Presentation to NCVHS: New and Updated CAQH CORE Operating Rules for Federal Adoption

January 19, 2023

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Erin Weber, MS, Vice President, CAQH CORE

Agenda

- CAQH CORE Overview
- Rule Development and Intersection with NCVHS
- Proposed Operating Rules and Approval Process
- Impact of the Proposed CAQH CORE Operating Rules
  - Connectivity
  - Infrastructure
  - Eligibility and Benefits
  - Attachments
- Closing Statements

CAQH CORE Operating Rules Streamline the Business of Healthcare

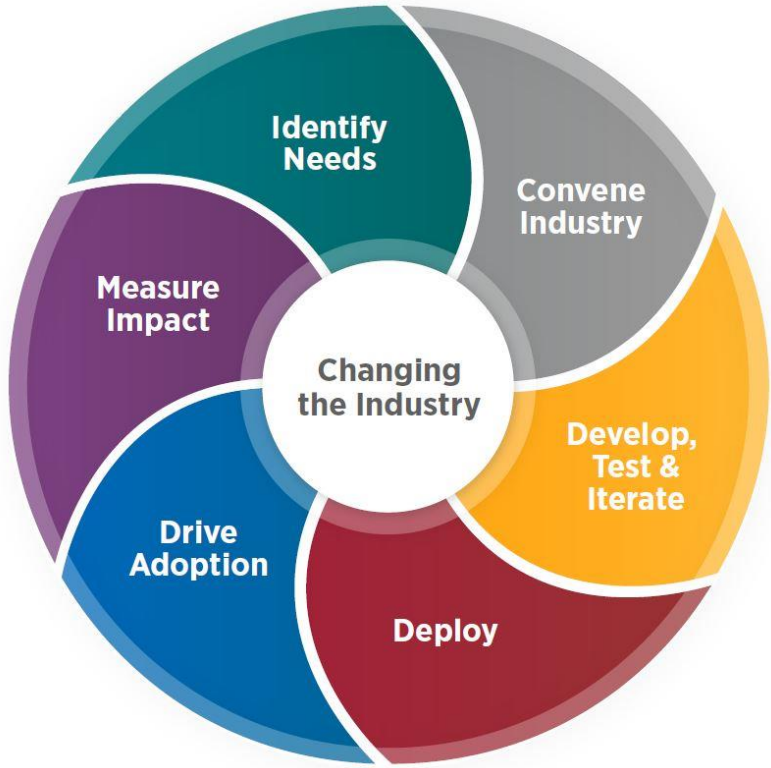
CAQH CORE develops business rules for the effective and efficient use of electronic standards. CAQH CORE is accountable to a multi-stakeholder board composed of health plans, providers, vendors, government entities, and SDO advisors. CORE Participation encompasses robust representation across the same stakeholder groups.

CAQH CORE Directive

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: The **Department of Health and Human Services (HHS) designated CAQH CORE as the national Operating Rule Authoring Entity** for all HIPAA mandated administrative transactions to improve the efficiency, accuracy, and effectiveness of industry-driven business transactions.



CAQH CORE Board Membership

Industry-led. Diversity of leadership. Executive level.

Provider Organizations

Organization	Name and Title
Drexel University College of Medicine	Marilyn J. Heine, MD, FACEP, FACP, FCPP; Clinical Assistant professor of Medicine
Massachusetts General Physicians Organization	Kevin Mulcahy, FACMPE; Senior Director, Provider and Payer Service
St. Joseph's Health	Linda Reed, RN, CHCIO, FCHIME; Senior Vice President and Chief Information Officer
Montefiore	John Williford; Vice President and Chief Operations Officer of CMO, Montefiore Care Management
AspenDental	Margaret Schuler, MBA; Senior Vice President, Practice Support Operations and Revenue Cycle Management

Vendors

Organization	Name and Title
athenahealth	Paul Brient, MBA; Senior Vice President and Chief Product Officer
InstaMed a J.P.Morgan company	Chris Seib; Chief Technology Officer and Co-Founder
Epic	Achudhan Sivakumar; Software Development Product Lead – Referrals & Authorizations

Health Plans

Organization	Name and Title
BlueCross BlueShield of North Carolina	Emily Brannen; Vice President, Digital and Service Strategy
Centene Corporation	Anika Gardenhire, RN; Chief Digital Officer
UnitedHealth Group	Tim Kaja, MBA; President, Optum Health Networks & Network Support
Point32Health	Michael S. Sherman, MD, MBA, MS; Chief Medical Officer
aetna	Scott Waller; Vice President, Aetna IT Application Delivery Division

Non-voting Members & Advisors

Organization	Name and Title
CMS	Daniel Kalwa; Deputy Director, National Standards Group
X12	Cathy Sheppard; Executive Director
HL7	Viet Nguyen, MD; Chief Standards Implementation Officer
Nacha	Jane Larimer; President and CEO
NCPDP	Lee Ann Stember; President
wedi	Charles Stellar; President and CEO

