating Rules
Value-based Payments and Quality Measure Reporting

Research

Consider for Future Attachments Efforts

Data Quality
Alignment with USCDI and Sending of Necessary/Required Information

Resources
Improve uniformity of documentation requirements
Build transparency and ease look up to health plan attachment policies

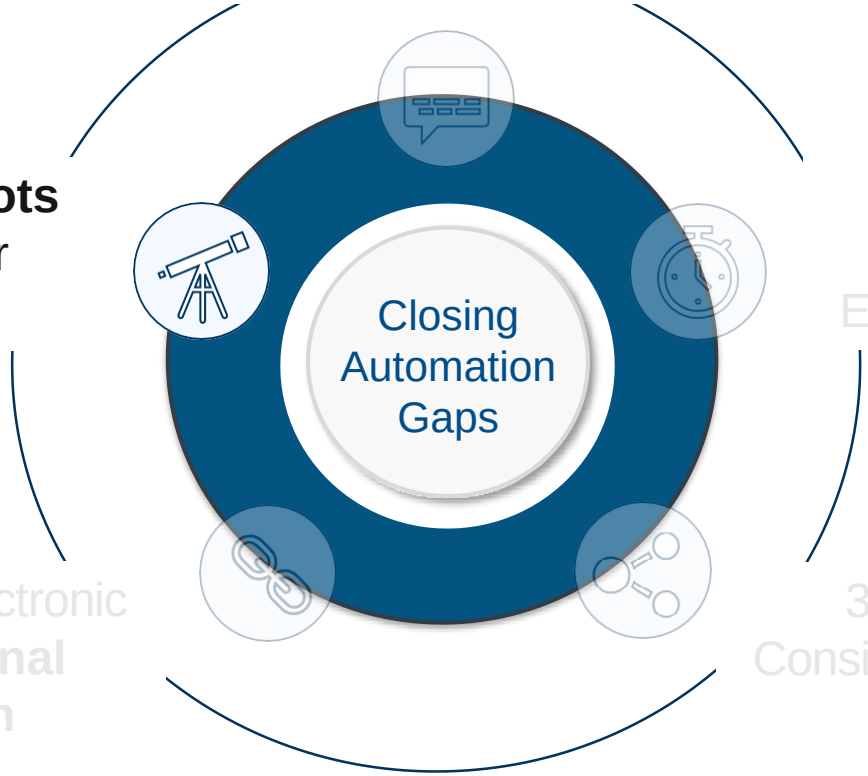
HL7 FHIR
HL7 FHIR Profiles and CDS Cards

Integration Workflow
Integration of clinical and administrative systems

CAQH CORE is launching an Attachments Subgroup in Q2 2020 to draft operating rules for the prioritized Prior Authorization Use Case.

1. Enhance **Data Content** to Streamline Review and Adjudication

5. **Evaluate across Pilots** for Impact and Further Gap Identification



2. Establish National **Timeframes** for Consistent Expectations on Turnaround Time

4. Enable Consistent Electronic Exchange of **Additional Clinical Information**

3. Provide for Updated, Consistent **Connectivity** Modes for Data Exchange

CAQH CORE

Evaluating Impact of Existing and Potential Operating Rules

Prior Authorization Pilot Initiative Vision

Partner with industry organizations to measure the impact of existing and new CAQH CORE prior authorization operating rules and corresponding standards on organizations' efficiency metrics.

Goals for Initiative

- **Apply existing and test new operating rules** that support greater automation of the end-to-end PA workflow.
- **Ensure that operating rules support industry organizations** in varying stages of maturity along the standards (existing and emerging: X12, HL7 FHIR, etc.) and technology adoption curve.
- Identify opportunities to **refine existing rules and prioritize new rules** to continue to close critical automation gaps.
- Quantify impact to support potential rule recommendations for **national implementation** to NCVHS and HHS.

