

Operating Rules for Eligibility and Claim Status – Preparing for Implementation Authoring Entity Perspective

Testimony Provided to the
Subcommittee on Standards
National Committee on Vital and Health Statistics

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Testimony Overview

(Follows detailed written testimony submitted)

- Background
- Role of Authoring Entities in Implementation
- Activities to Support Transition to Operating Rules
- Status and Key Challenges
- Brief CAQH CORE Update
- Key Steps and Recommendations

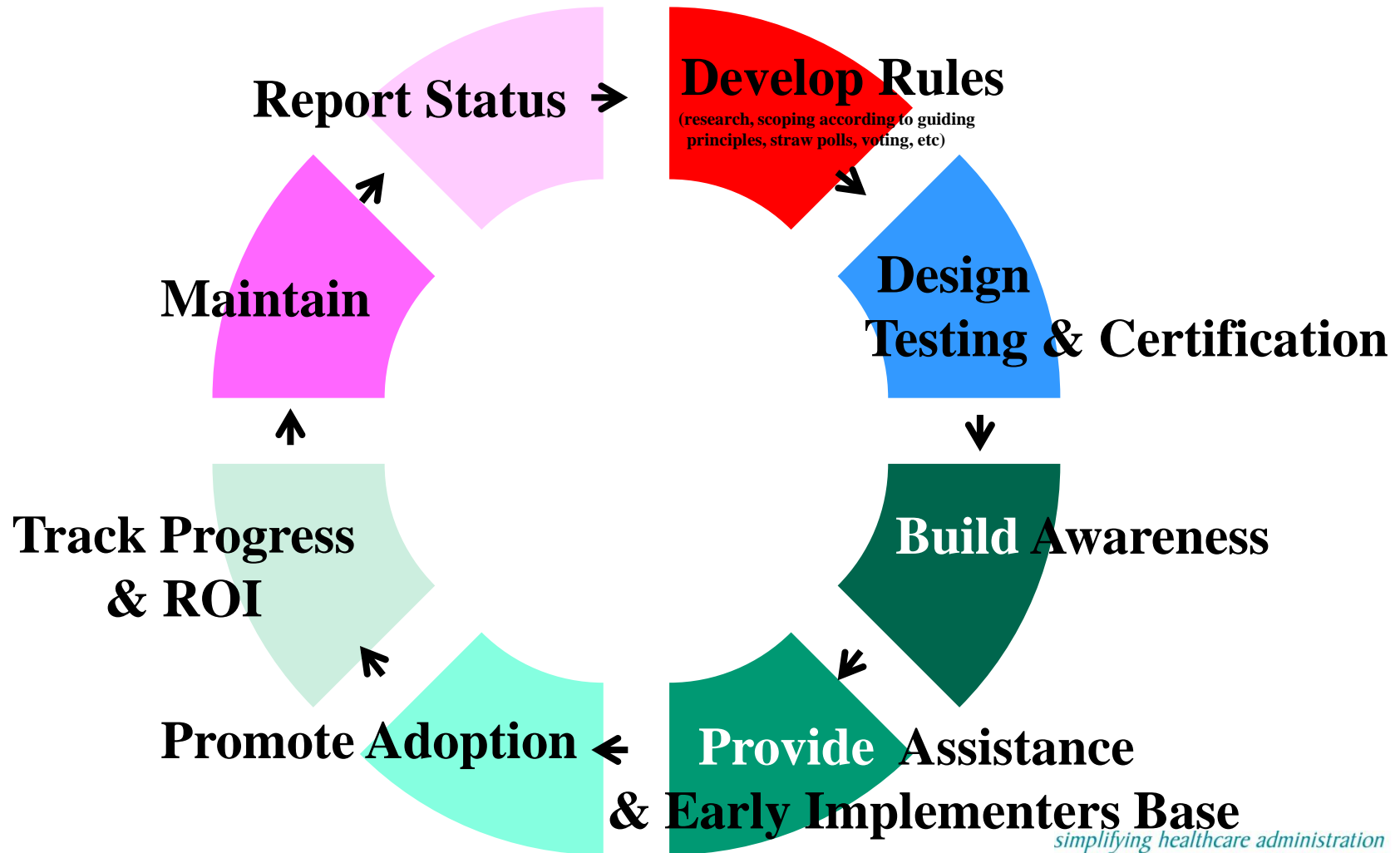
Appendices (enclosed in written testimony)

