



# CAQH CORE Training Session

## 2016 Market- based Adjustments Survey

Thursday, December 8, 2016

2:00 – 3:00 PM ET

# Logistics

## Presentation Slides & How to Participate in Today's Session

- **Download a copy of today's presentation slides at [caqh.org/core/events](http://caqh.org/core/events).**
  - Navigate to the Resources section for today's event to find a PDF version of today's presentation slides.
  - Also, a copy of the slides and the webinar recording will be emailed to all attendees in the next 1-2 business days.
- The phones will be muted upon entry and during the presentation portion of the session.
- At any time throughout the session, you may communicate a question via the web.

Questions can be submitted **at any time** with the **Questions panel on the right side of the GoToWebinar desktop**.

### Resources

- [Presentation Slides](#)

The screenshot shows the GoToWebinar desktop interface. At the top, there is a menu bar with 'File', 'View', and 'Help'. Below this, there are two main panels. The first panel is titled 'Audio' and contains options for 'Telephone' (unselected) and 'Mic & Speakers' (selected). Below these options is a 'MUTED' indicator with a microphone icon and a volume slider set to 0. The second panel is titled 'Questions' and contains a large text input area with a yellow background and the placeholder text '[Enter a question for staff]'. To the right of the input area is a 'Send' button. Below the 'Questions' panel, the text 'Webinar Housekeeping' and 'Webinar ID: 275-918-366' is displayed. At the bottom of the interface, the 'GoToWebinar' logo is visible.

# Session Outline

- Welcome & Introduction
- Overview of the CORE Code Combinations Maintenance Process
- Overview of the 2016 Market-based Adjustments Survey
- Live Demo of Market-based Adjustments Survey – Part 1 & Part 2
- Best Practices
- Q&A

# CAQH CORE Uniform Use of CARCs & RARCs: Maintenance Process Overview

**Robert Bowman**  
Associate Director

# CAQH CORE Code Combinations Maintenance

CAQH CORE is responsible for maintaining the *CORE Code Combinations* via the [CORE Code Combinations Maintenance Process](#).

Health plans deny or adjust claims via combinations of claim denial/adjustment codes sets that are meant to supply the provider with the necessary detail regarding the payment or denial of the claim.

## CARC

Claim  
Adjustment  
Reason  
Codes

Provides the reasons for positive/ negative financial adjustment to a claim.

- This list is maintained by ASC X12 and updated three times per year.

## RARC

Remittance  
Advice  
Remark  
Codes

Provides supplemental information about why a claim or service line is not paid in full.

- This list is maintained by CMS and updated three times per year.

## CAGC

Claim  
Adjustment  
Group  
Codes

Categorizes the associated CARC based on financial liability. There are only 4 CACGs identified for use with the claim:



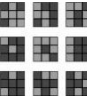


- PR - PATIENT RESPONSIBILITY**
- CO - CONTRACTUAL OBLIGATIONS**
- PI - PAYOR INITIATED REDUCTIONS**
- OA - OTHER ADJUSTMENTS**

- This list is maintained by ASC X12 and updated when base standard is updated.

# CAQH CORE Code Combinations Maintenance

## Why was this needed?

The industry determined that the healthcare industry required operating rules to establish requirements for the consistent and uniform use of these codes:

-  There was extensive confusion throughout the healthcare industry regarding the use of these codes.
-  Providers did not receive the same uniform and consistent CARC/RARC/CAGC combinations from all health plans requiring manual intervention.
-  Providers were challenged to understand the hundreds of different CARC/RARC/CAGC combinations, which can vary based upon health plans' internal proprietary codes and business scenarios.
-  Decisions on the CARC and/or RARC used to explain a claim payment business scenario were left to the health plans, lending a high level of subjectivity and interpretation to the process.
-  Codes are updated three times a year, so many plans and providers were not using the most current codes and continued to use deactivated codes.