Participation Options

Work with CAQH CORE subject matter and measurement experts to:

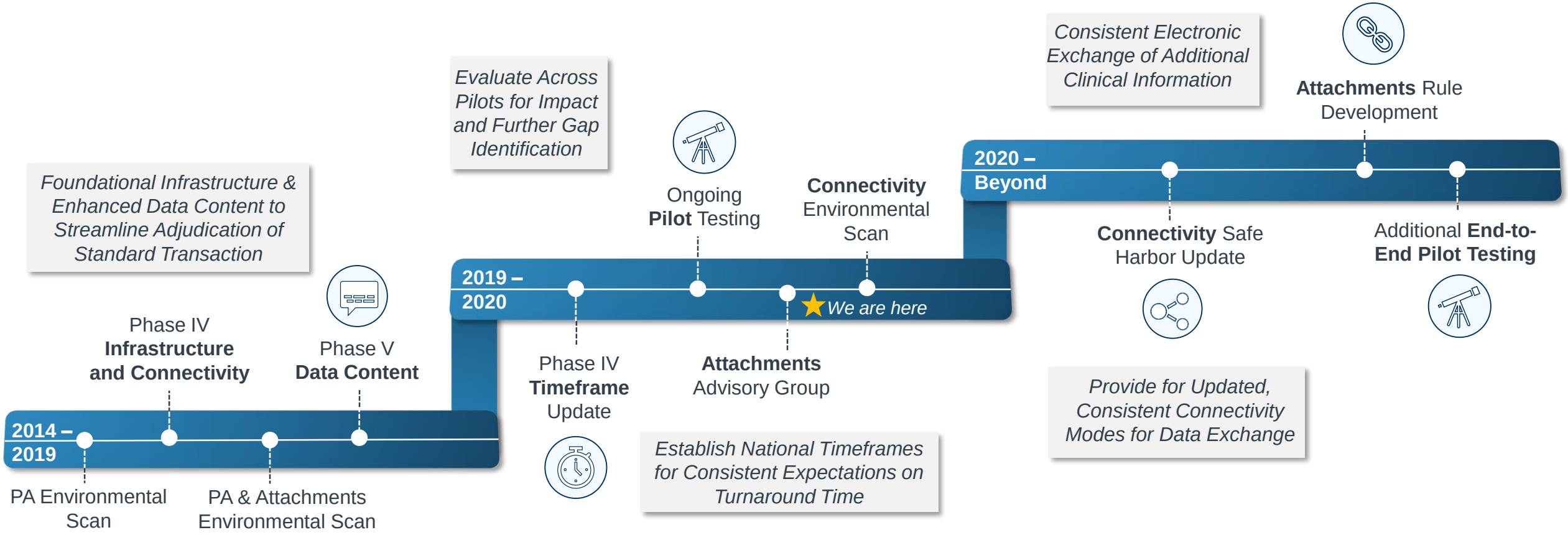
Option 1. Track and articulate the impact of an *existing* prior authorization automation project within your organization.

Option 2. Track and articulate the impact of a *new* implementation of operating rules and standards.

CAQH CORE Roadmap to Accelerate PA Automation & Reduce Burden

The CAQH CORE Roadmap to Accelerate PA Automation & Reduce Burden

Roadmap ensures that CAQH CORE Operating Rules and corresponding standards address the process, close critical automation gaps and support industry organizations at varying levels of maturity on the standards and technology adoption curve.



CAQH 2019 Index

What Is the CAQH Index?

A national benchmarking survey.

- Measures adoption of fully electronic administrative transactions.
- Estimates cost and time savings opportunities.
- (NEW) Estimates partially electronic portal use.
- (NEW) Estimates costs avoided and spend.

Tool to track and monitor industry progress.

- Tracks industry progress in the ongoing transition from manual to electronic administrative transactions.
- Seventh annual report.
- Monitoring progress makes it possible to identify successes and to make course corrections when necessary.