CAQH CORE

More than 100 CAQH CORE Participating Organizations

Health Plans

- Aetna
- Ameritas Life Insurance Corp.
- AultCare
- Blue Cross and Blue Shield Association (BCBSA)
- Blue Cross Blue Shield of Michigan
- Blue Cross Blue Shield of North Carolina
- Blue Cross Blue Shield of Tennessee
- CareFirst BlueCross BlueShield
- Centene Corporation
- CIGNA
- Coventry Health Care
- Elevance Health
- Health Care Service Corp
- Health Net Inc. (Centene Corporation)
- Horizon Blue Cross Blue Shield of New Jersey
- Humana
- Medical Mutual of Ohio, Inc.
- Point32Health
- UnitedHealthGroup

Government

- Arizona Health Care Cost Containment System
- California Department of Health Care Services
- Centers for Medicare and Medicaid Services (CMS)
- Federal Reserve Bank of Atlanta
- Florida Agency for Health Care Administration
- Health Plan of San Joaquin
- Michigan Department of Community Health
- Minnesota Department of Health
- Minnesota Department of Human Services
- Missouri HealthNet Division
- North Dakota Medicaid
- Oregon Department of Human Services
- Oregon Health Authority
- Pennsylvania Department of Public Welfare
- TRICARE
- United States Department of Treasury Financial Management
- United States Department of Veterans Affairs

Integrated Plan/Provider

- Highmark Health (Highmark, Inc.)
- Kaiser Permanente
- Marshfield Clinic/Security Health Plan of Wisconsin, Inc.

Commercial, Governmental, and Integrated Health Plans account for 75% of total American covered lives

Providers

- American Hospital Association (AHA)
- American Medical Association (AMA)
- Children's Healthcare of Atlanta Inc
- Cleveland Clinic
- Greater New York Hospital Association (GNYHA)
- Healthcare Financial Management Association (HFMA)
- Laboratory Corporation of America
- Mayo Clinic
- Medical Group Management Association (MGMA)
- Montefiore Medical Center
- New Mexico Cancer Center
- OhioHealth
- Ohio Hospital Association
- Ortho NorthEast (ONE)
- St. Joseph's Health
- Virginia Mason Medical Center

Vendors & Clearinghouses

- AIM Specialty Health
- athenahealth
- Availity, LLC
- Aver
- Cedar Inc
- Cerner/Healthcare Data Exchange
- Change Healthcare
- ClaimMD
- Cognizant
- Conduent
- CSRA
- DXC Technology
- Edifecs
- Epic
- Experian
- Healthedge Software Inc
- HEALTHeNET
- HMS
- Infocrossing LLC
- InstaMed
- NantHealth
- NextGen Healthcare Information Systems, Inc.
- Olive AI
- OptumInsight
- PaySpan
- PNC Bank
- PriorAuthNow
- SS&C Health
- The SSI Group, Inc.
- TIBCO Software, Inc.
- TriZetto Corporation, A Cognizant Company
- Utah Health Information Network (UHIN)
- Wells Fargo

Other

- Accenture
- ASC X12
- Cognosante
- Healthcare Business Management Association
- HL7
- NACHA The Electronic Payments Association
- NASW Risk Retention Group, Inc.
- National Association of Health Data Organizations (NAHDO)
- National Committee for Quality Assurance (NCQA)
- National Council for Prescription Drug Programs (NCPDP)
- New England HealthCare Exchange Network (NEHEN)
- Private Sector Technology Group
- Tata Consultancy Services Ltd
- Utilization Review Accreditation Commission
- WEDI

CAQH CORE

Operating Rules are an Essential Component of Electronic Standard Adoption

New and updated operating rules support NCVHS and HHS priorities

2010-2015
Establishment

Clearly defined pathways between operating rule proposal and federal mandate. Stated designation and role of CAQH CORE in driving industry-wide uniformity.

- ✓ CAQH CORE Eligibility & Benefits and Claim Status Operating Rules federally adopted in 2011 following recommendation from NCVHS.
- ✓ CAQH CORE EFT/ERA Operating Rules federally adopted in 2012 following recommendation from NCVHS.
- ✓ HHS confirmed CAQH CORE as the Operating Rule Authoring Entity for remaining HIPAA-required transactions including attachments in 2012 following recommendation from NCVHS.
- ✓ Widespread adoption of federally mandated CAQH CORE Operating Rules drove increased use of electronic transactions.

2016-2020
Recalibration

New technologies, regulatory priorities, and evolving business cases necessitated a re-evaluation and re-calibration of operating rules and standards.

- ⚖ Observed variable implementation of standards and operating rules; both must be updated and refined to meet business needs.
- ⚖ NCVHS reports and recommendations, such as the *Roadmap to Interoperability,* outline approaches to modernizing and evolving standards and operating rules.
- ⚖ Proposed CAQH CORE Operating Rules strongly recommended for voluntary adoption to further demonstrate ROI and support industry coalescence around emerging technologies.

2021 - Beyond
Opportunity

CAQH CORE responded to direction given by NCVHS and HHS to strengthen its operating rules, measure impact, and align the pathway to mandate.

- ✓ CAQH Index and CORE Pilot & Measurement Initiative support assessment of standard and operating rule adoption based on time and cost savings.
- ✓ Updated infrastructure and connectivity operating rules promote adoption of new standards by modernizing security and exchange protocols.
- ✓ Evolved data content operating rules address changing business scenarios, allowing providers and payers to close automation gaps.
- ✓ Attachment operating rules align with recommendations from NCVHS and HHS, providing a standard-agnostic framework for implementation of proposed standards.