- A. Snapshot of Recent and Upcoming CAQH CORE Programming
- B. Overview CORE Transition Committee and CORE Governance Model
- C. Examples of Latest Programming Polling Results

Background

- Council for Affordable Quality Healthcare (CAQH) is a non-profit catalyst for industry collaboration on initiatives that simplify healthcare administration.
- Committee on Operating Rules for Information Exchange (CORE):
 - Facilitates development and promotes adoption of operating rules.
- CORE participants include a mix of stakeholders, all of whom have a formal voting role in rule development:
 - Vendors/Clearinghouses
 - Providers
 - Health plans
 - Associations
 - Standard development organizations (SDOs)
 - Government entities
 - Other organizations

CAQH CORE Integrated Model: Perspective on the Role of Authoring Entities



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CAQH CORE Activities to Support Transition

- Educational programming.
 - Variety of venues, different modalities with evolving in-depth content/focus.
 - Collaboration with other organizations on programming, e.g. NeHC, NMEH, WEDI.
 - Low or no cost.
- Interactive tools that are free or low cost, e.g.
 - Analysis and Planning Guide.
 - Request process and referrals to others such as ASC X12 and CMS.
 - Conference calls with organizations managing multiple implementations.
 - FAQs.
 - Polling evaluations to gauge usefulness of content, knowledge base, challenges, etc.
 - Voluntary CORE Certification.
- Tracking ROI and business case awareness.
- Other.
 - Publications by other organizations.
 - Re-packaging rules.
 - Updates to CMS OESS.

Activities: Pricing, Quality and Evolving Depth

- Our statistics show that no and low-priced education is essential to reaching the targeted critical mass at this stage of the adoption cycle and in the life cycle of operating rules.
 - CAQH CORE and other organizations are bearing much of the cost of programming.
 - 300+ attendees is more than possible for webinars.
- To assess collaboration, participation or direct offering CAQH CORE considers:
 - Venues that reach 100+ attendees, and include government and commercial stakeholders.
 - Drawing new and diverse attendees.
 - Expert speakers with in-depth expertise in both underlying standards and operating rules – *early implementers are a key resource.*
 - Use of work products and tools that can aid adoption.
- Statistics also show that the level of information and tools must continue to dig deeper as market adoption digs deeper.

Status and Key Challenges

- Awareness of the operating rules appears strong, especially given all the federal requirements of HIPAA-covered entities.
 - Many entities are moving from planning and analysis into implementation; Medicaid agencies and those entities that serve the agencies are engaged.
 - Health plans are especially concerned about this mandate given the affiliated HHS testing and certification program that will be issued in the coming months.
 - Specific operating rules are challenging for some entities, e.g., lacking deep knowledge of underlying standards such as SOAP while others have major upgrades to meet response time or system availability.
- The early adopter base is key to providing quality education and business case examples.
- Programming, venues and tools must speak to where industry is in the adoption cycle, e.g., Q&A on specific rule requirements, and what implementers are most comfortable with, e.g. request/response that isn't always public.
- There is a growing appreciation regarding how operating rules and underlying standards work together to drive value and interoperability.

Status and Key Challenges (cont'd)

- Two levels of challenges:
 - System level.
 - Implementation level.
- System level challenges:
 - Mandated adoption, and laws of supply and demand:
 - Providers required only to use standards and operating rules if choose to use electronic transactions.
 - Practice management/patient financial systems (PMS) vendors not incentivized to support electronic transactions for providers.
 - Lack of a coordinated network (non-IT) connecting all relevant individuals responsible for implementation and supporting various loci for implementation tools, business strategies, and technical/policy information.

Implementation Level Challenges

- Reaching a critical mass of all stakeholder types:
 - Providers.
 - Healthcare clearinghouses.
 - Health plans.
 - PMS vendors.
- Requires:
 - New venues.
 - Addressing impact on revenue cycle.
 - Cost considerations.
 - Federal engagement.
 - Clear business cases.
 - Quality and evolving content/tools.
 - Testing.
- Understanding which operating rules may be the most difficult for certain stakeholders, and the knowledge level regarding the underlying standards:
 - Real-time.
 - Connectivity.
 - System availability.