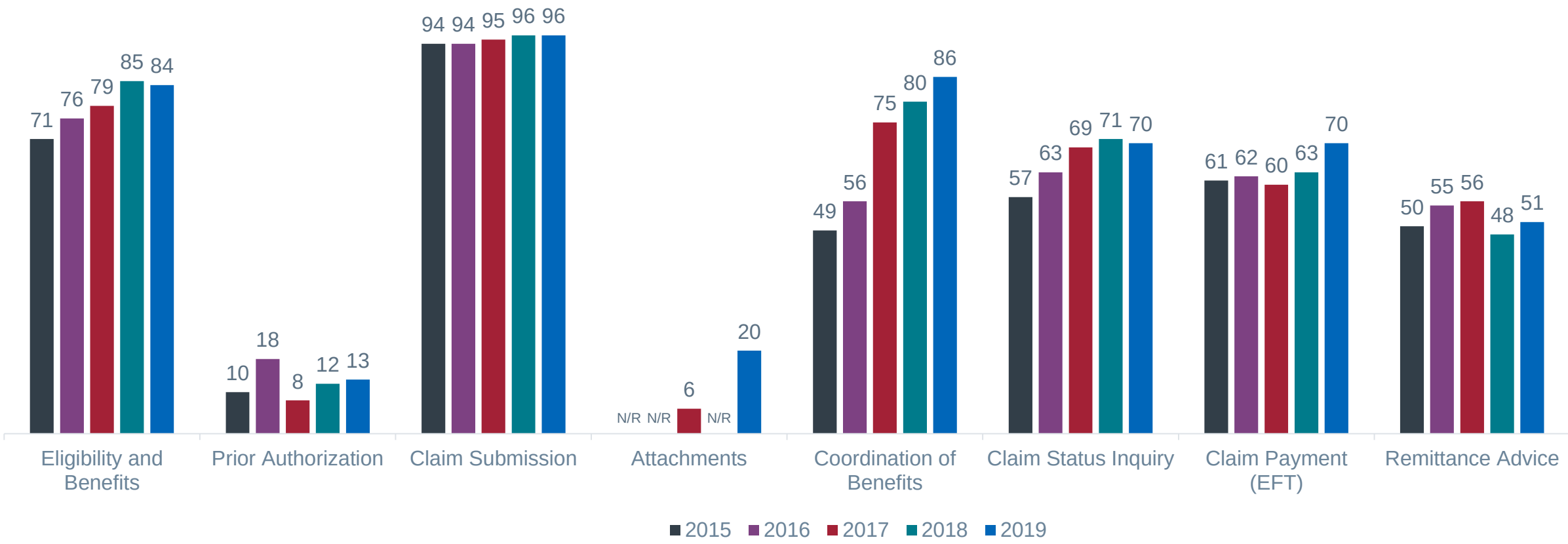
A collaborative initiative.

- The CAQH Index Advisory Council.
- Experts in administrative transactions, data analysis and healthcare management.
- Represents providers, health plans, vendors and other industry partners.

2019 CAQH Index Report

Medical Industry Electronic Transaction Adoption

While **claim submissions** continue to be the most widely adopted electronic transaction, use of **electronic claim payment** (electronic funds transfer/EFT), and **electronic remittance advice** (ERA) has lagged.



Source: 2019 CAQH Index

Note: The EFT and ERA work in tandem to enable automated reconciliation and communication of reimbursement. An ERA is an electronic explanation of payments made to the provider by the health plan.

CAQH CORE

Medical Average Cost per Transaction and Savings Opportunity

- Biggest savings opportunities:
  - Prior authorization ($12.31)
  - Claim status inquiry ($7.72)
  - Eligibility and benefits ($7.55)

- On average, each manual transaction costs the industry $4.83 more than each electronic transaction.