CAQH CORE

CAQH CORE Rule Development Process

Consensus-based development reflects broad support for proposed operating rule set

Identify Opportunities

2 Environmental Scans
- Attachments for Claims and Prior Authorization
- Value-based payments

5 Publications
- **1** Issue Brief
- **4** White Papers

Further Reading

- **Attachments**:
  - "Keeping it Together"
  - "A Bridge to a Fully Automated Future"
- **Connectivity**: "The Connectivity Conundrum"
- **Prior Authorization**: "End-to-end Automation"
- **Value-based Payments**: "All Together Now"

Develop Requirements

38 Work Group Calls
- Representatives from **over 140** Organizations

30 Straw Polls & Ballots

Diverse Work Group Chairs
- **Connectivity:** Patrick Murta, *Humana;* Michael Privat, *Avality;* Megan Soccorso, *Cigna*
- **Claim Attachments:** Santo Carino, *Epic;* Bob Gross, *Cleveland Clinic;* Mahesh Siddanati, *Centene*
- **PA Attachments:** Christol Green, *Elevance Health;* Michael Marchant, *UC Davis Health;* Alka Mukker, *Change Healthcare;* Mahesh Siddanati, *Centene*
- **Eligibility**: Donna Campbell, *HCSC,* Nora Iluri, *athenahealth,* Molly Reese, *AMA,* Megan Soccorso, *Cigna*

Final Vote

100% Support
Connectivity vC4.0.0

90% Support
Infrastructure Updates

88% Support
Eligibility & Benefits Updates

93% Support
Single Patient Attribution

90% & 88% Support
Claims and Prior Authorization Attachments Operating Rules

Board Approval

5 CORE Board Votes
Unanimous Approval

Proposed CAQH CORE Operating Rule Set

Modernizes and enhances existing requirements and provides framework for attachments standards

Industry Burden	Addressed by
Inadequate security standards and lack of uniform support for emerging standards expose implementers to external threats and limits system integration and industry-wide connectivity.	**Updated: CAQH CORE Connectivity Rule vC4.0.0**
Outdated requirements do not represent best practice system availability, security, and information exchange protocols, inhibiting transition to fully automated transactions for eligibility & benefits, claim status, and electronic remittance advice (ERA).	**Updated: CAQH CORE Infrastructure Operating Rules**
The **level of coverage detail returned in an eligibility response is insufficient** to meet the needs of an industry that is dealing with PHE-driven telehealth usage and growing complexity of benefit designs.	**Updated: CAQH CORE Eligibility & Benefits Data Content Operating Rule***
Value-based payment model **attribution methodologies vary between payers and data is delivered in different formats**, perpetuating manual workflows and complicating patient identification.	**New: CAQH CORE Single Patient Attribution Data Content Operating Rule**
Multiple named attachment standards creates divergent implementation and perpetuates proprietary approaches for the electronic exchange of supplementary information, persisting industry fragmentation.	**New: CAQH CORE Prior Authorization and Health Care Claim Attachments Operating Rules**

Industry feedback based on Impact Assessments conducted by CORE Board organizations:

- ✓ Implementation of proposed operating rules is seen as high value.
- ✓ Resources vary depending on operating rule, but costs are not added beyond implementation.
- ✓ Implementation timeframes align with typical regulatory conformance deadlines.

Presentation structure to demonstrate value of the proposed rule set:

1. Overview of operating rule content and changes.
2. Industry reported benefit and impact of the proposed operating rule set.
3. Examples of how implementation improves real-world workflows.

CAQH CORE Connectivity Rule vC4.0.0

Updates decade-old mandated requirements with advanced connectivity and security protocols

100% Support from CORE Participants

	Mandated Phase I and II Connectivity Rules	VS.	vC4.0.0 Connectivity Rule
SOAP	Public Internet	**Network**	No change
	HTTP/S	**Transport Protocol**	No change
	SSL 3.0 or TLS 1.1 or higher	**Security**	TLS 1.2 or higher
	SOAP + WSDL and MTOM **Or** HTTP+MIME	**Message Protocol**	SOAP + WSDL and MTOM
	Username and password **Or** X.509 Digital Certificate	**Authentication**	X.509 Digital Certificate
	N/A	**Authorization**	OAuth 2.0
	Agnostic; includes examples of X12 v5010	**Payload Types**	Agnostic; adds X12 275 v6020 examples
	Real-time and batch	**Processing Mode**	No changes
	Metadata defined (Field names, values)	**Envelope Metadata**	Adds SHA-1 for Checksum*
	Error code specificity	**Error/Status Communication**	Updates to error codes
REST	N/A	**Message Protocol**	Human-readable JSON JAVA format
	N/A	**Payload Types**	Agnostic
	N/A	**Versioning**	CORE Connectivity Versioning
	N/A	**HTTP Methods**	Specific HTTP Methods, including POST and GET
	N/A	**Error Handling**	HTTP Error/Status Codes
	N/A	**API Endpoints**	API Endpoint Naming Conventions

*FIPS 140-2 compliant implementations can use SHA-2 for checksum.

