



**National Committee on Vital
and Health Statistics
Subcommittee on Standards**

June 18, 2013

**Cooperative Exchange Operating Rules
Testimony**



Members

- ACS EDI Gateway
- *American Medical Association*
- *Axiom Systems*
- Availity
- *CareMedic Systems*
- Capario
- ClaimLogic
- Claimsnet
- eProvider Solutions
- Gateway EDI
- GE Healthcare
- GHN-Online
- HDM Corp.
- *Healthcare Billing and Management Association*
- Health-e-Web
- Jopari Solutions
- *Medical Electronic Attachments*
- NextGen Healthcare
- Office Ally
- OptumInsight
- RealMed, an Availity Company
- Secure EDI
- Siemens HDX
- *Streamline Health*
- The SSI Group, Inc.
- Zirmed



Development and Maintenance of Operating Rules

- Providers – Often unaware of any changes, mandates or benefits
- Vendors – Providers are participating (Eligibility and Claims Status transactions are up)
- Providers (smaller) – Sporadic content information
- Payers – Not using service type codes but sending generic codes
- Maintenance of Operating Rules = Restrictive + Slow
- CARC/RARC code maintenance process also slow
- ASC X12 (January) ►►►►► CAQH CORE (May)
- Entities may implement the new code when available, but then have to go back and make changes afterwards, thus having to update systems twice
- Providers receiving information in different ways after the updates are done



Operating Rules for Eligibility

- Payers (smaller) providing little to no information on Patient Responsibility
- Providers telling patients to use website OR confirming eligibility by phone
- Technical Issue: Payers' transaction protocols were already established, and "safe harbor" requirements meant payers and clearinghouses had to implement changes to support the "safe harbor" protocol
- Business Issues: Providers are not using the Operating Rules on Eligibility
- Provides that *other methods may be used.*
- Very few health plans are mandating that type of communication and very few providers are asking for it



Operating Rules for EFT/ERA

- Smaller health plans doing virtual credit cards and are not ERA
- 835 transaction does not support credit card payments, accompanied by a paper remittance advice, which reduces the ability to automate for the provider
- After the adoption date, what will happen when asked for EFT? Health plans have to support it
- Communication not reaching all parts of the industry
- Smaller providers are dealing with limited fund – reimbursement disruption will be felt harder by them
- There is also an issue with providers who divide their accounts between different banks across state lines. They do this for cash flow and creditor maintenance. With EFTs, they will have to be at one bank
- And for smaller providers who rely heavily on Medicare payments (which are all EFT), they are struggling with this requirement
- Finally there is the issue with HIE's premium payment grace period. CAQH CORE will have to provide Operating Rules to take that into account



ASC X12 Clearinghouse Caucus

- 85 industry stakeholders present
- Recommendations:
 - Challenges with the Enrollment Operating Rule, e.g. DEG6 are now sub-elements, and need to be elements and no facility for “bulk” enrollments
 - What to do for HPID/OEID
 - Need rules for paper enrollment
 - Confusion over “business days” vs. “banking days”
 - CARC/RARC combination rule issues
 - 835 Infrastructure – paper remittance as applied to online
 - Confusion in the Operating Rules on need to do vs. need to do to be certified



Next Round of Operating Rules

- Recommendation: Better mechanism for submitting suggestions, so all industry stakeholders (not just CAQH CORE members) can participate
- Recommendation: Vote or consensus method be instituted by CAQH CORE so that all suggestions will be equally considered.



Implementation of Operating Rules Follow Workflow Process

- The implementation of the Operating Rules do not follow the workflow processes of the claim life cycle, which has caused challenges in implementing and integrating into existing workflows
- Recommendation: NCVHS look at all the electronic transactions in more of a “holistic” approach rather than a set timeline, and then adopt in the order of process