# Claim Denial Process

## BEFORE the CORE Code Combinations

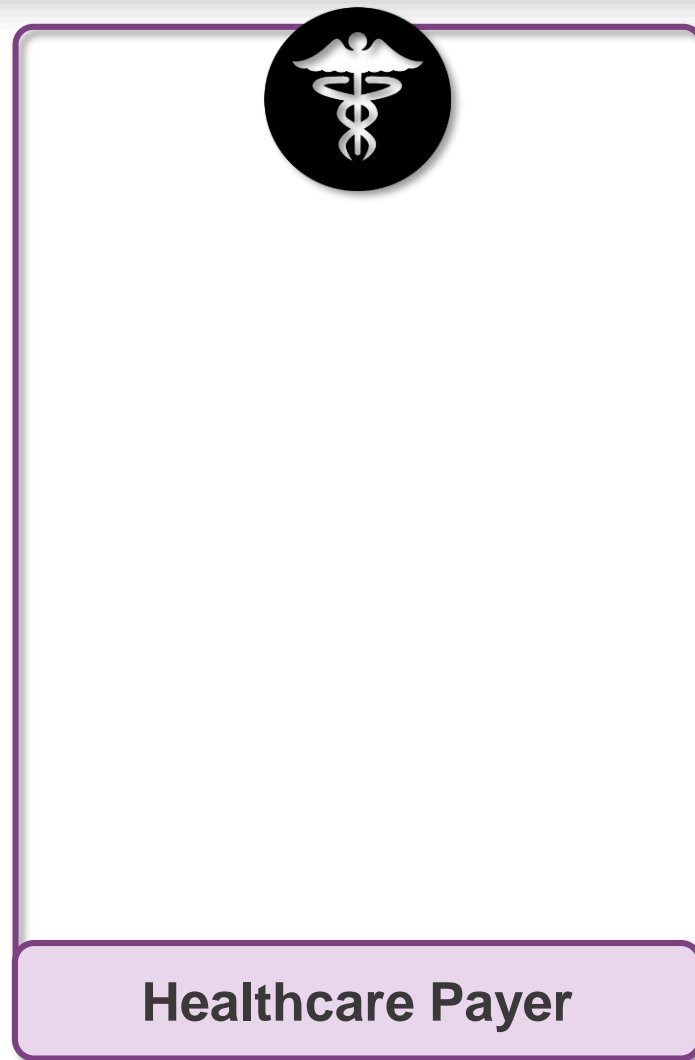


Large number of available CARCs and RARCs and health plan use of proprietary codes meant providers did not receive uniform and consistent CARC/RARC combinations across all health plans.

### Resulted in:

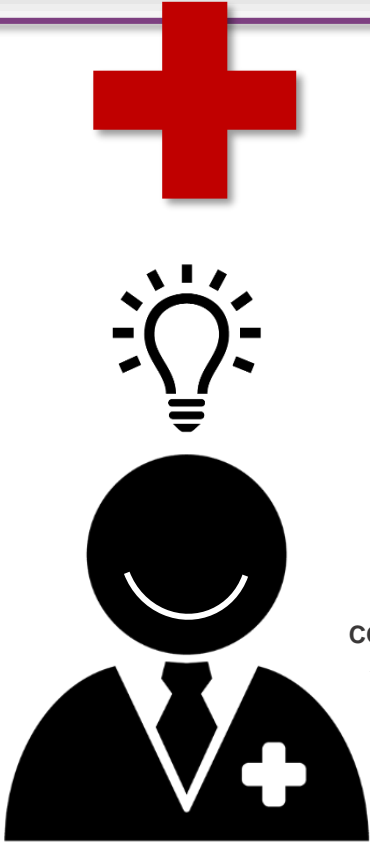
- Provider confusion about reasons for claim payment adjustments and denials.
- Multiple claim re-submissions attempting to receive payment, wasting time and money.

Claim denied by Payer due to errors and/or missing information.



# Claim Denial Process

## AFTER the CORE Code Combinations



A red cross is positioned above a lightbulb icon. Below the lightbulb is a silhouette of a healthcare provider wearing a white coat with a cross on the chest. To the right of the provider is the text "CORE CODE XXX XXX XXX".

CORE CODE  
XXX XXX  
XXX

**Healthcare Provider**

Because of four *CORE-defined Business Scenarios*, standardized CARC and RARC combinations are provided to indicate:

Additional Information Required –  
Missing/Invalid/  
Incomplete Documentation

OR

Additional Information Required –  
Missing/Invalid/ Incomplete Data from  
Submitted Claim