CAQH CORE

Benefits and Impact of CORE Connectivity vC4.0.0

Industry partners suggest overall low burden of implementation with a high value proposition

Benefits of CORE Connectivity vC4.0.0

- Trading partners can exchange information using multiple data formats and standards, including through RESTful API.
- OAuth 2.0 and requirement to use digital certification reduces security threats and the need to maintain outdated systems.
- Foundational components of mandated Connectivity Rules are carried over, such as Safe Harbor Connectivity, minimizing implementation burden.

Industry Report Card for CORE Connectivity vC4.0.0

Cost burden
Low

Stakeholders report an expected average of **~$350K** necessary to implement changes. Most implementation activity will occur at the health plan and vendor level.

Time burden
Moderately Low

Implementation timelines range depending on stakeholder group. For example, **health plans expect to spend 9-12 months** implementing, while **provider groups anticipate spending 2-3 months**.

Value
Moderately High

It is anticipated these **changes will have high value impacts** on service, efficiency and security by streamlining workflows, expanding connections to APIs, and closing security gaps. Resources required for maintenance will remain stable.

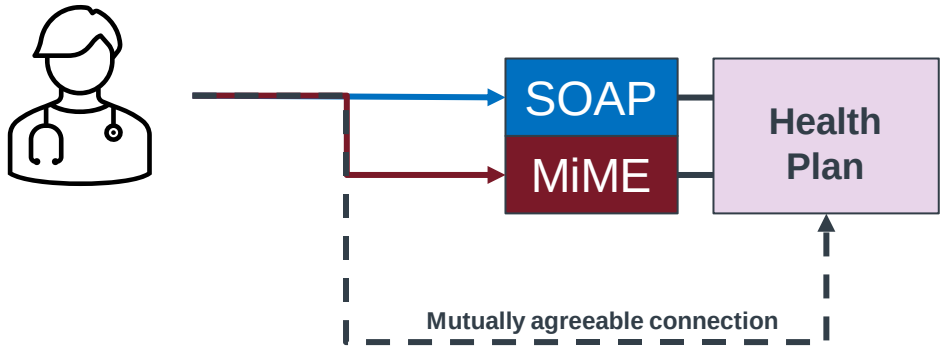
Impact of Updated Connectivity Requirements on Transaction Workflows

Reflects the evolution of best practice connectivity methods over time

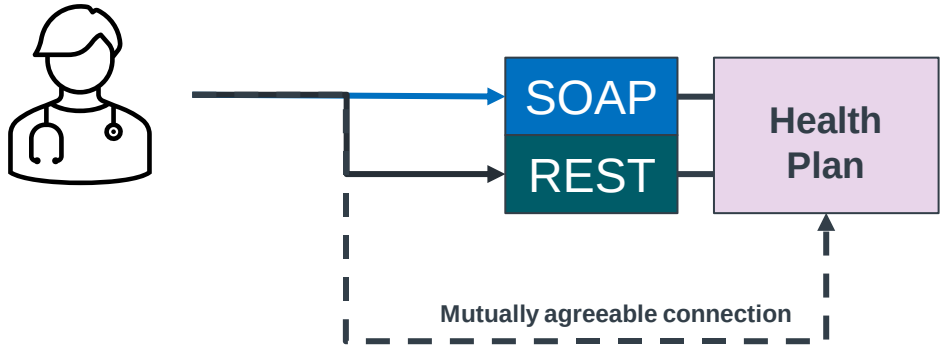
The CAQH CORE Connectivity Rule vC4.0.0 is a **Safe Harbor** and updates conformance requirements for implementing organizations.

- ✓ Health plans or Clearinghouses must support **all** connectivity methods, SOAP **and** REST.
- ✓ Providers or Vendors must support **at least one** connectivity method, SOAP **or** REST.

Phase I and II CORE Connectivity
Health plans must support SOAP/MiME exchange and accommodate Safe Harbor



CORE Connectivity vC4.0.0
Health plans must support SOAP/REST exchange and accommodate Safe Harbor



Trading partners may also use a mutually agreeable connection to facilitate the exchange of information; however, if a trading partner **requests SOAP or REST exchange**, that method must be accommodated.

CAQH CORE Infrastructure Operating Rules

Greater system availability and updated CORE Connectivity support contemporary business needs

90% Support from CORE Participants

Existing Requirements	VS.	Requirements Proposed for Mandate
86% per calendar week	**Weekly System Availability**	**90%** per calendar week
N/A: Current Mandated CAQH CORE Infrastructure Rules **do not include** a quarterly system availability requirement	**Quarterly System Availability**	Health plans and their agents may use **24 additional hours** of system downtime per calendar quarter to accommodate larger system updates and maintenance
Phase I & II Connectivity Rules (vC.1.1.0 & vC.2.2.0)	**Connectivity**	Requires implementation of **most current** CAQH CORE Connectivity Rule (vC.4.0.0)
Companion guides must follow format and flow of CORE Master Companion Guide	**Companion Guide**	Allows implementer to reference any version of the X12 Standard

Updates to system availability requirements increases up-time by 364 hours annually

Benefits and Impact of CAQH CORE Infrastructure Rules

Stakeholders have realized these benefits in practice, requirements create a new "floor"

Benefits of CAQH CORE Infrastructure Rules

- Increased system availability effectively captures the 24/7 nature of healthcare while still accommodate larger system updates and maintenance.
- The updated infrastructure rules reference the most recent version of CORE Connectivity, enhancing security.
- Updates establish a new baseline for all health plans, providers, and vendors across the industry. Though larger organizations may proactively implement these requirements, mandating requirements compels laggards to apply best practices.

