CORE Values: Collaborative Effort Moves to Simplify Insurance Verification

Save to myBoK

by Mark Hagland

What if health payers and others adopted agreed-upon standards to enable electronic access to eligibility and benefits data? Wouldn't that make it easier for providers to verify patient insurance coverage and submit cleaner claims?

That's the goal behind a nationwide initiative that went live this spring and involves the cooperation of stakeholder groups from across healthcare-from hospitals and medical groups to health insurers, federal and state government agencies, industry associations, and IT vendors.

They are cooperating under the umbrella of the CAQH Committee on Operating Rules for Information Exchange, or CORE. CAQH-the Council for Affordable Quality Health Care-is a Washington, DC-based nonprofit alliance of health plans, networks, and trade associations founded to help simplify healthcare administration. CAQH consists of 14 member organizations, including the Chicago-based Blue Cross and Blue Shield Association, the Washington-based America's Health Insurance Plans (AHIP), and several large national and regional health plans.

CORE went live on March 31, when the first group of CORE-certified entities-health plans and others-began exchanging eligibility and benefits information in compliance with CORE operating rules. The standards allow any provider to submit queries and receive responses about patient eligibility and benefits from any participating payer.

The number of insured patients potentially affected by the initiative is large. Participating organizations cover more than 75 percent of the commercially insured, plus Medicare beneficiaries and state-based Medicaid beneficiaries.

Making Administrative Efficiencies a Reality

"With regard to the cost, clearly, we believe that cost-saving in administrative transactions will require moving transactions from paper to electronic," says Gwen Lohse, CORE director. "There's a lot of data about the cost savings of taking the industry from phone-based processes to electronically based processes. So this [initiative] lays a foundation for administrative interoperability. And it also takes the first administrative interaction that has to happen between a provider and payer and automates it-and that's eligibility. Because if you can't do the eligibility, you can't have a claims status, you're not going to do a referral, and you're not going to do a claims submit or a pay remit."

Among the benefits to patient care organizations, Lohse says, "there are definitely cost savings for the providers, because they don't need to be having people spending time on the phone, toggling between the Web sites. As a result, providers can spend time on things more relevant to treating the patients. So when you look at the larger picture, we've laid down the foundation so that we can add onto these administrative transactions, and we're also taking a chunk out of the cost, too."

The project is in its second phase, following the launch of the CORE rules for electronic eligibility and benefits verification, says Chris McNamara, CAQH's communications director. "About every 15–18 months we'll add another set of rules," he explains. "We're working on claims status now. And we'll eventually be able to incorporate year-to-date financials checking, so that if you have a health plan with a deductible of $5,000, in phase 2, the participating organizations would be able to see how much of that deductible you have left."

"Taking the First Practical Steps"

What should HIM professionals think of this initiative? Says Lohse, "This demonstrates that the industry is voluntarily deciding to work together across all the stakeholder types to make administrative interoperability a reality. There's been a lot of talk

about this, but it's now a reality." And while the volume to date is still low, over time, more and more health plans and providers will participate using the CORE model, and health plans, large providers, clearinghouses, and vendors will all become certified, she says.

Lohse adds that those involved in the CORE initiative agree that though the path ahead toward industry-wide interoperability for administrative transactions will be a long one, taking the first practical steps toward that goal will encourage further participation in creating comprehensive solutions.

Information on the CORE initiative is available on the CAQH Web site at www.caqh.org.

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