OR

Billed Service Not Covered  
by Health Plan

OR

Benefit for Billed Service Not  
Separately Payable

Claim received  
and  
processed. ✓



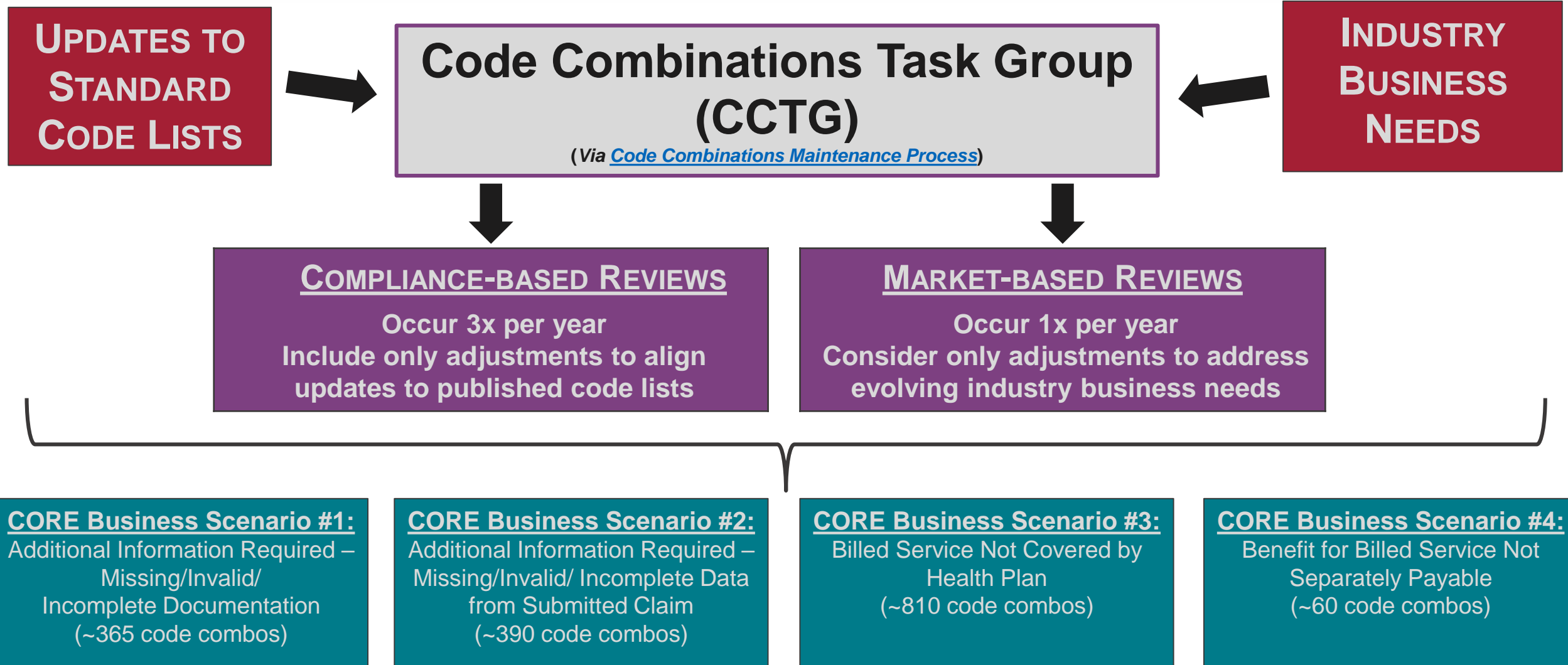
A caduceus symbol is in a black circle at the top. Below it is a magnifying glass over a document labeled "CLAIM" with four green checkmarks and a dollar sign at the bottom.

**Healthcare Payer**



# CAQH CORE Code Combinations Maintenance

## Body of Work



# How The *CORE* Code Combinations Benefit Providers

## DENIAL MANAGEMENT IS EXPENSIVE AND TIME CONSUMING

**90% of denials are preventable**

(Advisory Board, 2014)

**Two out of three denials are recoverable**

(Advisory Board, 2014)

**Average cost is \$25.00 and 71 minutes per denial**

(MGMA)

**Denials can cost 3-5% of net revenue**

(Advisory Board, 2009)

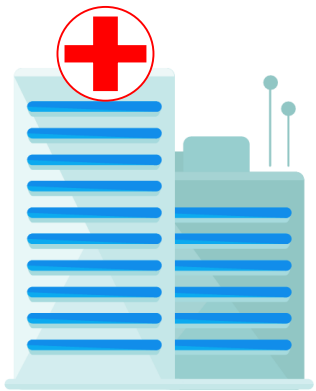
**Typical denial rate is 5-10% but rates for individual payers, codes or claim types can be much higher**

(AAFP)

**Historically, CMS denies 9.9% of claims!**

(CMS blog, 2016)

## KEY BENEFITS



**Healthcare Provider**

### Standardized use of CORE Code Combinations

Providers will be able to use the same CARC and RARC combinations electronically with all health plans

### Potential reduction in manual claim rework

With health plans more consistently using denial and adjustments codes per the CORE-defined Business Scenarios, providers will have less rework

### Reduction in A/R days

Automated and timely re-association of EFT and ERA will lead to efficiencies and reduced errors for payment posting

# Polling Question #1

**Approximately what percent of your remittance advices in the past year included a situation addressed by the CORE-defined Business Scenarios?**

1. 1-25%
2. 26-50%
3. 51-75%
4. 76-100%
5. Uncertain

# Uniform Use of CARCs and RARCs Rule Maintenance

## 2016 Market-based Adjustments Survey Overview

**Robert Bowman**  
Associate Director

# Ensuring the *CORE Code Combinations* Work for You

## *The 2016 Market-based Adjustments Survey*

### ■ What Is It?

- Industry's annual opportunity to ensure the *CORE Code Combinations* are meeting business needs.

### ■ Who Can Respond?

- Open to all entities that create, use or transmit HIPAA-covered transactions, plus all CORE Participants.