Industry Report Card for CAQH CORE Infrastructure Rules

Cost burden
Low

Most requirements surrounding system availability have **already been adopted by many stakeholders** across the industry, minimizing resourcing.

Time burden
Low

Stakeholders are unlikely to encounter a need to devote significant new resources to implementation of system availability requirements.

Value
High

Wider industry adoption of the updated requirements leads to **greater automation of eligibility & benefits and claim status** that respectively account for over $14 billion of industry cost saving opportunity (CAQH Index).

CAQH CORE Eligibility & Benefits Data Content Rules

Requirements reflect changing care settings and increased granularity of benefit design

88% Support from CORE Participants

Existing Requirements	VS.	New Requirement Proposed for Mandate
Benefit information **at least** 12 months into the past, up to the end of the current month	**Eligibility Timeframe**	**Maintain requirement**
Return patient financial responsible for co-pay, co-insurance and deductible	**Patient Financial Responsibility**	**Maintain requirement**
Provide name of the health plan covering the individual	**Name of Health Plan**	**Maintain requirement**
Use of standard characters, cases, prefixes and suffixes for last names	**Normalization of Patient Last Name**	**Maintain requirement**
Defined reporting of errors using AAA error codes	**Error Code Reporting**	**Maintain requirement**
9 discretionary and 43 mandatory service type codes; **52 total**	**Service Type Codes**	Adds 71 discretionary and 55 mandatory service type codes; **178 total**
N/A	**Specifying Telehealth Benefit**	Coding requirements using CMS place of service codes when service is available through telehealth
N/A	**Maximum and Remaining Coverage Benefits**	Return maximum and remaining benefits; required for 10 CORE STCs
N/A	**Procedure-level Eligibility and Benefits**	Return eligibility and benefit information at the procedure code level for PT, OT, surgery, and imaging
N/A	**Prior Authorization**	Must indicate whether included CORE STCs or procedure codes require prior authorization or certification
N/A	**Tiered Benefit Coverage**	Return detailed eligibility and benefit information for tiered benefit coverage
N/A	**Single Patient Attribution***	Requires health plans to return patient attribution status

*Included in CAQH CORE Single Patient Attribution Operating Rule.

Benefits and Impact of CAQH CORE Eligibility and Benefits Rules

Acceptable level of resource devotion equates to higher value through greater automation

Benefits of CAQH CORE Eligibility and Benefits Data Content Operating Rules

- Reflects complex benefit designs by expanding and including individual service type and procedure codes, respectively, and requiring health plans to return benefit design and prior authorization necessity.
- Addition of telehealth place of service codes at eligibility verification reduces the need for manual follow-up; an issue exacerbated by the pandemic-related growth of telehealth.
- Updates align with regulatory priorities by providing detailed patient financial information and returning detailed prior authorization requirements at the point-of-care related to specific patients and providers as needed by commercial market.
- Supports the growth and implementation of value-based care models by disentangling complicated, proprietary patient attribution methodologies, returning status at the point-of-care.

Industry Report Card for CAQH CORE Eligibility and Benefits Operating Rules

Cost burden
Moderate

A regional health plan reported an estimated **~$2.4 million** in implementation costs. This investment would be offset by a **60% decrease in annual maintenance costs** and an **80% reduction in eligibility-related call center volume** for the impacted STC codes.

Time burden
Moderate

Implementation timeline is estimated to be between **18-24 months.** This timeframe would be offset by a **commensurate reduction in ongoing FTE support**.