- Medical industry could save as much as $42.45 for a single patient encounter by conducting all transactions electronically.
  - $29.27 for providers
  - $13.18 for plans

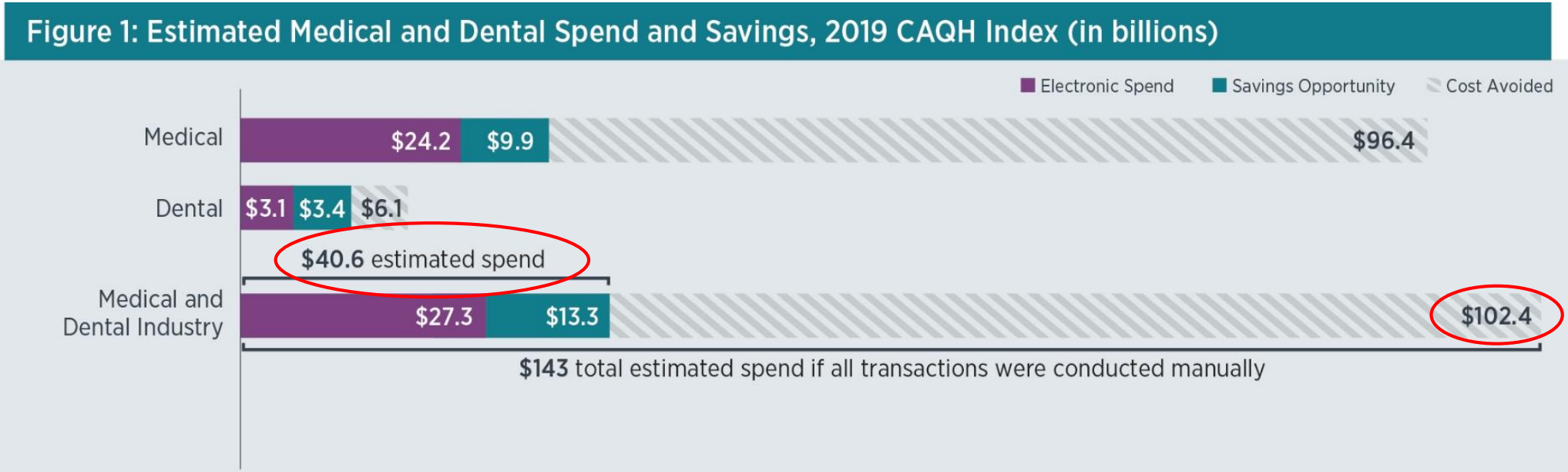
Table 1: Average Cost per Transaction for Manual, Partial and Electronic Transactions and Savings Opportunity, Medical, 2019 CAQH Index

Transaction	Method	Plan Cost	Provider Cost	Industry Cost	Plan Savings Opportunity	Provider Savings Opportunity	Industry Savings Opportunity
Eligibility and Benefit Verification	Manual	$3.47	$5.30	$8.77	$3.43	$4.12	$7.55
	Partial	$0.04	$2.03	$2.07	$0.00	$0.85	$0.85
	Electronic	$0.04	$1.18	$1.22			
Prior Authorization	Manual	$3.32	$10.92	$14.24	$3.27	$9.04	$12.31
	Partial	$0.05	$3.99	$4.04	$0.00	$2.11	$2.11
	Electronic	$0.05	$1.88	$1.93			
Claim Submission	Manual	$0.92	$3.30	$4.22	$0.83	$2.33	$3.16
	Electronic	$0.09	$0.97	$1.06			
Attachments	Manual	$0.56	$4.50	$5.06	$0.34	$2.17	$2.51
	Electronic	$0.22	$2.33	$2.55			
Coordination of Benefits	Manual	$1.05	N/A	$1.05	$0.87		$0.87
	Partial	$0.18	N/A	$0.18	$0.00		$0.00
	Electronic	$0.18	N/A	$0.18			
Claim Status Inquiry	Manual	$3.48	$6.65	$10.13	$3.44	$4.28	$7.72
	Partial	$0.04	$2.25	$2.29	$0.00	($0.12)	($0.12)
	Electronic	$0.04	$2.37	$2.41			
Claim Payment	Manual	$0.67	$2.51	$3.18	$0.59	$1.00	$1.59
	Electronic	$0.08	$1.51	$1.59			
Remittance Advice	Manual	$0.46	$3.76	$4.22	$0.41	$2.55	$2.96
	Partial	$0.05	$2.15	$2.20	$0.00	$0.94	$0.94
	Electronic	$0.05	$1.21	$1.26			

N/A = Not Applicable

Note: Costs include the labor time required to conduct the transaction, not the time and cost associated with gathering information for the transaction and follow-up. Does not include system costs. All participants were asked to report cost for each transaction by the three modes of completion (manual, partial electronic, electronic). For some transactions, partial costs were not reported.