### ■ What Does the Survey Ask?

- Survey seeks input on the *CORE Code Combinations* within the four CORE-defined Business Scenarios.
- Potential code combination adjustments that can be submitted include additions, removals or relocations.
- Enhance your submission with supporting evaluation criteria, a strong business case and real world usage data.\*

### ■ When Can I Submit?

- Submission period opened on Wednesday, November 30, 2016 and will close **5 PM ET on Tuesday, January 31, 2017.**

### ■ Great! How Can I Get Started?

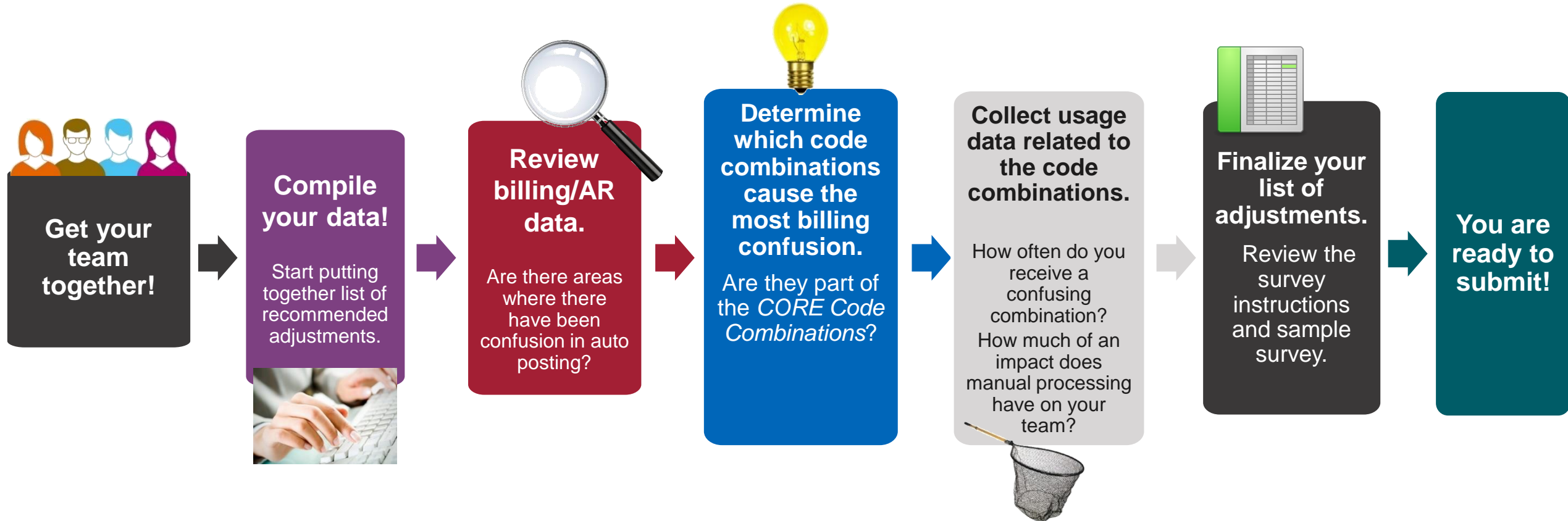
- Review the [instructions](#) and sample [Market-based Adjustments Survey](#) to help you plan your submission.
- Complete **Part 1: Survey Registration** of the online form [HERE](#).

\*Submission of real world usage is discretionary.

# 2016 Market-based Adjustments Survey

## Process to Prepare and Submit Your Response

Take steps now to submit your survey response by January 31<sup>st</sup>!



## Polling Question #2

### Does your organization intend to submit a response to the Market-based Adjustments Survey?

1. Yes – Response preparation just begun
2. Yes – Response preparation well underway
3. Yes – Need assistance in developing response from CAQH CORE Staff
4. No 

If you are not planning to submit a survey response because the CORE Code Combinations already meet your organization's business needs, we want to hear from you! Click [HERE](#) to fill out a brief two-question poll on your experience.
5. Unsure/TBD

# 2016 Market-based Adjustments Survey Online Submission – Part 1

Live Demo

Omoniyi Adekanmbi  
Project Manager



# 2016 Market-based Adjustments Survey Submission Process

## Introduction & Registration

### Part One

#### General Overview and Submitter Information

Provides information on survey background, scope, format, and instructions; submitter provides basic demographic information.

CAQH CORE COMMITTEE ON OPERATING RULES FOR INFORMATION EXCHANGE.

CAQH CORE 2016 MARKET-BASED ADJUSTMENTS FORM

Part I. General Overview & Submitter Information

Section 1: Background, Scope, Format, and Instructions

Background: CAQH CORE 360 Rule

The goal of the [CAQH CORE 360: Uniform Use of CARCs and RARCs \(835\) Rule](#) is to ensure consistent use of the Claim Adjustment Reason Codes (CARCs), Remittance Advice Remark Codes (RARCs), and the Claim Adjustment Group Codes (CAGCs) across the industry. To meet this goal, the CAQH CORE 360 Rule specifies a minimum set of CORE-defined Business Scenarios with an applicable maximum set of CORE-required CARC, RARC, CAGC, and NCPDP Reject Code Combinations. As of 01/01/2014, all [HIPAA covered entities](#) must comply with the ACA-mandated CAQH CORE EFT & ERA Operating Rules when using the HIPAA-mandated EFT and ERA transaction standards. This set of CORE Code Combinations must be maintained to align with the current published [CARC](#) and [RARC](#) lists that are maintained by the respective Code Committees via the CAQH CORE Code Combinations Maintenance Process.

