2007 HIGHLIGHTS: National Recognition, Industry Impact

CAQH initiatives achieved two remarkable milestones in 2007. The Universal Credentialing Datasource (UCD) service topped 550,000 providers and 350 participating organizations, confirming its acceptance as the industry standard for provider data collection. More than 65 million Americans (one-third of all commercially insured lives) were covered by Committee on Operating Rules for Information Exchange (CORE)-certified health plans by year end. Both accomplishments demonstrate that CAQH and its members are creating national solutions with lasting impact. They also clearly indicate that our collaborative approach remains a model for success.

I am pleased to highlight a number of additional accomplishments from the past year and our goals for 2008.



- Participation Growth: UCD averaged more than 10,000 new providers per month. Vision, behavioral health and other specialty plans, as well as hospitals—for the first time—contributed to the growth in the number and breadth of participating organizations.
- State Adoption: By the end of the year, Kansas, Maryland and Vermont had joined Indiana, Kentucky, Louisiana, New Jersey, Rhode Island, Tennessee, and the District of Columbia in adopting the CAQH Standard Provider Credentialing Application as their mandated or designated provider credentialing form. Several additional states, as well as state Medicaid agencies, began considering a similar tactic.
- Best Practices: The 2007 Universal Credentialing Best Practices Conference focused on automating UCD data flow to other essential business processes and drew more than 100 participants. Our biggest conference to date also featured insightful perspectives from accreditation bodies and provider groups.
- Research Findings: The Lewin Group study results confirmed that UCD data can be valuable to health plans in applications well beyond credentialing. CAQH will work to unlock the full value of the data by promoting its broader use in quality assurance and member services, such as provider directories, in 2008.
- New Business Partner: After completing a thorough RFP process, CAQH selected Affiliated Computer Services, Inc. (ACS) to manage the ongoing administration, operation and expansion of the UCD service. ACS was selected for its outstanding record of proven performance in the healthcare arena.



- Phase I Certification: More than 25 organizations, including Aetna, AultCare, Blue Cross and Blue Shield of North Carolina and Tennessee, Health Net and WellPoint, achieved CORE Phase I certification during 2007.
- National IT Recognition: The CORE Phase I Data Content Rule was included in the first set of the Health Information Technology Standards Panel's (HITSP) interoperability standards.

- Participation Growth: New participants included ClaimRemedi, Enclarity, GE Healthcare, Harvard Pilgrim Health Care, Healthcare Association of New York State, HealthCare Partners Medical Group, IBM, InstaMed, Minnesota Department of Human Services, New York-Presbyterian Hospital, North Shore-Long Island Jewish Health System, RealMed Corporation, Recondo Technology, and the US Department of Veterans Affairs. More than 100 healthcare stakeholders, representing over 130 million insured lives, were participating in developing the CORE Phase II business rules by the end of the year.
- Survey Results: Findings from two CAQH studies, funded by the California HealthCare Foundation, respectively showed that automating insurance eligibility and benefits verification can significantly reduce administrative costs; and that the lack of patient identifier information is a key reason why automated verification processes fail. CORE is incorporating the study findings into Phase II rules development.
- State Impact: CORE's all-payer approach has attracted the attention of several states, including Colorado, Ohio, and Texas. Each is considering how best to include the CORE Phase I rules as a component of their strategies for improving electronic data exchange.

In addition to strong growth, our efforts in 2007 set the groundwork for further industry impact this year and into the future. Looking ahead, CAQH will:

- Continue to build healthcare organization and provider participation in UCD throughout 2008, with a goal of reaching 650,000 providers by the end of the year.
- Develop systematic processes for determining and validating the integrity, timeliness and accuracy of self-reported provider data submitted through the UCD service.
- Complete the transition of the UCD service to ACS and launch a more robust, re-branded version of UCD in 2008.
- Launch a program that enables UCD providers to opt-in to services that can further simplify practice administration.
- Introduce the second set of CORE rules, which will include additional rules for patient identifiers, patient accumulators, claims status and connectivity. Phase II also will require reporting of patient financial responsibility for an increased number of service codes.
- Initiate the CORE Phase III rules development process to further streamline administrative data exchange and improve health plan-provider interoperability.
- Host the first CAQH Administrative Simplification Conference in late September as a forum for UCD and CORE
 participants to share experiences and discuss strategies for further reducing administrative burden.