Operating Rules and NCVHS Tenth Report to Congress on HIPAA

- NCVHS Tenth Report to Congress on HIPAA highlighted that achieving the goals of HIPAA is a critical part of health reform and there are some necessary steps to take, including:
 - Developing meaningful metrics to measure progress.
 - Identifying appropriate incentives to ensure adoption.
 - Harmonizing the implementation of major initiatives.
 - Accelerating the pace of adoption.
- Current operating rules implementation activities, status and challenges support pursuing these steps identified by NCVHS.

CAQH CORE Update Beyond Implementation

- Actively engaged in EFT and ERA operating rules.
 - Rules balloted and in final approval; rules were repackaged so that references to voluntary CORE Certification is not included.
 - Contributed to request for comments on proposed enhances to *NACHA Operating Rules* and on IFR for health care EFT standard.
- New CORE governance model designed by Transition Committee (see *Appendix B of written testimony*).
- Continue to work with CORE-authorized testing entities given growing number of parties interested in voluntary CORE Certification.
 - Edifecs continues to offer testing site based on CORE Test Suite and CORE participant alpha/beta review for free.
- Over 130 organizations and more than 20 staff and consultants support operating rules development and outreach process for activities such as public polling on new operating rule topics.

CAQH CORE Next Steps for Reaching January 2013 Deadline

- Expand venues/modalities/collaborators and continue to offer three-four education opportunities per month.
 - With ASC X12, highlight tools that require further use of ASC X12 standards.
- Promote information and tools from others while ensuring non-duplication of effort and coordinated messaging on things such as testing.
- Utilize feedback mechanisms to identify evolving awareness and programming needs as industry moves to Jan 2013 (*See next slide and written testimony*).
 - Each month diversify and adjust programming.
 - Conduct readiness assessment survey with collaborators.
- Document strategic drivers to identify ways to accelerate the cycle of adoption, e.g.,
 - Work with providers to encourage PMSs to become CORE-certified.
 - Continue ROI tracking and connect process to US Healthcare Efficiency Index.
 - Consider role of Review Committee required by ACA in 2014.
 - Build early implementation base on EFT and ETA operating rules.
- Continue to update OESS monthly on status.
 - Supply monthly update to NCVHS.

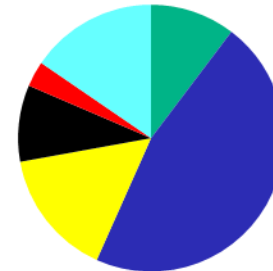
Sample Program Polling: “Got SOAP? Educating IT on Federally Mandated CAQH CORE Connectivity Operating Rules”

Findings from education session, May 31, 2012; *nearly 300* attendees

- **Familiarity** with Federally-mandated CAQH CORE Connectivity Rules
- **Status of implementing** CAQH CORE Connectivity Rules
- **Most challenging** Connectivity Rule requirement to implement



- Not at all
- Slightly
- Moderately
- Very
- Extremely



- Not started
- Planning
- System design
- Implementation
- Testing
- Deployment



- Message Envelope & Attachment
- Message Envelope Metadata
- Message Interactions/Routing
- Response Time
- Transport Protocols & Security
- Error Handling
- Submitter Authentication

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Recommendations for Reaching January 2013 Deadline

- CAQH CORE recommends that NCVHS:
 - Consider system challenges outlined today.
 - NCVHS can move the needle in these policy and strategic areas.
 - Request an update from CAQH CORE in Fall 2012.
 - Recommend that OESS:
 - Monitor adoption status and jointly report monthly to the public on the status and lessons learned.
 - Provide support for existing efforts on education – both by participating directly and distributing information about free/low-priced programming.
 - Utilize expertise of authoring entities to encourage networking by early adopters.
 - Consider if criteria for authoring entity responsibilities need to include adoption and tracking role.

Conclusion

- ACA provides the nation with second opportunity to get administrative simplification “right”.
- CAQH CORE welcomes being involved in efforts to evolve industry approaches, tools, venues, etc. in order to drive greater adoption, highlight expertise and resources, and track impact.

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