CAQH CORE CARC/RARC Code Combinations
Emergency Additions **to the CORE-required Code Combinations and CORE-defined Business Scenarios**
Updated June 2014

Background

Two types of adjustments[1] to the CORE-required Code Combinations for the CORE-defined Business Scenarios are included in the CAQH CORE Code Combinations Maintenance Process:

1. **Compliance-based Adjustments**: Published updates including deactivations, modifications and additions to the CARCs and RARCs lists by the code authors must be reviewed to ensure alignment between the CORE-required Code Combinations for the CORE-defined Business Scenarios and the published code lists[2]. Compliance-based Reviews occur *three times per year* per the CAQH CORE Code Combinations Maintenance Process. To ensure alignment with published code lists, a Compliance-based Review only considers additions[3], deactivations, or modifications to a CARC or a RARC included in the CORE-required Code Combinations by the code authors[4] published since the last adjustments to the CORE-required Code Combinations for the CORE-defined Business Scenarios via the CAQH CORE Code Combinations Maintenance Process, as required by the CAQH CORE 360 Rule. CARC and RARC additions will be considered as candidates for inclusion in the CORE-required Code Combinations for the existing CORE-defined Business Scenarios. Outcomes of the Compliance-based reviews are recognized once posted.

2. **Market-based Adjustments** *(can be submitted by any interested party/not required to be a CORE Participant)[5]*: The industry may identify new business needs for additional CORE-required Code Combinations and/or need for new CORE-defined Business Scenarios. Market-based Reviews occur *once per year at a minimum* per the CAQH CORE Code Combinations Maintenance Process. A Market-based Adjustment considers industry submissions addressing:

   a. Adjustments to the existing CORE-required Code Combinations for existing CORE-defined Business Scenarios (additions and removals of code combinations, etc.) based on real world usage data and/or a strong business case. Real world data will be submitted by the industry, as there is currently no aggregated industry data regarding CARC and RARC code usage or combination usage.

   b. Addition of new CORE-defined Business Scenarios and associated code combinations based on real world usage data and/or a strong business case. Because the CORE-defined Business Scenarios are described within the CAQH CORE 360 Rule (unlike the CORE-required Code Combinations), any addition to the CORE Business Scenarios will be an adjustment to the CORE rule and thus must be approved by the CORE participants.

Emergency Code Combination Additions

Given the roll-out of the ACA and the significant evolution occurring in health care, market forces may require CAQH CORE to have an emergency process to add new code combinations that use *existing[6]* codes under the *existing* Business Scenarios. Such an emergency addition would mean the codes are not included in the most current *compliance-based* version of the CORE-required Code Combinations, and an entity cannot wait until the Market-based Review given new legislation, regulation, or a brand new product. A set of procedures has been developed to enable CAQH CORE to address requests for the addition of new code combinations under existing Business Scenarios on an emergency basis. This emergency addition process does not replace or substitute for the Compliance-based or the Market-based Adjustments described above. Rather, there must truly be an emergency to enact this process. The regular processes to update the code combinations will remain CORE's focus, and thus ensure that CAQH CORE remains focused on its CARC/RARC goals per the 360 Rule. (Example Goals: reducing code confusion by aligning industry usage of CARCs/RARCs with business needs, ensuring industry decisions regarding the code combinations and Business Scenarios are based on actual code usage,

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[1] For the purposes of this document, the term "adjustment" will be used to describe any changes to the CORE-required Code Combinations for the CORE-defined Business Scenarios, and the term "update" will be used to describe any changes to the published code lists.

[2] "Published Code List" refers to the master CARC or RARC list as approved by the appropriate Code Committees.

[3] Includes only *new* CARC or RARC added to the published code list since the publication of the last version of the CORE-required Code Combinations for the CORE-defined Business Scenarios; does not include a CARC or a RARC that existed in the published list at the time of the last Market-based adjustment to the CORE-required Code Combinations for the CORE-defined Business Scenarios.

[4] Updates to the CAQH CORE CARC and RARC code combination lists typically occur within one month of the Codes Committee Meeting at the ASC X12 Standing Meetings currently occurring three times per year.