Per the [CAQH CORE Code Combinations Maintenance Process](#), the CAQH CORE Code Combinations Task Group (CCTG) conducts two types of review and adjustment to the CORE Code Combinations: Compliance-based Reviews and Market-based Reviews. Market-based Reviews occur once a year and for 2016 will consider industry submissions addressing additions, removals, and relocations to the existing CORE Code Combinations in existing CORE-defined Business Scenarios.

The CCTG will review and update the CORE Code Combinations based on a review of the submissions. Individuals from any [CAQH CORE Participating Organization](#), particularly those with knowledge of the business process of the usage of CARCs and RARCs, are encouraged to join the CCTG by emailing [core@caqh.org](mailto:core@caqh.org). Any entity can join CAQH CORE.

Scope of 2016 Market-based Review

The 2016 Market-based Review will consider adjustments to CORE Code Combinations in the existing four CORE-defined Business Scenarios only<sup>1</sup>. The purpose of this 2016 Market-based Adjustments Form is to enable entities to submit requests for additions, removals, and relocations to the code combinations in the existing CORE-defined Business Scenarios.



CAQH CORE COMMITTEE ON OPERATING RULES FOR INFORMATION EXCHANGE.

CAQH CORE 2016 MARKET-BASED ADJUSTMENTS FORM

Section 2: Submitter Information

Date (MM/DD/YYYY):

Entity Name:

Contact First Name:

Contact Last Name:

Title:

Phone (NNN-NNN-NNNN) + ext:

E-mail Address:

This CAQH CORE Market-based Adjustments form has been designed so you can suspend entering data into the form and then resume entering data up to the final due date for submission. You will not be able to resume entering data and submit the form after the final due date for submission.

In order to enable this functionality, please reenter below the email address you entered above.

Confirm Email Address:

When you have completed this section of the survey a confirmation email will be sent to you which will include a unique URL (link) you must use to access the online survey form to enter your submissions. You may start, stop, and resume entering your submission multiple times throughout the 60 days the form will be available via your unique URL. You will also receive an email confirmation at the email address entered above for each entry submitted in Part 2 of the form.

In addition to your unique URL, your confirmation email will also include all of your submitter information for reference as you enter your submissions.

Be sure to retain this email. If you have any questions, please send an email to [CORE@caqh.org](mailto:CORE@caqh.org).

Entity Stakeholder Type (select one):

Health Plan  Vendor  SDO/Association

Provider  Government Entity  Other:

Clearinghouse  Other Business Associate

Entity is a CAQH CORE Participant?

Yes  No

Entity Creates, Uses, or Transmits the HIPAA Mandated Transactions in its daily business (HIPAA covered entity or Business Associate)?

Yes  No

# 2016 Market-based Adjustments Survey Online Submission – Part 2

**Live Demo**

**Omoniyi Adekanmbi**  
Project Manager

# 2016 Market-based Adjustments Survey Submission Process

## Submitting Potential Adjustments

### Part Two

#### Adjustments to Existing CORE-defined Business Scenarios

After completion of Part One, you will be sent a **unique link** that MUST be used to access Part Two of the online Market-based Adjustment Survey. In Part Two, Submitters complete an entry for each code addition, removal, or relocation.

noreply@qemailserver.com

CAQH CORE COMMITTEE ON OPERATING RULES FOR INFORMATION EXCHANGE.

Thank you for registering to submit your entity's requests for adjustments to the *CORE-required Code Combinations for the CORE-defined Business Scenarios* during this annual CAQH CORE Market-based Review. This email contains your unique link (URL) to use to complete Part 2 of the survey and a summary of your submission on Part 1 of the Market-based Adjustments Form. Be sure to save this email. If you have any questions, please contact CAQH CORE via email to [core@caqh.org](mailto:core@caqh.org).

Email address: [dvoytal@caqh.org](mailto:dvoytal@caqh.org)  
 Survey Link: [https://caqh.co1.qualtrics.com/SE/?SID=SV\\_bKqaUT5fMoFUjEV&RecipientEmail=dvoytal@caqh.org](https://caqh.co1.qualtrics.com/SE/?SID=SV_bKqaUT5fMoFUjEV&RecipientEmail=dvoytal@caqh.org)

**Section 2: Submitter Information**

Submitter Question	Submitter Information
Entity Name	CORE
Contact First Name	Drew
Contact Last Name	Voytal
Title	Ed&O
Phone	2025170429
Email Address	<a href="mailto:dvoytal@caqh.org">dvoytal@caqh.org</a>
Entity Stakeholder Type	SDO/Association
Entity is a CORE Participant?	Yes
Entity Creates, Uses, or Transmits the HIPAA Mandated Transactions in its daily business (HIPAA covered entity or Business Associate)?	Yes



#### Navigation Page for 2016 Market-based Adjustments Submissions

This page serves as the main point of navigation for the remainder of the Market-based Adjustments submission process. On this page you may select:

- The CORE-defined Business Scenario for which you want to enter a code addition, removal, or relocation, or delete a previously entered code addition, removal, or relocation.
- Finish the survey

After each of the aforementioned actions you will be returned to this page unless you select "Finish Survey" in which case your submission will be sent to CAQH CORE for review.

