



National Committee on Vital and Health Statistics

Comments Received in Response to Draft Considerations for Review & Discussion for the NCVHS Standards Subcommittee Hearing January 18-19, 2023

[Federal Register Notice: 87 FR 65782](#)

Input on Proposals for Updated and New Standards and Operating Rules from X12 and CAQH CORE

Received as of April 18, 2023*

#	Organization	Signatory
1	Healthcare Financial Management Association (hfma)	Richard L. Gundling, FHFMA CMA Senior Vice President, Professional Practice
2	Loren MD	Loren MD New York, NY 10016
3	Template Submission #1	535 total identical responses submitted using this template

* This compilation includes 2 new additional submissions since the January 26 version previously posted and 1 template submission added to the total previously received.



healthcare financial management association

December 15, 2022

National Committee on Vital and Health Statistics
Subcommittee on Standards
3311 Toledo Road
Hyattsville, MD 20782-2002

RE: RFC CAQH CORE Proposals
87 FR 65782

Introduction

HFMA appreciates the opportunity to respond on the proposed new and updated CAQH Committee on Operating Rules for Information Exchange (CORE) Operating Rules currently under consideration by the National Committee on Vital and Health Statistics (NCVHS) for federal adoption. The proposed CAQH CORE Operating Rules represent industry best practices, address pressing business scenarios, and increase automation of common healthcare transactions. Our membership, which includes hospitals and health systems, provider organizations, physician practices, business partners and payer markets, benefits from the proposed rules through prompter payment and the reduction of costly back-and-forth manual workflows between trading partners to resolve disputed claims or prior authorization requests.

HFMA recognizes and applauds the ambitious and broad reaching requirements included in the proposed new and updated CAQH CORE Operating Rules. The updates to the CAQH CORE Infrastructure Rules adopt modern best practices through enhanced system availability and updated connectivity standards that reflect the 24/7 business of healthcare and the integration of technology platforms with new and emerging standards. The proposed Data Content Rule updates address a greater number of business scenarios encountered during the eligibility verification process, allowing the industry to automate manual workflows that have persisted due to the emergence of remote care settings and the growing complexity of benefit designs. HFMA contends that adoption of the updated CAQH CORE Operating Rules drives greater automation, allowing the industry to capture significant time and cost savings.

Importantly, new rule sets also address the implementation variability of attachments transactions, providing necessary uniformity for an industry that has long-awaited a named standard. The proposed Attachments Operating Rules are specifically designed to be standard-agnostic and can serve as a framework for uniform expectations for the electronic exchange of attachments using X12 275, HL7 CCD, or HL7 FHIR, all standards under consideration for federal adoption. At HFMA, we support regulatory action to adopt attachments standards, but also recognize the need for concurrent adoption of Attachments Operating Rules to speed implementation and promote uniformity across named standards. We urge NCVHS to tailor its recommendations accordingly.

We have provided detailed responses to each of the questions included in the NCVHS Request for Comment. HFMA is pleased to recommend federal adoption for the complete rule set.

Infrastructure updates to the adopted Eligibility and Benefits and Claim Status Operating Rules.

The proposed updates to the CAQH CORE Eligibility & Benefits, Claim Status, and Payment and Remittance (ERA) Infrastructure Operating Rules provide necessary modernity and better represent the around-the-clock nature of healthcare finance. HFMA supports enhanced system availability requirements, applied to the Eligibility & Benefits and Claim Status Rules, that increase annual system uptime by 364 hours. From our perspective, increased system availability enables greater transaction automation, which supports the prompt return of accurate information about a patient's schedule of benefits and the status of a submitted claim. This leads to smoother revenue cycle operations and faster provider payment arising from reductions in errant claim submissions. It also encourages prompter follow-up between providers and health plans.

Of further significance, by referencing the most recent version of the CAQH CORE Connectivity Rule, the proposed Infrastructure Rules strengthen security and exchange protocols and support a standard-agnostic environment by including technical requirements that accommodate the use of APIs. These updates represent current industry best practices and assist our stakeholders in realizing operational efficiencies by eliminating the need to maintain outdated technologies. The impacts of the updated CAQH CORE Connectivity Rule are discussed in greater detail later in our response.

Data Content updates for Eligibility and Benefits Operating Rule

HFMA strongly supports proposed updates to the CAQH CORE Eligibility & Benefit Data Content Operating Rule. The currently mandated version does not adequately account for modern business scenarios that have emerged since adoption, limiting the number of transactions that can be fully automated. These shortcomings perpetuate costly manual workflows that, according to the 2021 CAQH Index, contribute as much as \$9.8 billion of avoidable expenditure across the medical industry. The updated operating rule addresses gaps and allows for greater automation, increasing industry opportunity reduce overall cost to collect for our members.