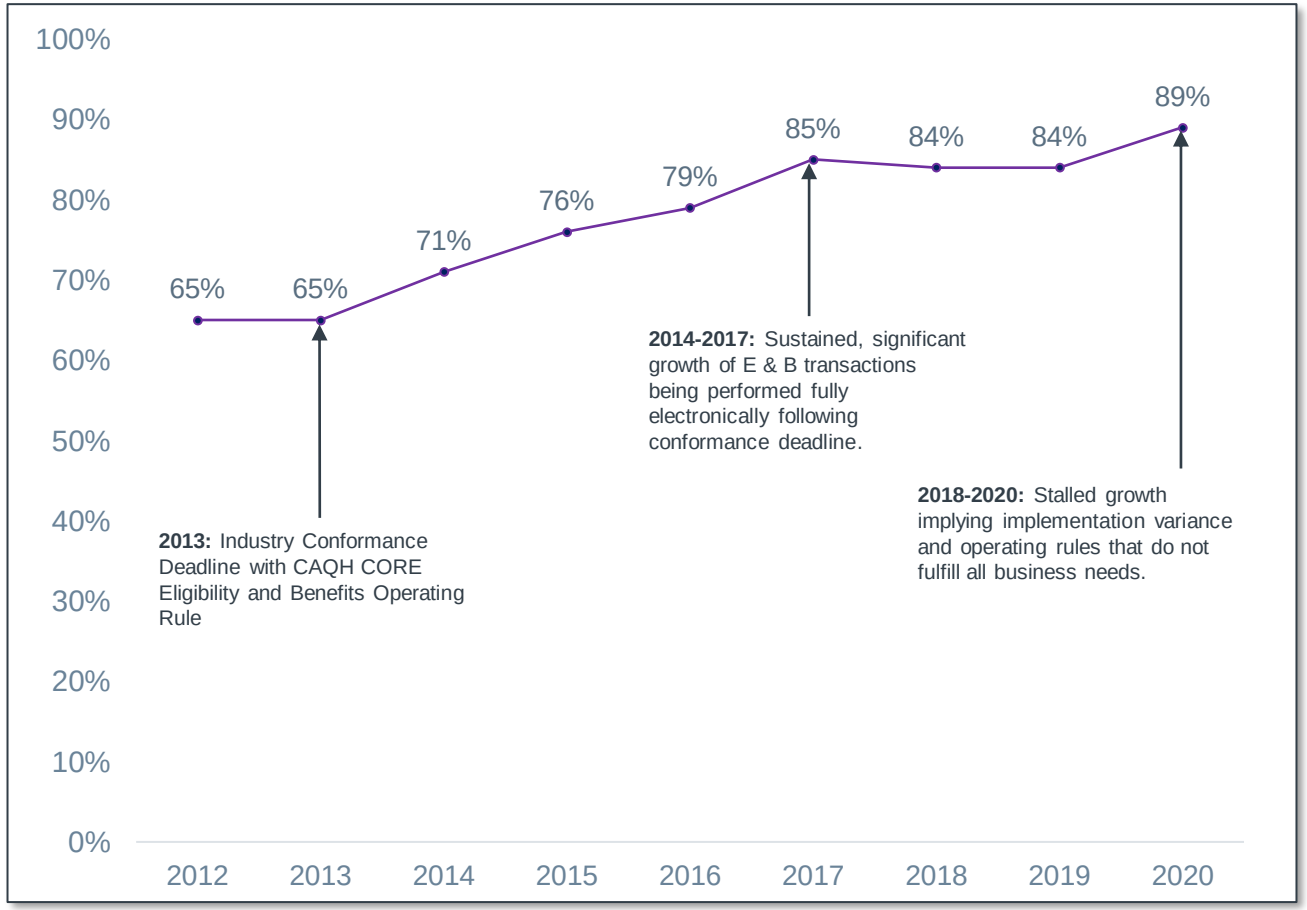
Value
Moderately High

Updates are viewed as high value for their role in streamlining communication and promoting VBC.

Impact of CAQH CORE Eligibility and Benefits Operating Rules

Operating rules have saved industry approximately $18 billion to date

Percent of Fully Electronic Eligibility and Benefit Transactions
2012 - 2020



According to the CAQH Index and CORE Certification data, over $55 billion has been saved arising from incremental improvements to automation since the operating rules began to be federally mandated in 2013. Approximately one-third of this total is attributable to operating rule implementation. Eligibility and benefit transactions account for over 70% of the savings.

*Communicating Attribution: Accessibility of Information to Support Value-based Payment Initiatives

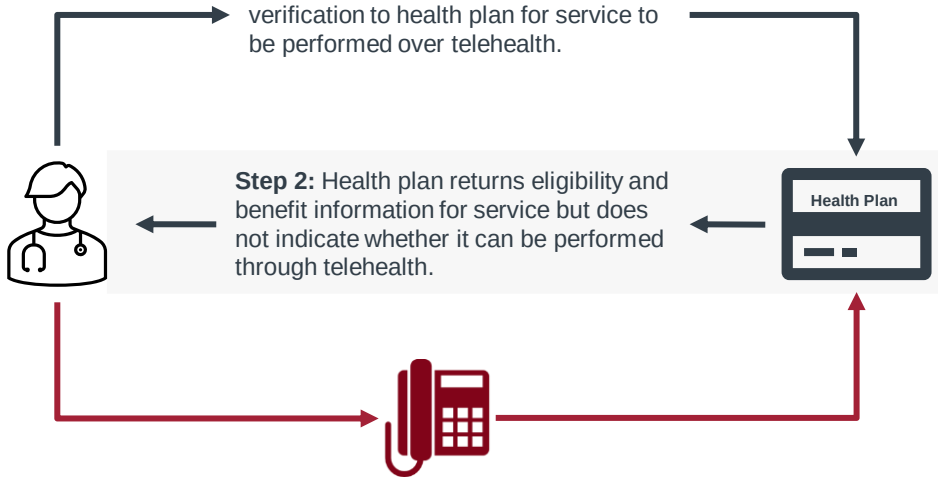
Impact of Updated Eligibility Requirements on Transaction Workflows

Updates provide critical data to providers in real-time, reducing the need for phone calls

The currently mandated eligibility and benefits operating rules are inadequate to meet modern business scenarios and close the automation gap. Updates more accurately reflect current health plan benefit design by adding more granular detail, the ability to automate telehealth eligibility and prior authorization requirements, and procedure-code level information.