After you make a selection below and click on NEXT, the form will automatically take you to the corresponding section of the form where you will then enter your specific codes for additions, removals, and/or relocations, or delete a previous entry. You may select the same CORE-defined Business Scenario as many times as needed to complete entering all of your requested adjustments.

A sample version of the CAQH CORE 2016 Market-based Adjustments Form can be downloaded [HERE](#). This document is intended to assist submitters in preparing their response to the CAQH CORE 2016 Market-based Adjustments Form.

NOTE: Each individual code combination addition, removal, and relocation is defined as a single "entry." When you have completed an entry you will receive an email confirmation for each entry that includes a unique Entry ID. You can use the unique Entry ID if you decide to delete a specific entry. Please retain this email for your record as it includes a copy of your full submission for that entry (including evaluation criteria selected, business case, and usage data).

- CORE-defined BS#1: Additional Information Required - Missing/Incomplete/Invalid Documentation
- CORE-defined BS#2: Additional Information Required - Missing/Incomplete/Invalid Data from Submitted Claim
- CORE-defined BS#3: Billed Service Not Covered by Health Plan
- CORE-defined BS#4: Benefit for Billed Service Not Separately Payable
- Delete a Previous Entry
- Finish Survey



#### Submission for Code Adjustments for Business Scenario #4

Please select the action you wish to perform for this CORE-defined Business Scenario.

Addition Types \*

- Addition Type #1. Add CARC and RARC
- Addition Type #2. Add CARC with no associated RARC
- Addition Type #3. Add RARC to an existing CARC
- Addition Type #4. Add CAGC(s) to an existing CARC
- Addition Type #5. Add CAGC(s) to an existing CARC and its associated RARC

Removal Types

- Removal Type #1. Remove CARC and all associated RARCs
- Removal Type #2. Remove RARC from existing CARC
- Removal Type #3. Remove CAGC(s) from existing CARC
- Removal Type #4. Remove CAGC(s) from existing RARC and associated CARC

Relocation Types

- Relocation Type #1. Remove CARC and all associated RARCs from this CORE-defined Business Scenario and add to another *existing* CORE-defined Business Scenario with associated CAGC(s)
- Relocation Type #2. Remove CARC and all associated RARCs from this CORE-defined Business Scenario and add CARC and *some or no* associated RARCs to another *existing* CORE-defined Business Scenario with associated CAGC(s)

## Polling Question #3:

**What types of potential adjustments does your organization plan to submit via the Market-based Adjustments Survey? (Select all that apply)**

1. Addition of *new* code combinations (new business needs, high usage, etc.)
2. Removal of *existing* code combinations (unclear/inaccurate, duplicative, etc.)
3. Relocation of *existing* code combinations to another Business Scenario
4. Unsure/TBD
5. Not planning to submit a survey response

# 2016 Market-based Adjustments Survey

## Tips and Best Practices



### Use a Single Email Address for Submissions

- Create a shared email for the organization team completing the submissions.
- If team member is out of office, ensure another person is responsible for coverage to keep process going.



### Keep a Detailed Spreadsheet of Submissions

- Add Entry ID to allow you to easily find the number of any submitted adjustments that you need to alter or delete.



### Deletions

- Look for deleted entries listed in the drop down as **EIDXXX\_://** without any codes or scenario name.



### Real World Data

- If you have access to a person with real world usage data, try to include them in your organization team completing the submission.

# 2016 Market-based Adjustments Survey

## Additional Resources



***Is there anything I can download that will walk me through the Market-based Adjustments Survey Submission Process?***

- Review the [instructions](#) to assist you in completing the online 2016 Market-based Adjustments Survey.



***Where can I see what a completed 2016 Market-based Adjustments looks like?***

- See a sample [Market-based Adjustments Survey](#) to help you plan your submission.



***Where can I find the materials from this training session?***

- Navigate to the Resources section for today's event to find a PDF version of today's presentation slides on the [CORE Events page](#).
- A copy of the slides and the webinar recording will be emailed to all attendees and registrants in the next 1-2 business days.