Overall Industry Spend and Costs Avoided Through Automation

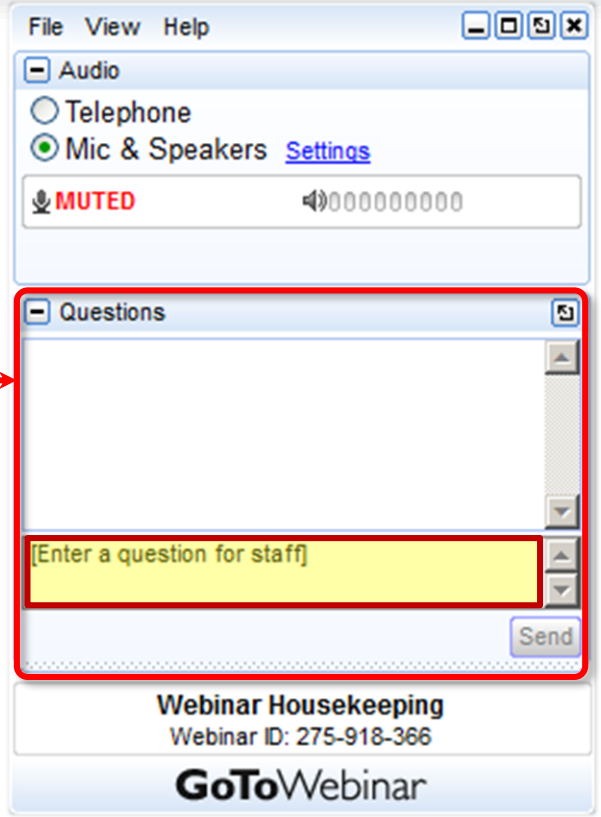


Audience Q&A

Please submit your questions

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

You can also submit questions at any time to CORE@caqh.org



Download a copy of today’s presentation slides at caqh.org/core/events

- Navigate to the Resources section for today’s event to find a PDF version of today’s presentation slides.
- The slides and webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.

CAQH CORE

Healthcare administration is rapidly changing.

Join Us

Collaborate across stakeholder types to develop operating rules.

Present on CAQH CORE education sessions.

Engage with the decision makers that comprise 75% of the industry.

Represent your organization in work groups.

