



HBMA Testimony to NCVHS Standards Subcommittee on Proposed Revisions to CAQH CORE Operating Rules

January 19, 2023

Presented on behalf of HBMA by Arthur Roosa

Thank you for inviting the Healthcare Business Management Association (HBMA) to testify at today's NCVHS Standards Subcommittee meeting to discuss CAQH CORE's request that NCVHS reviews and adopts a set of new and updated operating rules. HBMA is grateful for the opportunity to share the perspective of our members and our industry.

The Healthcare Business Management Association ([HBMA](https://www.hbma.org)), a non-profit professional trade association, is a major voice in the revenue cycle management industry in the United States. HBMA is a recognized revenue cycle management (RCM) authority by both the commercial insurance industry and the governmental agencies that regulate or otherwise affect the U.S. healthcare system.

Arthur Roosa is the founder and former CEO of SyMed Corporation, a healthcare revenue cycle management company. He currently serves as its Chief Business and Technology Strategist helping to guide the annual submission of over one million insurance claims for physicians, outpatient clinics and behavioral health providers. The company additionally develops software for other RCM businesses. He has been a longtime advocate for integrity in the Medicare and Medicaid programs, receiving an award from the California Department of General Services for identifying Medicaid fraud which saved California several million dollars.

The RCM industry heavily relies on CAQH CORE operating rules to operationalize transaction standards. When implemented effectively, operating rules allow users to utilize standards to their full burden-reducing potential. HBMA is generally supportive of the proposed new and updated operating rules outlined in CAQH CORE's [letter](#) to the subcommittee. These proposals will bring needed modernization and improved capabilities which will reduce administrative burdens on RCM companies and providers.

For example, we are particularly supportive of the proposed Connectivity Rule safe harbor. This safe harbor establishes a floor that ensures trading partners can exchange electronic information. Only a small percentage of RCM companies still use their own in-house systems. Most companies currently utilize the services of software vendors for these important services. This safe harbor will help RCM companies that still have their own system and will provide an added sense of security that our vendors can communicate with health plans using the new connectivity

1540 S. Coast Highway, Suite 204, Laguna Beach, CA 92651

Telephone: (877) 640-4262

www.hbma.org

standard. Moreover, it will provide a sense of security that the addition of a health plan to a provider network will not cause the disruption associated with the development of technology necessary to communicate with it.

CAQH CORE's connectivity rule is requiring users to support SOAP protocol in addition to REST and other API technologies. We feel there is some ambiguity in this requirement. In the context of Safe Harbor, would the proposal require that both SOAP and REST be provided or that either can be supported? A clarification is necessary to help stakeholders comply with this new requirement. Either of the above, however, would seem to violate the intention of Safe Harbor as the implementation of one protocol or rule set would not guarantee connectivity with any given trading partner while the implementation of both seems redundant.

Lastly, and most importantly, standards and operating rules are only as effective as the enforcement behind them. Our members have long been frustrated by noncompliance with these standards and operating rules on the part of health plans. We have also found that the Centers for Medicare and Medicaid Services (CMS) enforcement process is often ineffective. It can take years between a complaint being filed and a health plan taking the necessary corrective action. What's more is that these corrective action plans do not always result in the health plan correcting their actions.

We recognize that NCVHS does not have the responsibility to enforce standards. However, we encourage NCVHS to work with CMS to ensure these standards and operating rules are strongly enforced.

Thank you again for the opportunity to provide our input on these important revisions. We agree with the need for new and modernized operating rules to improve their capabilities and maximize their ability to reduce burdens on providers. The technical standards discussed in this hearing are only the beginning of the conversation. We hope to see a robust enforcement framework accompany the adoption of these revised standards.

Please do not hesitate to contact Arthur or HBMA Executive Director Brad Lund (brad@hbma.org) if you wish to discuss HBMA's suggestions in more detail.