***What if I have any other questions?***

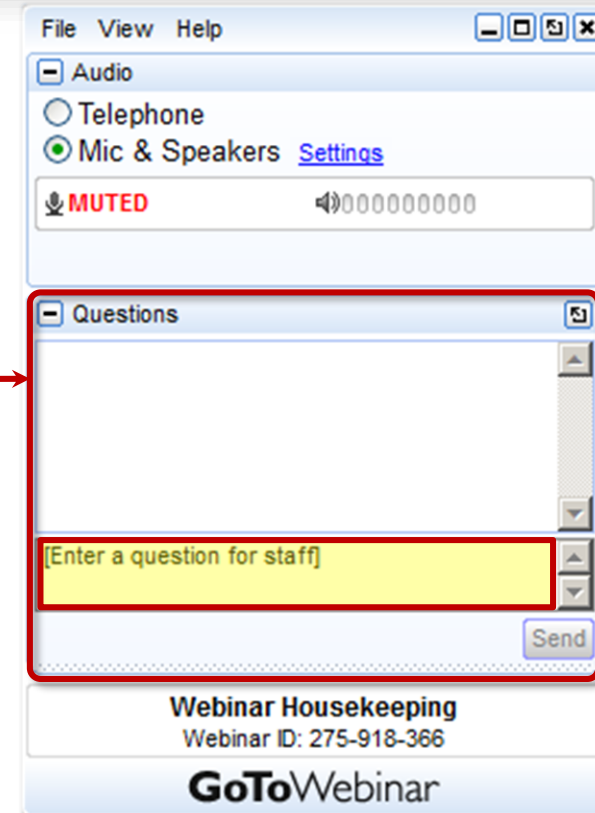
- If you have questions or need additional assistance, please contact us at [CORE@caqh.org](mailto:CORE@caqh.org).

# Audience Q&A

**Please submit your questions**

Enter your question into the “Questions” pane in the lower right hand corner of your screen.

**You can also submit questions at any time to [CORE@caqh.org](mailto:CORE@caqh.org)**



**Reminder - Download a copy of today's presentation slides at [caqh.org/core/events](http://caqh.org/core/events)**

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## Resources

- [Presentation Slides](#)

# Upcoming CAQH CORE Education Sessions - 2017

**CAQH CORE Town Hall National Webinar**  
**WEDNESDAY, FEBRUARY 15<sup>TH</sup>, 2017 – 2 PM ET**

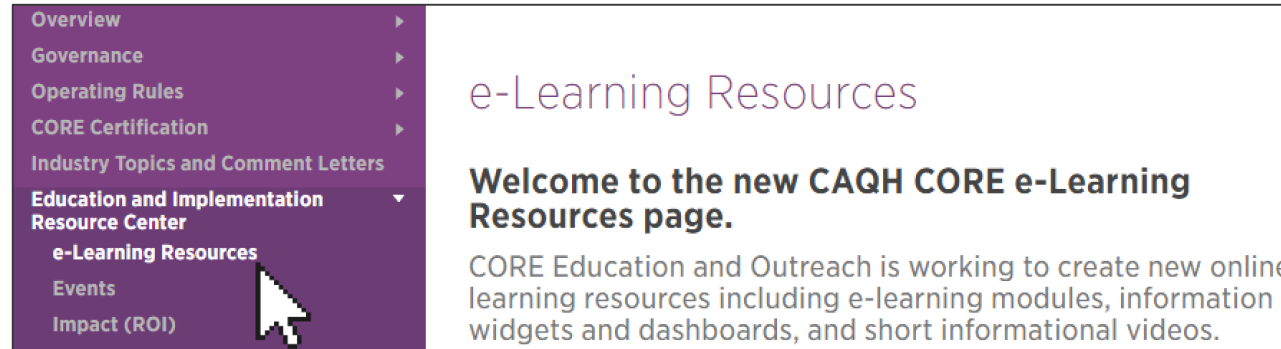
Many more education sessions are being planned. Stay tuned for email notifications and check our CORE Events page for the latest information.

For information and to register, please go to [www.caqh.org/core/events](http://www.caqh.org/core/events)



# New e-Learning Resources from CORE

[www.caqh.org/core/elearning-resources](http://www.caqh.org/core/elearning-resources)



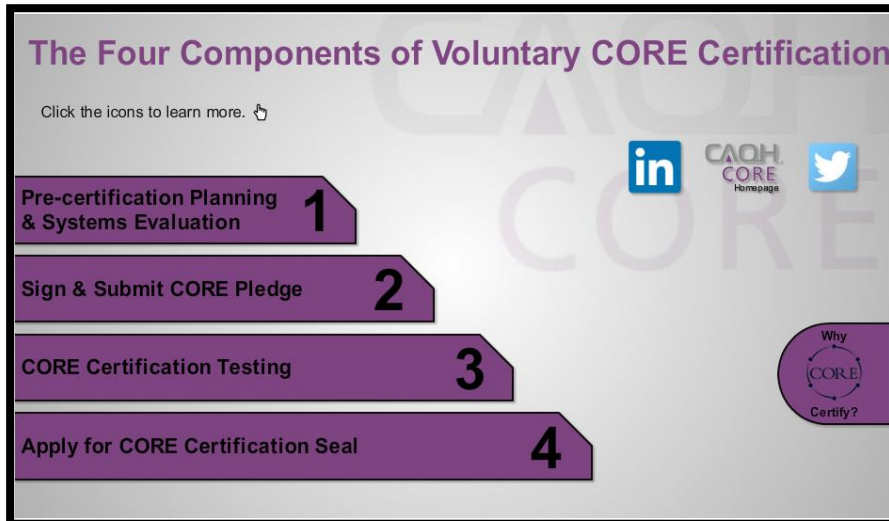
Overview  
Governance  
Operating Rules  
CORE Certification  
Industry Topics and Comment Letters  
Education and Implementation Resource Center  
e-Learning Resources  
Events  
Impact (ROI)

## e-Learning Resources

**Welcome to the new CAQH CORE e-Learning Resources page.**

CORE Education and Outreach is working to create new online learning resources including e-learning modules, information widgets and dashboards, and short informational videos.