Example: Comparative Workflows for Verifying Telehealth Eligibility

Workflow in Mandated Phase I and II Eligibility and Benefits Operating Rules

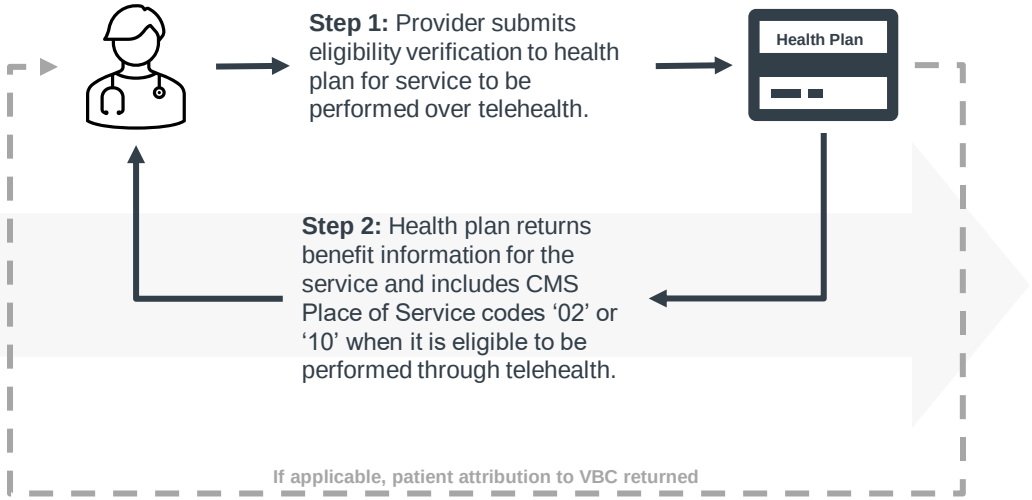


Step 3: Provider follows up manually to obtain greater detail about eligibility and whether the service can be completed using telehealth; additionally collects information about other requirements (e.g., prior authorization).

Rise in telehealth usage during the COVID-19 pandemic led to an increase in manual processes driving $15.09 per transaction cost saving opportunity.

Updated rule requirements address the penetration of telehealth providing more opportunity for automation.

Workflow in CAQH CORE Eligibility and Benefits Operating Rule vEB 2.0



CAQH CORE Attachments Operating Rules

Critical additions to the uniform implementation of proposed attachment standards

The Attachment Operating Rules establish a standard-agnostic framework for technical implementation and guidelines to uniformly share supplementary health information supporting claim and prior authorization transactions.

The operating rules align with previous recommendations from NCVHS for what standards and operating rules should address, including standard agnosticism, file size requirements, and applications to claim and prior authorization transactions.

CAQH CORE Attachment Operating Rules are EXPLICITLY identified as being under consideration in the NPRM 87 FR 78438. CMS confirmed the simultaneous adoption of operating rules and the standards is *inbounds* for inclusion in final rule.

88% & 90% Support from CORE Participants

Benefits and Impact of CAQH CORE Attachments Rules

Acceptable resource devotion leads to high-value adoption of augmenting guidelines

Benefits of CAQH CORE Attachments Rules

- Minimum file size requirements, optimized response times, and standardized error code reporting reduces implementation variance, minimizing costly “back-and-forth” spent resolving an attachment request.
- The rules were intentionally designed to apply to multiple formats, establishing a consistent basis for the adoption and implementation of standards while maintaining consistent infrastructure and data content expectations.
- The rules aid exchange workflows in becoming more clinically relevant through the recommended support of LOINC; aligning clinical and administrative language.

Industry Report Card for CAQH CORE Attachments Rules

Cost burden
Moderate

A regional health plan reported an estimated **~$2.2 million** in implementation costs for attachment **standards and operating rules**. This investment would be offset by a nearly **50% decrease in annual maintenance costs** and a **40% reduction in** attachments related **call center and fax volume**.

Time burden
Moderate

Implementation timeline is estimated to be between **18-24 months.** This timeframe would be offset by a more than **40% reduction in ongoing FTE support**.

Value
High

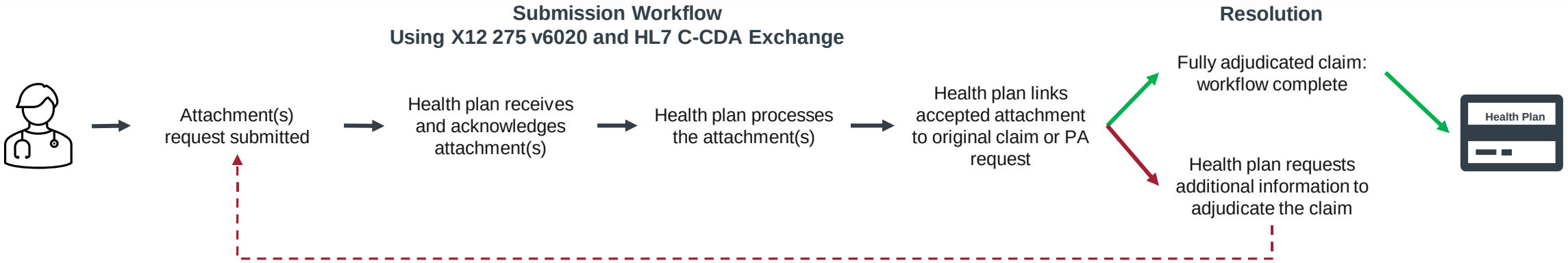
National health plan currently piloting attachments operating rules with the X12 275 projected to save **~$300k** on an initial round of **76,000 attachments** over 8 months.

