



The National Clearinghouse Association

# NCVHS Subcommittee on Standards Hearing on Proposed CAQH CORE Operating Rules

Proposed Operating Rules for Connectivity

**Testimony By:**

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# Cooperative Exchange

## The National Clearinghouse Association

- Membership includes 23 clearinghouse organizations.
- Representing over 90% of the clearinghouse industry.
- Process over 6 billion healthcare claims representing over 2 trillion dollars annually.
- Enable nationwide connectivity for over:
  - 800,000 provider organizations
  - More than 7,000 payer connections
  - 1,000 Health Information Technology (HIT) vendors
- Cooperative Exchange healthcare electronic data interchange (EDI) interstate highway represents the U.S. system enabling connectivity across all lines of healthcare eCommerce in the United States.

# Anticipated Value of Proposed Operating Rule

**Solves the existing challenge of multiple (former Phase I-III vs. Phase IV) Safe Harbor Connectivity Rules by proposing a single and uniform Safe Harbor Connectivity Rule**

- A single and uniform Safe Harbor connectivity rule standardizes EDI connectivity for application vendors, clearinghouses, providers, and health plans that choose to utilize the Safe Harbor connectivity method.

# Anticipated Concerns about Proposed Operating Rule(s)

## 1. The CAQH CORE Connectivity & Security Work Group is actively working on a rewrite of the Connectivity Rule

- SSL v3.0 is included in the proposed version C3.1.0 Connectivity Rule as a minimum standard despite known and publicly published security vulnerabilities.
- We recommend that the industry wait for the 2020 CAQH CORE Connectivity Operating Rules version C4.x rewrite process to conclude and revisit at that time to mitigate unnecessary industry implementation costs and resources.

## 2. National Institute on Standards and Technology- Existing Industry Connectivity Framework

- HIPAA Security and HITECH Rules cite the National Institute of Standards and Technology (NIST) as the authoritative industry source, not the Operating Rule Authoring Entity.
- Connectivity rules created outside of and divorced from the NIST standard guides/specifications create confusion and disparity in healthcare EDI standards deployment.

# Anticipated Concerns about Proposed Operating Rule(s)

## 3. Previous Recommendations Not Addressed

- The proposed operating rule for connectivity only allows stakeholders one option for authentication, X.509 Digital Certificates.
- Limiting authentication to only one solution does not provide flexibility to meet different stakeholder business needs and may impede EDI adoption.
- Per prior testimonies by multiple organizations, the cost of implementing X509 certificates will be passed on to providers and will merely be a shift in the transaction cost along with creating additional administrative burden for stakeholders required to comply with this operating rule.
- The proposed Connectivity rule limits the inclusion of new and emerging technology such as restful API's, OAUTH, SAML authorization and Identity Services that address many of the business issues that the proposed Connectivity Rule would limit.

# Anticipated Concerns about Proposed Operating Rule(s)

## 4. Costs and Resources of implementing the proposed connectivity rule.

- No perceived benefits versus cost and required resource commitments.
  - Required to implement & support regardless of usage or current solutions.
  - A federal connectivity mandate could supersede other business development initiatives which are based on an organization's defined product roadmap and client needs.
- Development – Required for all that did not implement X.509 Digital Certificate based authentication over SSL/TLS and SOAP 1.2 + WSDL 1.1 and MTOM (for both Real Time and Batch).
  - Cost and resources vary by product and architecture.
  - May need to implement for multiple products based on product delivery and past acquisitions.
- Testing – Required for all.
  - At our non-recoupable expense, resources must be allocated, and a complete testing environment must be staged.

# Recommendations

The Cooperative Exchange, the National Clearinghouse Association DOES NOT support federal adoption of the Connectivity Operating Rules as proposed.

The Cooperative Exchange recommends:

- The industry wait for the 2020 CAQH CORE Connectivity Operating Rules version C4.x rewrite process to conclude (expected by the end of 2020).
- Revisit at that time to ensure that this is addressed and mitigate unnecessary industry implementation costs and resources.
- Connectivity operating rules should align with existing HIPAA and Hitech security regulations that reference the federal National Institute of Standards and Technology (NIST) guidelines.

# Thank You

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