

NCVHS Subcommittee on Standards Hearing on Proposed CAQH CORE Operating Rules

AUGUST 25-26, 2020

CRYSTAL EWING, BOARD CHAIR

COOPERATIVE EXCHANGE



Intro to Your Organization

[The Cooperative Exchange, the National Clearinghouse Association](#), is composed of 23 member organizations, representing over 80% of the clearinghouse industry that supports over 800,000 provider organizations, through more than 7,000 payer connections and 1,000 HIT Vendors.

- *60% of our members are also CAQH CORE participating organizations.*



Anticipated Value of Proposed Operating Rule(s)

- 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 specific to a subset of HIPAA mandated transactions (Eligibility (270/271), Claim Status (276/277), Payment & Remittance (835) and Prior Authorization & Referrals (278).
 - 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.
- The updated Prior Authorization & Referrals (278) Infrastructure Rule establishes consistent infrastructure and national turnaround timeframes for a health plan, payer or its agent when responding to a 278.
 - Providers can be assured a maximum response time when utilizing the X12 278 transaction.
- In general, we support the new Operating Rule structure and transition to a business transactions-based vs. phase-based model.

Anticipated Concerns about Proposed Operating Rule(s)

- **ANY and ALL Operating Rules involving data content**
 - Operating rules regarding data content need to be communicated single source via the implementation guides/data specifications created from the industry vetted Standards Development Organization (SDO) process. Data content rules created outside of and divorced from SDO guides/specifications create confusion and disparity in healthcare EDI standards deployment. If CAQH CORE workgroups identify data content needs/enhancements, they should be submitted via the established data maintenance process to the applicable SDO for consideration.
- **Operating Rules outside of established Administrative Simplification standards**
 - Operating rules regarding payer portals, such as the CAQH CORE Prior Authorization & Referrals Web Portal Rule vPA.1.0, are not aligned with the goals/requirements of HIPAA administrative simplification provisions and are burdensome and costly to providers. Web portals disintermediate the need and use of HIPAA adopted transactions and discourage efforts towards establishing fully systematic, interoperable, and automated EDI workflows. The term “CORE Operating Rule” should only be used and applied specific to federally mandated operating rules supporting health care transaction standards.
- **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. SSL has effectively been replaced by TLS. 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.
(*expected to conclude by the end of 2020)

Top 3-5 points for NCVHS to consider in its recommendations to HHS for adoption of proposed operating rule(s)

- **The Cooperative Exchange, the National Clearinghouse Association DOES NOT support federal adoption of the Operating Rules as proposed.**
 - We agree that a single and uniform Safe Harbor connectivity rule and updated prior authorization & referral infrastructure rules are directionally sound and could provide benefit/value; however, along with the concerns outlined on the previous slide, we do not support a “piece-meal” approach when federally mandating Operating Rules specific to a business transaction. The associated industry cost and resource effort to implement the proposed Operating Rules significantly outweigh the potential industry benefit/value/ROI.
 - Some of our members are actively participating in the Connectivity Rule rewrite which is positioned to address several longstanding concerns. We strongly recommend that NCVHS advise to wait for the vC.4.x rewrite effort to conclude as this is expected to imminently replace the proposed vC3.1.0 rule.
 - We will continue to oppose any and all operating rules involving data content and we strongly encourage the Operating Rule Authoring Entity (ORAE) to more effectively partner and align efforts with their Standards Development Organization (SDO) peers.
 - Aligned with prior Cooperative Exchange testimony, the Cooperative Exchange feels that many of the findings and recommendations outlined in the July 2016 NCVHS letter to the HHS secretary remain outstanding and have not been effectively addressed.
 - We also agree with and support the findings and recommendations in the February and December 2019 NCVHS letters to the HHS secretary outlining actions to improve the adoption of standards under HIPAA. We are concerned that despite numerous, concise NCVHS letters to the HHS secretary, backed by industry consensus and support including focused initiatives by the AMA, eHI, MGMA, WEDI and others, there continues to be minimal measurable action or change (e.g. Attachments, Prior Authorization, Acknowledgments). Our collective resource investment costs incurred over the years with minimal or no realized progress or ROI is of great industry concern. The Cooperative Exchange will continue to support NCVHS and we offer our assistance to determine how we can expedite and achieve measurable and timely results aligned with the HIPAA Administrative Simplifications original stated purpose to improve the efficiency and effectiveness of the health care system through the establishment of standards and requirements for the electronic transmission of certain health information.