

# Committee on Operating Rules for Information Exchange (CORE)

Presentation to the  
National Committee on Vital and Health Statistics  
Subcommittee on Standards and Security  
September 21, 2005



# Agenda

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- **CAQH**
- **Improving Access to Eligibility and Benefits Information**
- **Committee on Operating Rules for Information Exchange (CORE)**
  - Mission, Long-Term Vision and Guiding Principles
  - Participants
  - Structure
  - Work Groups
  - Examples of Work to Date
  - Next Steps
  - Invitation to join CORE

# Eligibility And Benefits

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- **CAQH conducted extensive research on next administrative simplification initiative for provider/plan burden reductions**
- **Eligibility and benefits verification top concern**
- **Wanted: electronic access to accurate, timely data**
- **Result: Significant reductions in resources required to verify patient coverage, submit clean claims and help eliminate bad debt**
- **Banking industry operating rules/NACHA**

# What are Operating Rules?

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- **Agreed upon business rules for utilizing and processing transactions**
- **Encourages the marketplace to achieve a desired outcome – interoperable network governing specific electronic transactions (i.e., ATMs in banking)**
- **Key components**
  - Rights and responsibilities of all parties
  - Transmission standards and formats
  - Response timing standards
  - Liabilities
  - Exception processing
  - Error resolution
  - Security

# CORE

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- **Committee on Operating Rules for Information Exchange**
- **Industry-wide stakeholder collaboration**
- **Launched in January 2005**
- **Answer to the question: Why can't verifying patient eligibility and benefits in providers' offices be as easy as making a cash withdrawal?**

# Vision: Online Eligibility and Benefits Inquiry



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

- **Providers will send an on-line inquiry and know:**
  - Which 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 would be provided

\* This is the only HIPAA mandated data element; other elements addressed within Phase I scope are part of HIPAA, but not mandated

\*\* These components are critically important to providers, but are not proposed for Phase I

# Vision: Online Eligibility and Benefits Inquiry

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## ... 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
- **For any patient**
- **For any participating health plan**

\*Initiative will initially support batch and real-time

# CORE Mission

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

# CORE Participants

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- **Over 70 organizations (to date)**
  - 13 health plans
  - 8 providers
  - 6 provider associations
  - 5 government entities (including CMS)
  - 12 standard setting bodies/regional entities/other associations
  - 21 vendors (clearinghouses and PMS)
  - 6 others (consulting companies, banks)

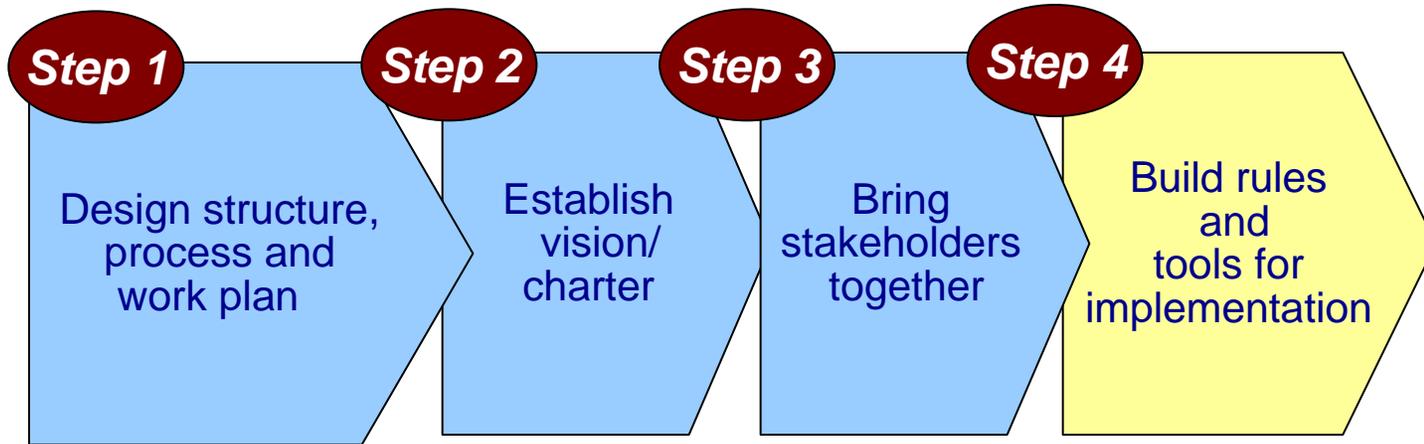
# CORE Steering Committee

POSITION	COMPANY	INDIVIDUAL
Chair	WellPoint	Carl Volpe, Vice President of Strategic Initiatives
Vice Chair	HCA	Eric Ward, CEO of Financial Services
Policy Work Group Chair	Humana	Bruce Goodman, Senior Vice President & CIO
Rules Work Group Chair	PNC Bank	J. Stephen Stone, SVP & Director of Product Management
Technical Work Group Chair	Siemens	Mitch Icenhower, Director, HDS
At Large Members: Health Plan 1	Aetna	Paul Marchetti, Head of Network Contracting, Policy and Compliance
At Large Members: Health Plan 2	BCBSMI	Deborah Fritz-Elliott, Director, Electronic Business Interchange Group
At Large Members: Vendor Org.	Trizetto	Dawn Burriss, Vice President, Constituent Connectivity
At Large Members: Provider Organization	Montefiore	J. Robert Barbour, JD, Vice President, Finance for MD Services and Technical Development
At Large: Other Organization	HIMSS	H. Stephen Lieber, President & CEO

