NCVHS Subcommittee Meeting

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Daniel Kalwa
Policy Advisor
National Standards Group

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Operating Rules in Affordable Care Act

“(T)he necessary business rules and guidelines for the electronic exchange of information that are not defined by a standard or its implementation specifications as adopted for purposes of this part.”

42 U.S. Code § 1320d(9)

Operating Rules in Affordable Care Act

- Secretary shall adopt a single set of operating rules for each transaction with goal of uniformity in implementation of standards
  - Operating Rules shall be **consensus-based** and reflect necessary business rules affecting health plans and healthcare providers
  - Developed by nonprofit entity
- Secretary shall adopt operating rules following:
  - Consideration of operating rules developed by the non-profit entity
  - Recommendation submitted by NCVHS
  - Ensuring consultation with providers

  Note that this is a summary of the requirements. For the full text of the requirements in context see: 42 U.S. Code § 1320d-2(g)

Operating Rules in Affordable Care Act

- Criteria for an Operating rule entity:
  - focuses its mission on administrative simplification
  - demonstrates multi-stake holder and consensus-based process for development of operating rules
  - has a public set of guiding principles that ensure the operating rules and process are open and transparent
  - builds on the transaction standards issued under HIPAA
  - allows for public review and updates of the operating rules

- NCVHS Review and Selection Process:
  - Solicit proposals from authoring organizations prior to hearing
  - Review proposals and solicit additional supporting materials
  - Analyze/evaluate core criteria against organization information

Note that this is a summary of the requirements. For the full text of the requirements in context see: 42 U.S. Code § 1320d-2(g)

Role of NCVHS in Operating Rules

- Advise the Secretary as to whether a nonprofit entity meets the requirements for operating rule authoring organization
  - Review operating rules developed/recommended by nonprofit entity
- Determine whether such operating rules represent a consensus view of the health care stakeholders
- Determine whether operating rules are consistent with and do not conflict with other existing standards
- Submit to the Secretary a recommendation as to whether the Secretary should adopt such operating rules.

Note that this is a summary of the requirements. For the full text of the requirements in context see: 42 U.S. Code § 1320d-2(g)

Currently Adopted Operating Rules

- CAQH, Committee on Operating Rules for Information Exchange, CORE Phase I Policies and Operating Rules, Approved April 2006, v5010 Update March 2011.
- Phase I CORE 152: Eligibility and Benefit Real Time Companion Guide Rule, version 1.1.0, March 2011.
- Phase I CORE 153: Eligibility and Benefits Connectivity Rule, version 1.1.0, March 2011.
- Phase I CORE 154: Eligibility and Benefits 270/271 Data Content Rule, version 1.1.0, March 2011.
- Phase I CORE 155: Eligibility and Benefits Batch Response Time Rule, version 1.1.0, March 2011.
- Phase I CORE 156: Eligibility and Benefits Real Time Response Time Rule, version 1.1.0, March 2011.
- Phase I CORE 157: Eligibility and Benefits System Availability Rule, version 1.1.0, March 2011.

Note that this is a summary of the requirements broken up by Phase. For the full text of the requirements in context see: 45 CFR § 162.1203

Currently Adopted Operating Rules, cont.

- CORE v5010 Master Companion Guide Template, 005010, 1.2, (CORE v 5010 Master Companion Guide Template, 005010, 1.2), March 2011.
- CAQH, Committee on Operating Rules for Information Exchange, CORE Phase II Policies and Operating Rules, Approved July 2008, v5010 Update March 2011.
- Phase II CORE 250: Claim Status Rule, version 2.1.0, March 2011, as referenced.
- Phase II CORE 258: Eligibility and Benefits 270/271 Normalizing Patient Last Name Rule, version 2.1.0, March 2011.
- Phase II CORE 259: Eligibility and Benefits 270/271 AAA Error Code Reporting Rule, version 2.1.0, March 2011.
- Phase II CORE 260: Eligibility & Benefits Data Content (270/271) Rule, version 2.1.0, March 2011.
- Phase II CORE 270: Connectivity Rule, version 2.2.0, March 2011.

Note that this is a summary of the requirements broken up by Phase. For the full text of the requirements in context see: 45 CFR § 162.1203 and 45 CFR § 162.1403

Currently Adopted Operating Rules, cont.

- Council for Affordable Quality Healthcare (CAQH) Phase III Committee on Operating Rules for Information Exchange (CORE) EFT & ERA Operating Rule Set, Approved June 2012.Phase III CORE 380 EFT Enrollment Data Rule, version 3.0.0, June 2012.
- Phase III CORE 382 ERA Enrollment Data Rule, version 3.0.0, June 2012.
- Phase III 360 CORE Uniform Use of CARCs and RARCs (835) Rule, version 3.0.0, June 2012.
- CORE-required Code Combinations for CORE-defined Business Scenarios for the Phase III CORE 360 Uniform Use of Claim Adjustment Reason Codes and Remittance Advice Remark Codes (835) Rule, version 3.0.0, June 2012.
- Phase III CORE 370 EFT & ERA Reassociation (CCD+/835) Rule, version 3.0.0, June 2012.
- Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule, version 3.0.0, June 2012.
- ACME Health Plan, CORE v5010 Master Companion Guide Template, 005010, 1.2, March 2011, as required by the Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule, version 3.0.0, June 2012.

Note that this is a summary of the requirements broken up by Phase. For the full text of the requirements in context see: 45 CFR § 162.1603

Exceptions to Operating Rule Requirements

45 C.F.R. § 162.1203 Operating rules for eligibility for a health plan transaction.

(b) Excluding where the CAQH CORE rules reference and pertain to acknowledgements and CORE certification.

45 C.F.R. § 162.1403 Operating rules for health care claim status transaction.

(b) Excluding where the CAQH CORE rules reference and pertain to acknowledgements and CORE certification.

45 C.F.R. § 162.1603 Operating rules for health care electronic funds transfers (EFT) and remittance advice transaction.

(1) (6) Phase III CORE 350 Health Care Claim Payment/Advice (835) Infrastructure Rule, version 3.0.0, June 2012, except Requirement 4.2 titled “Health Care Claim Payment/Advice Batch Acknowledgement Requirements”.

Actions That Require Rulemaking

Some proposed actions that would require rulemaking include, but are not limited to:

- Changing the version of Operating Rules specified,
- Changing the Phase structure as referenced in current regulations,
- Removing the existing exceptions.

Unless the Operating Rules are changed in regulation, covered entities should comply with the version of the operating rule stated in regulation.

Thank You

Thank you for the opportunity to speak to the subcommittee. Questions from the public may be directed to CMS via email:

Administrative.simplification@cms.hhs.gov