Significant updates that drive automation include requirements for health plans to return patient financial responsibility for typical and complex benefit designs, telehealth eligibility, and requirements for prior authorization across an expanded set of CORE-required service type codes and procedure codes. These updates positively impact the revenue cycle by providing more robust and granular information about benefit structures and eligible services, arming our members with the information necessary to reduce claim denials and costly, manually adjudicated disputes.

HFMA further acknowledges the positive impact of returning detailed patient financial information at the point-of-care. Doing so advances price transparency efforts currently being prioritized across the industry and at the regulatory level through the No Surprises Act (NSA) and other complementary initiatives. The updated CAQH CORE Operating Rule requirements support the creation of infrastructures and workflows that achieve the goals of price transparency, simultaneously supporting care discussions between patients and providers and reducing the incidence of surprise billing by enhancing the ability to meet NSA requirements. We additionally highlight that these changes strengthen point-of-service collections by directly clarifying patient financial responsibility, reducing the need to accommodate "bill and chase" workflows that are costly and administratively burdensome. Considering the critical business scenarios addressed and its clear application price transparency regulations, HFMA reiterates its strong support for adoption of the updated CAQH CORE Eligibility & Benefits Data Content Operating Rule.

New: Patient Attribution. Content rule within new Eligibility and Benefits Operating Rule (vEB1.0)

HFMA recognizes the growing influence of value-based care (VBC) models on the industry. Though these models can positively transform care management and revenue cycle operations, they also present challenges to implementers who must navigate methodologies and data delivery formats that differ between health plans and contracts. One commonly reported pain point is the use of proprietary attribution models that complicate the identification and management of patients aligned to a value-based program.

HFMA supports mandating the CAQH CORE Single Patient Attribution Data Content Operating Rule that unifies varying attribution methodologies by requiring health plans to return a patient's status at the time of eligibility verification. This change demystifies identification and management of attributed patients and empowers participants to address care gaps proactively and meet administrative requirement of VBC contracts more easily.

Companion Guide Template

HFMA recognizes the importance of the updated CAQH CORE Master Companion Guide Template that enables implementers to reference versions of the X12 standard beyond the HIPAA-mandated v5010. This change supports implementation of the X12 275 Attachments Standard and the accompanying CAQH CORE Attachments Data Content and Infrastructure Operating Rules that reference X12 v6020. We further highlight that the updated Companion Guide Template helps unify implementation of common transactions by facilitating the use of a standard format that can be easily and predictably integrated into workflows.

HFMA strongly supports federal adoption of the updated CAQH CORE Eligibility & Benefits, Claim Status, and ERA Infrastructure Operating Rules, as well as the corresponding rule set supporting the uniform exchange of attachments, in which the updated Companion Guide Template is referenced. Creating a common framework generates greater implementation uniformity, disburdening stakeholders and streamlining revenue cycle operations. We outlined the benefits of the Infrastructure Rules earlier in this letter and address the impact of the proposed Attachments Operating Rules further in our response.

Updated Connectivity Rule: Impact and changes to organizational infrastructure

HFMA strongly supports federal adoption of vC4.0.0 of the CAQH CORE Connectivity Rule. The updated operating rule modernizes the security and exchange protocols contained in the currently mandated Phase I and II CAQH CORE Connectivity Rules. The changes support providers, health plans, and vendors in creating a durable infrastructure that seamlessly supports the latest technologies and standards, aiding in the automation of common transactions and benefitting patient and provider experiences as well as revenue cycle operations. HFMA recognizes that our industry partners must devote resources to conform with the updated requirements; however, we expect any accumulated costs or need for restructuring are modest relative to the benefit the updated operating rule presents.

The updated Connectivity Rule carries forward several existing provisions and concepts included in the currently mandated versions, such as Safe Harbor connectivity, that eliminate the need for implementers to undertake costly, wholesale updates of their existing connections and platforms used to facilitate the exchange of sensitive information. New requirements additionally allow implementers to sunset outdated technologies that, in some cases, require more resources to maintain than to replace. For example, newly integrated support for digital certification using X.509 obviates the need to maintain administratively costly username and password authentication and aligns connectivity with modern web-based traffic. The durability and efficiencies represented through the adoption of this

updated rule outweigh any investments or policy updates that organizations must undertake to conform.

Updated Connectivity Rule: Scope

The scope of the CAQH CORE Connectivity Rule updates more-than-adequately reflects current industry best practices and, through an agnostic approach, provides implementers with necessary flexibility to address and harmonize emerging technologies, regulations, and standards. These changes benefit our industry partners through the assurance that health information can be transferred between multiple stakeholders securely and efficiently using a variety of payload formats. This ultimately benefits the healthcare revenue cycle by allowing stakeholders to easily connect through an industry-developed, safe harbor method, expanding the reach and impact of automated information exchange and reducing the burden of establishing varied connections across trading partners.