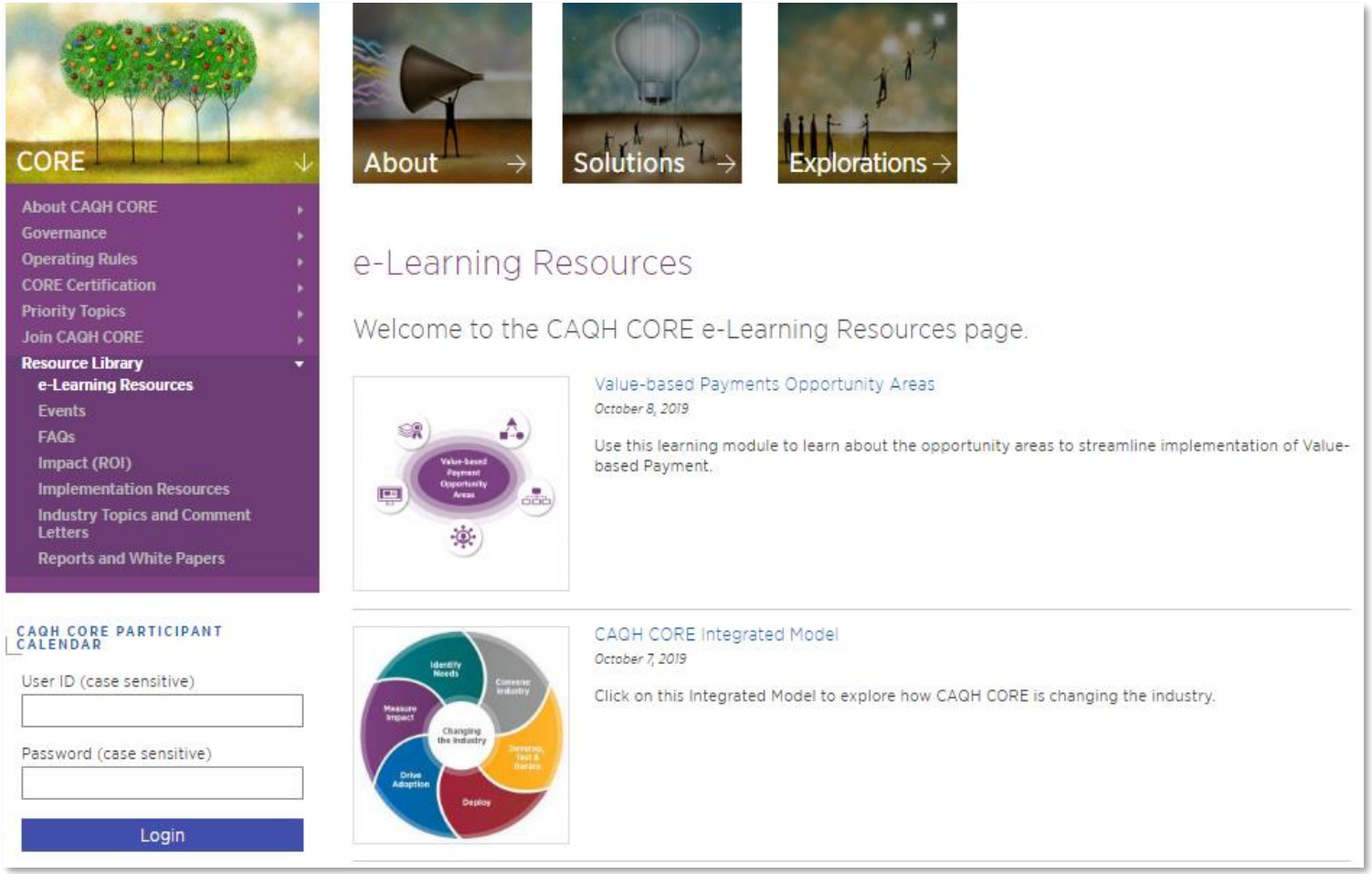
Influence the direction of health IT policy

Drive the creation of operating rules to accelerate interoperability

Click **here** for more information on joining CAQH CORE as well as a complete list of Participating Organizations.

CAQH CORE

Resource Library



Utilize our interactive online tools to learn more about the CORE Certification process and the CAQH CORE model.

Explore our YouTube page to access over 75 CAQH CORE tutorials and webinar recordings.

Listen to a tutorial on the Phase V Operating Rules.

Go to our FAQs page for answers to questions on topics such as operating rule implementation and CORE Participation.

Read our latest white paper "The Connectivity Conundrum: How a Fragmented System is Impeding Interoperability and How Operating Rules Can Improve It."

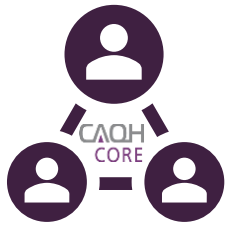
Upcoming CAQH CORE Education Sessions and Events

CORE Certification: Best Practices for Success

March 26, 2020 1:00-2:00 PM EST

Conference Presentation - 29th National HIPAA Summit

CAQH CORE Director Erin Weber will be speaking at the 29th National HIPAA Summit on **March 5, 2020**. The session is titled *Improving Prior Authorization: An Update on Operating Rules.*



Conference Collaboration

CAQH CORE staff will attend HIMSS 2020, taking place in Orlando, FL, on **March 9 - 13 2020.**

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.