**Other (Ex-officio or Advisor):**

**CAQH:** Robin Thomashauer, Executive Director; **CMS:** Stanley Nachimson, Senior Technical Advisor, Office of HIPAA Standards; **ASC X12:** Donald Bechtel, Co-Chair, X12 Healthcare Task Group (also with Siemens); **WEDI:** Jim Schuping, Executive Vice President; **NACHA:** Elliott McEntee, President and CEO

# CAQH Role: Facilitator



- Physicians
- Hospitals
- Other providers
- Clearinghouses
- Government
- Vendors
- Non-CAQH health plans
- Standard setting organizations
- Medical societies

## Guiding Principles (Phase I )

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- **All stakeholders are key to CORE's success; no single organization, or any one segment of the industry, can do it alone**
- **Participation does not commit an organization to adoption**
- **Rules will be built on HIPAA to promote interoperability**
- **CORE supports the movement towards real-time exchange**
- **CORE will not build a “switch” or database**

# Phased Approach

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- **Phase I (2005 – Early 2006) – Focused scope on online eligibility and benefits operating rules**
- **Phase II (2006 - 2007) – Expand eligibility and benefits rules to include accumulators and estimated plan payment**
- **Phase III (2007 and beyond) – Write rules for other administrative transactions, which may include:**
  - Claims
  - Referrals and authorizations
  - Other

## 2005 – 2006 Timeline

Activity	Month
Orientation Meeting	January
Applications	ongoing
CORE leadership invitations	February
Work Groups launch	March
Work Group rule writing: Detailed concept development	March - May
Work Group meetings to review draft concepts	June
Issue Mid-Year Communication	July
Work Group rule writing: Finalize rules, incorporating feedback	August - November
Voluntary testing of rules and revisions as needed	Fall
Vote on 1 <sup>st</sup> set of rules	Winter
Sign the Pledge; 180 days after signing, become CORE-certified	2006 (by June)
Receive metrics on Phase I Measures of Success (from early adopters)	Mid-2006
Vote on Phase II scope and begin Phase II rule development	Summer 2006

# CORE Work Groups

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## Initial Work Groups

- Policy Work Group
- Technical Work Group
- Rules Work Group

## Potential Future Work Groups

- Communications Work Group
- Legal and Regulatory Issues Work Group

# CORE Pledge

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- **CORE participation is voluntary**
- **Binding “Pledge”**
- **By signing pledge, CORE participants will agree to adopt, implement and comply with Phase I eligibility and benefits rules as they apply to each type of stakeholder business.**
- **The pledge will be central to developing participant trust that all sides will meet expectations. Charge**

# CORE Certification

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- **Recognizes entities that have met the established operating rules requirements**
- **Participants that create, transmit or use eligibility data in daily business required to submit to third-party testing (within 180 days of signing pledge)**
- **If they comply, receive seal as a CORE-certified health plan, vendor (product specific), clearinghouse or provider**
- **Entities that do not create, transmit or send – sign pledge, receive CORE Endorser Seal**

# Response Time

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- **Maximum real-time and batch processing response times**
- **Currently no industry standards.**
- **Proposed real-time response (HIPAA 271) – 20 seconds or less**
- **Proposed batch response (HIPAA 271) for submission of HIPAA 270 inquiry submitted by 9:00 p.m. Eastern will be 7:00 a.m. Eastern the following business day**
- **CORE participants in compliance if they meet these measures 90 percent of time within calendar month**

# Patient Identifiers

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- **Patient search and match – submission of a HIPAA 270 eligibility only one time and with the minimum amount of ID data for find the individual.**
- **CORE encourages using all four HIPAA Implementation Guide minimum search option data elements:**
  - Patient ID, First Name, Last Name and DOB
- **If not available or provider can't determine if patient is subscriber:**
  - Submit Patient ID and DOB or Patient First Name, Last Name and DOB

# CORE Status

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- **Work Groups have drafted CORE Pledge, Long-Term Vision, Mission, Strategic Plan and proposed Phase I operating rules**
- **Participant feedback on draft documents received**
- **On track to vote on Phase I rules by end of 2005**
- **Expect participant adoption to occur in early 2006**

## In Closing

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**“The work of CORE is not something that one company – or even one segment of the industry – can accomplish on its own. We will all benefit from the outcome: an easier and better way of communicating with each other.”**

**-- *John W. Rowe, M.D., Chairman and CEO of Aetna***

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