Learn about the four components needed to complete voluntary CORE Certification



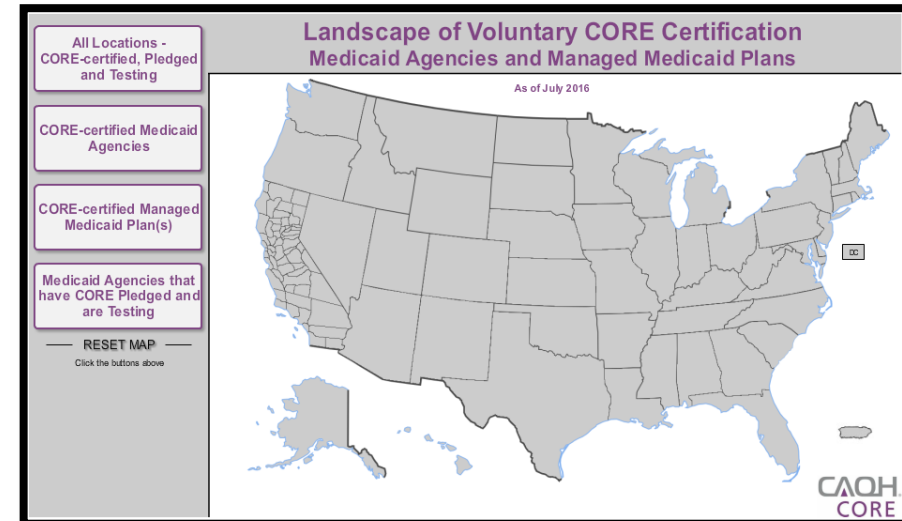
## The Four Components of Voluntary CORE Certification

Click the icons to learn more.

- 1 Pre-certification Planning & Systems Evaluation
- 2 Sign & Submit CORE Pledge
- 3 CORE Certification Testing
- 4 Apply for CORE Certification Seal

Why CORE Certify?

Explore our new interactive map to learn which Medicaid agencies are achieving CORE Certification.



## Landscape of Voluntary CORE Certification Medicaid Agencies and Managed Medicaid Plans

As of July 2016

- All Locations - CORE-certified, Pledged and Testing
- CORE-certified Medicaid Agencies
- CORE-certified Managed Medicaid Plan(s)
- Medicaid Agencies that have CORE Pledged and are Testing

RESET MAP  
Click the buttons above

# Engage With Us!

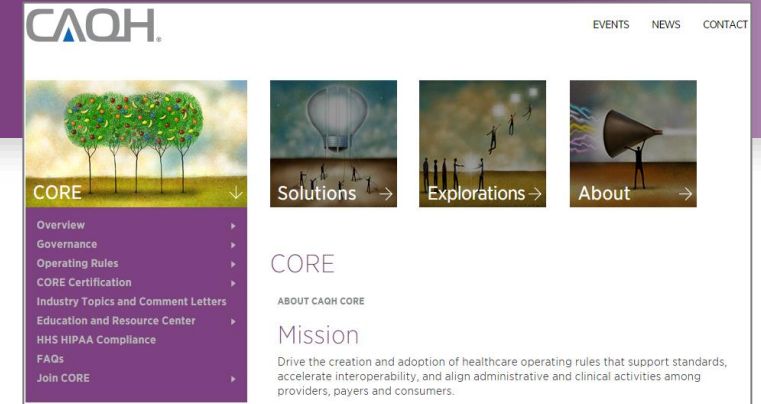
Visit us at the [CAQH CORE Website](http://CAQH CORE Website) or contact us at [CORE@CAQH.org](mailto:CORE@CAQH.org)

**Participate** in the CAQH CORE Code Combinations Task Group (CCTG) or the Enrollment Data Task Group

**Become a** [CAQH CORE Participating Organization](#)

**Explore** Voluntary CORE Certification

**Register** for upcoming [webinars](#)



Dedicated webpages:

- ✓ [Code Combination Maintenance](#)
- ✓ [EFT/ERA Enrollment Maintenance](#)
- ✓ [Voluntary CORE Certification](#)
- ✓ [CAQH CORE Phase IV Operating Rules](#)

# Thank you for joining us!

Website: [www.CAQH.org/CORE](http://www.CAQH.org/CORE)

Email: [CORE@CAQH.org](mailto:CORE@CAQH.org)



@CAQH