[5] Must be submitted using CAQH CORE designated Market-based Adjustment form

[6] Existing codes are those codes included in the most recent published code lists by the code list authors which are not currently included in the currently approved CORE-required Code Combinations for CORE-defined Business Scenarios for CAQH CORE Rule 360.

adhering to published codes given CAQH CORE national analysis – which is the first – highlighted that adherence to published codes needs improvement.)

An Emergency Code Combination Addition (ECCA) is defined to be a request submitted to CAQH CORE for the addition of new code combinations using existing codes. The submitter of a request is *not required to be a CORE Participant*. A request could be in response to newly enacted federal or state legislative or regulatory action or to support new product lines offered to the market by public (e.g., Medicare, Medicaid) or commercial health plan issuers. It should be noted that such scenarios involve meeting business needs that have not been part of their business previously. The emergency process will not be enacted to revisit adding code combinations not previously supported, rather, the industry has the market-based data usage analysis to reduce or expand the code combinations lists.

Criteria for Evaluating an Emergency Code Combination Addition Request:

- Code Combination(s) requested are generated due to a new federal or state legislative or regulatory requirement with urgent timing and compliance restraints and the legislative and/or regulatory requirements can be independently verified.

- Code Combination(s) requested are generated to support a totally new product line(s) introduced to the market and the request is accompanied by appropriate attestation from the health plan issuer or the Accountable Care Organization (ACO).

- Code Combination(s) requested are not in conflict with the criteria used during CAQH CORE 360 Rule development and Compliance-based Reviews.

- Code Combination(s) requested do not require a new CORE-defined Business Scenario (Reminder: code combinations for a business scenarios other than the CORE-defined Business Scenarios can be used at any time).

- Code Combination(s) requested represent adjustments that cannot wait to be proposed during the normal CAQH CORE Compliance-based and/or Market-based Review cycles due to meeting one or more of the above criteria.

Process for Review and Approval of Emergency Code Combination Addition Requests

An ECCA form[7] for use by the industry to request emergency additions to the CORE-required Code Combinations for the CORE-defined Business Scenarios for the CAQH CORE 360 Rule is available via the link. The form and process will be adjusted by the CAQH CORE Code Combinations Task Group as needed and after some experience with the process both to ensure adherence to the term "emergency" and to ensure the Emergency process remains nimble and time sensitive. The request form will require a statement of the justification and need for the emergency addition with references to specific legislative and/or regulatory requirements and/or descriptions and timing for new product line(s) introduced to the market.

Rapid Adjustment Emergency Addition Request Review and Approval Process		
Task #	**Description**	**Potential Elapsed Time for Completion**
1	CAQH CORE staff receives and logs Emergency Code Combination Addition Request.	Process Starts

2	CAQH CORE staff reviews Emergency Code Combination Addition Request and creates checklist to review if the request meets the Emergency Code Combination Addition criteria.
	• If request meets criteria, see Task #3A.
	• If request does not meet criteria, see Task #B – rationale is outlined for Co-Chairs for their review. As summarized below in Tasks 3 and 4:
	    o If Co-Chairs agree criteria has not been met, request will be added to list of items for next Compliance-based or Market-based Review, whichever is appropriate.
	    o If Co-chairs don't agree with checklist and believe criteria is met, checklist will be changed to note where criteria were met and Summary of Addition will be developed for Co-Chair review.
		3 business days

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[7] Must be submitted using CAQH CORE designated Emergency Update Request form.

3	A) If request meets criteria: CAQH CORE staff prepares Summary of Addition and sends summary to the CAQH CORE Code Combinations Task Group Co-chairs for their review. B) If request doesn't meet criteria: Staff summarizes why request does not meet criteria using the checklist and sends to Co-chairs.	2 business days