The malleability presented by the Connectivity Rule ensures its long-term utility in the industry as stakeholders respond to technological advancements while simultaneously seeking robust, automated solutions for existing standards that facilitate the exchange of health information. As such, HFMA reiterates our strong support for the federal mandate of vC4.0.0 of the CAQH CORE Connectivity Rule.

Costs

The updated CAQH CORE Data Content and Infrastructure Operating Rules drive greater automation across the industry by addressing a wider variety of business scenarios, enhancing security and exchange standards, and accommodating multiple standards and payload formats. Automation helps providers and health plans realize significant expenditure and time savings. For example, the 2021 CAQH Index shows that automating the eligibility and benefit transaction can save upwards of \$15.09 and 21 minutes of provider of time per transaction if converted from manual workflows. Through its enhanced requirements, the CAQH CORE Eligibility and Benefit Data Content Operating Rule assists stakeholders in capturing more of this opportunity. Similar opportunities exist within the claim status and ERA transactions, respectively representing \$16.65 and 22 minutes of provider time and \$4.06 and 7 minutes of provider time per eliminated manual transaction. The proposed Infrastructure Rule updates similarly drive automation for these transactions, assisting stakeholders to realize efficiencies and capture cost and time opportunities.

The proposed updates help providers realize additional efficiencies in their revenue cycle that lower expenditures, but also guarantee a predictable flow of funds. As shown above, the cost to collect and exchange information is greatly reduced through automation, obviously benefiting practices by reducing expenditures. Further, greater detail about patient financial responsibility aids practices in point-of-service financial collections that, as previously highlighted, minimizes opportunities for “bill and chase” workflows or bad debt.

We also recognize that increased system availability and data content updates reduce the days that claims spend in accounts receivable, this is achieved in two primary ways. First, the more immediate acknowledgement and processing of submitted claims that is facilitated by the enhanced infrastructure requirements lead to faster adjudication times. Second, strengthened data content requirements that provide more granular details about benefit eligibility, structures, and patient financial responsibility ensures that more claims are submitted correctly on the first try, reducing the time spent resubmitting and appealing rejections or denials.

Alternatives considered for operating rules

HFMA highlights the benefits of the proposed new and updated CAQH CORE Operating Rules throughout this letter and directs NCVHS to the relevant sections. HFMA strongly contends that reasonable alternatives to the proposed CAQH CORE Operating Rules do not exist. Though standards, both existing and emerging, are robust and create exceptional technical foundations needed to automate healthcare transactions, on their own they do little to promote uniform implementation. Operating rules work in tandem with standards and provide a framework for consistent implementation across the industry, directly combating the fragmentation perpetuated by proprietary approaches. Adoption of new and updated operating rules that support multiple standards support greater automation of HIPAA-mandated and voluntary transactions and, downstream, lead to improved patient and provider satisfaction, time and cost efficiencies, and revenue cycle improvements.

CAQH CORE Attachments Infrastructure and Data Content Operating rules

According to the CAQH Index, in 2020 only 21% of attachments transactions were exchanged electronically, relegating the remaining 79% to be carried out using outmoded technologies, such as proprietary portals, fax, and electronic and physical mailing. The use of electronic methods to exchange attachments to support health care claims and prior authorization is under-utilized creating a significant burden for hospitals, health systems, and provider practices. Manual approaches slow time to adjudication and complicate reassociation of the documentation with the claim submission or prior authorization request it supports. Downstream, this leads to potentially dangerous care delays and negatively impacts revenue cycle performance by delaying payments. Under-utilization of electronic exchange of attachments is driven by the lack of unifying standards, which has led health plans to adopt numerous, proprietary methods to facilitate workflows.

The proposed CAQH CORE Attachments Data Content and Infrastructure Operating Rules unify workflows by setting minimum infrastructure and data exchange requirements using a standard agnostic framework that accommodates the proliferation of formats and standards currently being used to exchange attachments across the industry. The CAQH CORE Operating Rules provide necessary guidance that aligns industry implementation and streamlines expectations for the exchange of attachments. Further, the CAQH CORE requirements apply to the full range of standards under consideration for federal adoption in future regulations and should be considered for simultaneous adoption to scale industry resources, stimulate implementation, and close gaps not addressed by the standards.

Attachments operating rules – general question.