Perceived value of these changes is predictably high given that 80% of attachments are currently conducted manually*, streamlining burdensome workflows and immediately helping organizations realize operational efficiencies. Efficiencies are realized immediately.

*Source: 2021 CAQH Index.

Impact of Attachment Operating Rules on Transaction Workflows

Operating rules aid stakeholders in traversing common challenges along the attachment workflow



Barriers Encountered

- Unanticipated or off-hour system downtime.
- Unclear submission requirements for acceptance.
- Varying time to health plan acknowledgment of a submission.
- File sizes of attachments exceed what proprietary portals can accept.
- Multiple attachments become de-associated during submission workflows.
- Submission errors are not highlighted in a timely of uniform manner.
- Attachments arrive both solicited and unsolicited on varying, non-alerted schedules.
- Attachments are sent using a variety of structured and unstructured formats – making reassociation with a claim or prior authorization request difficult.
- Health plan or agent determines that more information is required prior to a request being approved.

Operating Rule Impact

- ✓ Infrastructure rule requires at least 90% system availability, enhancing predictability and off-hour workflows.
- ✓ Health plans must make requirements for submission readily available in an electronic format.
- ✓ Infrastructure rule outlines real-time and batch acknowledgment timelines.
- ✓ Health plans must accept a file size of at least 64mb.
- ✓ Multiple attachments can be submitted using multiple LX loops within the X12 275 transaction.
- ✓ Operating rules included standardized error codes that can be returned automatically, minimizing confusion and the need for manual follow-up.
- ✓ Supports X12 and HI7 standards, along with other formats (e.g., .pdf, .tiff, .gif).
- ✓ Operating rules require providers and health plans to notify the other when an attachment has been sent electronically, aligning expectations around receipt.
- ✓ Operating rules create a standard-agnostic framework using SOAP and REST headers to submit unstructured information uniformly and with appropriate identifiers to aid in reassociation.
- ✓ Operating rules specify use of LOINC from both health plans and providers to indicate specific information about what is required to complete the prior authorization or claim request.

Facilitating Industry Evolution and Conformance

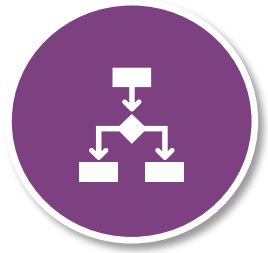
Operating Rules meet critical industry needs while supporting emerging standards frameworks

- ✓ Operating rules are a **proven, industry-developed, and necessary tool** for driving automation and interoperability across business processes **required for standard transactions under HIPAA**.
- ✓ Updates to the existing operating rules **modernize and align requirements with advancements in healthcare** since first mandated.
- ✓ Inclusion of **attachments** operating rules in the final rule for the attachments standards ensures robust electronic adoption and uniform implementation and is a **rare opportunity to propel automation** in alignment with previous NCVHS recommendations.

Industry Consensus
The proposed operating rules include input from more than 140 organizations.

New Baselines
Updates hold every stakeholder in the industry accountable for best practices.

Operational Efficiency
Industry stakeholders report that operating rules assist in cutting annual costs and reducing FTE time.



Value
Capital investments lead to high value automation that can offset upfront spend.

Regulatory Alignment
Operating rules align with current regulatory priorities.

Thank you!

 @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.

Appendix

Medical Industry Opportunity from 2021 CAQH Index

Transaction	Electronic Adoption	Per Transaction Saving Opportunity *Relative to manual adjudication*	Total Medical Industry Saving Opportunity
Eligibility and Benefits	89%	$15.09	$9.8 billion
Claim Status	68%	$16.65	$3.1 billion
Remittance Advice	64%	$4.06	$1.8 billion
Attachments	21%	$4.02	$286 million

Dental Industry Opportunity from 2021 CAQH Index

Transaction	Electronic Adoption	Per Transaction Saving Opportunity *Relative to manual adjudication*	Total Medical Industry Saving Opportunity
Eligibility and Benefits	71%	$9.12	$839 million
Claim Status	19%	$10.76	$690 million
Remittance Advice	25%	$1.60	$439 million
Attachments	19%	*Not reported*	*Not reported*

Methodology for Industry “Report Cards”

Cost, timeframe, and value of implementations were quantified using a comprehensive assessment completed by CAQH CORE Voting Board Members.

Respondents detailed FTE time and identified specific systems and workflows that would be affected by the change. This information informed qualitative appraisals of value.

The provided information was collated across organizations by CAQH CORE to create a brief “report card” demonstrating overall implementation burden and value to the industry.

Report Card Detailed Key		
Rating	**Symbol**	**Value**
Low Burden / High Value		Implementation streamlines operations and creates efficiencies
Moderate-Low Burden / Moderate-High Value		Implementation clearly streamlines operations and generally promotes efficiency
Moderate Value / Moderate Burden		Implementation neither adds to nor reduces operational burden
Moderate-High Burden / Moderate-Low Value		Changes add new workflows and cost to maintain. Impacts may be nominal, but do not result in efficiency
High Burden / Low Value		Changes add workflows and costs that negatively impact operational efficiency