4	There are four Co-Chairs. Summary and/or check-list on criteria is sent to *Task Group Co-chairs* who either:
	• Review and approve Summary of Emergency Code Combination Addition. (*Applies to requests that checklist shows criteria was met and Chairs agree with checklist.*)
	    o Staff completes Step 5 per Co-Chair agreement.
	• Agree that criteria not met (*Applies to requests that checklist shows criteria not met or when Chairs decide staff checklist needs to be changed to show criteria not met.*)
	    o If Co-Chairs agree that criteria not met, entity is informed their request will be addressed at either Compliance-based or Market-based Review and why. Step 5 not taken.
	• Ask that check list indicating request did not met criteria be changed to show criteria has been met, and why. (*Applies to request that staff checklist shows criteria not met but Chair review shows criteria met.*)
	    o If Co-chairs ask that criteria checklist is changed to show that request did meet criteria, CAQH CORE staff changes checklist for why request met criteria and goes back to Task 3A in order to create Summary of Additions for Co-Chair review. Step 4 is then repeated so Chairs can review Summary of Addition.
		3 business days

5 (only used if Emergency Addition Enacted)	CAQH CORE staff prepares and publishes to CAQH CORE web site updated version of CORE-required Code Combinations based on Co-Chair review of Summary of Addition. Notice is sent to the Task Group, the Task Group affiliates (wide range of entities who get updated after each Compliance-based Review) and the entity requesting emergency addition. Notice is also placed on website.	3 business days
	Total Elapsed Time	11 business days

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APPENDIX: Emergency Code Combination Addition Request Tracking Log

The log below lists the status of all ECCA submissions received by CAQH CORE since the process was established.

ECCA Request #	ECCA Request Summary	Co-Chair Review Completed	Date of Decision Notification to Requester	External Notification of Emergency Addition and Updating of *CORE Code Combinations*	Org Type	Final Status	Rationale (email core@caqh.org to see detail)
0001	Add RARC **N59** to the existing CARC **29** along with the following CAGC(s) **CO** to Business Scenario #3	10/06/13	10/07/13	N/A	Health Plan	Disapproved	Evaluation criteria not met - the current version of the *CORE Code Combinations* contains a code combination the Requester can use to meet its business need. Requester is also encouraged to submit request during the next Market-based Review.
0002	Add CAGC(s) **OA** to existing CARC **258** and its associated RARC **N103**	04/04/14	04/07/14	Include in *June 2014 CORE Code Combinations*	Govt Health Plan	Approved	Evaluation criteria met - Use of CAGC OA with CARC 258 and RARC N103 accurately addresses the situation where the patient is in custody/incarcerated and the patient is not obligated to pay for his or her care nor is the patient's health plan under any contractual obligations to pay for the patient's care per 42 CFR 411.4.
0003	Add CARC **246** along with the following CAGC(s) **CO**	04/04/14	04/07/14	N/A	Govt Health Plan	Disapproved	Evaluation criteria not met - The current version of the *CORE Code Combinations* already includes CARC 246 with CAGC CO in CORE-defined Business Scenario #3.
0004	Add RARC **N83** to the existing CARC **197** along with the following CAGCs **CO OA**	04/14/14	04/17/14	Include in *June 2014 CORE Code Combinations*	Govt Health Plan	Approved	Evaluation criteria met - The request to add RARC N83 to the existing CARC 197 along with the following CAGC(s) CO OA is generated due to recent regulation and a new model test under the new test model per the 2013 Center for Medicare & Medicaid Innovation Model Test Strategy, and the 2013 CMS Program Integrity Strategy.
0005	Add RARC **N572** to the existing CARC **16** along with the following CAGC(s) **CO**	04/24/14	04/25/14	Include in *June 2014 CORE Code Combinations*	Govt Health Plan	Approved	Evaluation criteria met – The request to add RARC N572 with CARC 16 and CAGC CO accurately address the situation where the provider has not submitted the appropriate codes and/or modifiers for Medicare outpatient therapy services as required by 42 CFR § 410.59 (a)(4), § 410.60 (a)(4), and § 410.62 (a)(4).
0006	Add RARC **N523** to the existing CARC **B5** along with the following CAGC(s) **CO**	05/05/14	05/07/14	Include in *June 2014 CORE Code Combinations*	Govt Health Plan	Approved	Evaluation criteria met. The request to add RARC N523 with CARC B5 and CAGC CO in CORE-defined Business Scenario #3 accurately addresses the situation when a home health agency provider has exceeded the 10% capitation on outlier payments and therefore payment will be withheld due to ACA Section 3131 requirements which are in effect.