HFMA strongly supports the simultaneous adoption of CAQH CORE Attachments Operating Rules and a named attachment standard. The industry would continue to experience fractured and proprietary approaches and implementation variability if standards are adopted without the unifying guidelines detailed in the proposed CAQH CORE Operating Rules. Concurrent adoption creates a standard framework that allows implementers to scale resources and meet regulated requirements more quickly and efficiently, allowing the industry to swiftly realize the benefits of automation through common expectations for infrastructure, connectivity, and reassociation.

Healthcare has been burdened for too long by the absence of a named standard for attachments and further delays only perpetuate fragmentation. CAQH CORE was designated as the Operating Rule Authoring Entity for attachments in 2012 and, for a time, respectfully awaited action from regulatory authorities prior to proposing associated operating rules. This wait, while understood, has proven

unfruitful, and we applaud the actions taken by CAQH CORE to proactively submit a solution for uniform implementation that benefits the industry-at-large with or without a named standard.

HFMA looks forward to any opportunity to provide assistance or comments to support the Operating Rules for Information Exchange (CORE) Operating Rules. As an organization, we take pride in our long history of providing balanced, objective financial technical expertise to Congress, CMS and advisory groups. We are at your service to help CMS gain a balanced perspective on this complex issue. If you have additional questions, you may reach me or Shawn Stack, Director of Perspectives and Analysis of HFMA's Washington, DC, office, at (202) 296-2920. The Association and I look forward to working with you.

Sincerely,



Richard L. Gundling, FHFMA, CMA
Senior Vice President, Professional Practice
Healthcare Financial Management Association

About HFMA

HFMA is the nation's leading membership organization for more than 78,000 healthcare financial management professionals. Our members are widely diverse, employed by hospitals, integrated delivery systems, managed care organizations, ambulatory and long-term care facilities, physician practices, accounting and consulting firms and insurance companies. Members' positions include chief executive officer, chief financial officer, controller, patient accounts manager, accountant and consultant.

HFMA is a nonpartisan professional practice organization. As part of its education, information and professional development services, HFMA develops and promotes ethical, high-quality healthcare finance practices. HFMA works with a broad cross-section of stakeholders to improve the healthcare industry by identifying and bridging gaps in knowledge, best practices and standards.

From: [Loren MD](#)
To: [NCVHS Mail \(CDC\)](#)
Subject: Comments on Submitting Documentation for PA & Claims
Date: Tuesday, April 18, 2023 12:20:08 AM

Dear NCVHS Subcommittee Members,

I am writing to you relative to the proposed “Standards for Health Care Attachments Transactions and Electronic Signatures, and Modification to Referral Certification and Authorization Transaction Standard.”

My EMR, Practice Fusion does not have good "interoperability" for exchange of EMR information with other EMRs. In addition, I do not want to pay for interoperability as I have a solo practice and cannot afford more expenses for interoperability when the EMRs (especially EPIC) are getting billions of dollars and should provide us with true interoperability by simply allowing us to share our information . I am very concerned about this.

I agree that national standards for the exchange of electronic "healthcare attachments" are long overdue and much needed. However, the CMS proposal is very concerning for a number of reasons including:

1. The proposal, in its current form that excludes appeal transactions, will likely add to the administrative burden rather than decrease it. Without adopting attachment standards for corresponding "appeal" transactions, there is limited usefulness of the proposed standards from the provider's perspective.
2. Due to the failure to adopt "attachment" standards to the corresponding "appeal" transactions, I am concerned that the proposal fails to account for costs and benefits correctly.
3. I am further concerned that the healthcare attachment standard only applies to a part of the "healthcare claim processing process," specifically the healthcare claim, but not for healthcare claim appeals.
4. I am very concerned that the proposed healthcare attachment standard would apply only to a part of the "prior authorization processing process," the prior authorization request, but not for prior authorization appeals, and fails to adjust the expected benefit calculation for only the "prior authorization" attachment transaction.
5. The proposal does not include any meaningful, punitive financial penalties for non-compliance. Therefore, I am very concerned that the projected benefits will not be achieved given the existing rampant non-compliance with current standards that are not being vigorously enforced.
6. CMS must address regulatory uncertainty that has led medical practices to incur previously unforeseen costs to enroll and receive adopted standard HIPAA electronic transactions that are explained in greater detail in New York Urology Specialists' comments.
7. We request a shorter period for implementation and a compliance deadline of 12 months after adoption due to acute exacerbation of the "attachment" requirement by multiple health plans for any claim that includes an office visit and a procedure and uses CPT modifier -25. See Cigna policy M25 effective 5/25/2023. This is a material change in "attachment"

requirements for routine care reimbursement that were not in effect when CMS considered the date of implementation.

Thank you for the opportunity to provide our comments to CMS.

Regards,
Loren MD
650 1st Ave.
New York, NY 10016