Your commitment and contributions to administrative simplification through CAQH are making a difference. With the continued support of your organization, in 2008 we will help move the industry even closer to a healthcare system in which administrative processes are efficient, predictable, and easily understood by patients, caregivers and providers.

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Executive Director

CAQH MEMBERS AND PARTICIPATING ORGANIZATIONS*

Accenture ACS EDI Gateway, Inc. ActivHealthCare Advantage Health Plan Advantica Eyecare Adventist HealthCare, Inc.

Aetna, Inc. Affiliated Healthcare, Inc. (AHI) Affinity Health Plan

Alpha Care Medical Group

America's Health Insurance Plans (AHIP)

American Association of Preferred Provider Organizations (AAPPO)

American College of Physicians (ACP) American Health Information Management Association

Amerigroup Corporation

AmeriHealth Mercy AmeriHealth New Jersey

Arnett Clinic, LLC

ASC X12

AultCare

Avalon Healthcare AvMed Health Plans

BlueCare Network

Blue Cross and Blue Shield Association (BCBSA)

Blue Cross and Blue Shield of Florida Blue Cross and Blue Shield of Georgia Blue Cross and Blue Shield of Kansas Blue Cross and Blue Shield of Kansas City Blue Cross and Blue Shield of Massachusetts

Blue Cross and Blue Shield of Michigan

Blue Cross and Blue Shield of Missouri

Blue Cross and Blue Shield of North

Blue Cross and Blue Shield of Tennessee

Blue Cross and Blue Shield of Vermont Blue Cross and Blue Shield of Western

Blue Cross and Blue Shield of Wisconsin Blue Cross of California

Boston Medical Center HealthNet Plan Brattleboro Memorial Hospital

Capital District Physicians' Health Plan (CDPHP)

CareFirst BlueCross BlueShield

Care Improvement Plus CareMedic Systems, Inc Carolina Crescent Health Plan Catholic Healthcare West Cedars-Sinai Health System Centene Corporation
Center Care Health Benefit Programs

Centers for Medicare and Medicaid Services

Central Vermont PHO

The Chiropractic Association of the Midwest CIGNA Behavioral Health CIGNA HealthCare

Citrus Healthcare ClaimRemedi, Inc

Clinical Practice Organization
Colonial Cooperative Care

Community Care Physicians Community Choice Michigan

Community Health Care Network Continuum Health Partners, Inc.

Coventry Health Care Creoks Behavioral Health Services, Inc. CSC Consulting, Inc.

DaVita Village Health DC Chartered Health Plan, Inc.

DuPage Valley Physicians

Electronic Data Systems (EDS) Electronic Healthcare Network Accreditation Commission (EHNAC)

Electronic Network Systems, Inc. (ENS) (an Ingenix Division)

Emdeon Business Services Emerging Health Information Technology

Enclarity, Inc. Excellus Health Plans

1st Medical Network Foresight Corporation
FrontPath Health Coalition

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GE Healthcare Geisinger Health Plan

George Washington University Medical Faculty
Associates

Georgetown University Hospital GHN-Online

Greater New York Hospital Association (GNYHA)

Greater Rochester IPA (GRIPA) Great Lakes Health Plan Great-West Healthcare Group Health, Inc

Health Management Systems, Inc.

Health Net, Inc.

Health Net Federal Services, LLC Health One Alliance Health Options, Inc. Health New England

Healthcare Administration Technologies, Inc. Healthcare Association of New York State Healthcare Billing and Management

Healthcare Financial Management Association (HFMA)

Healthcare Information and Management Systems Society (HIMSS) Healthcare Partners Medical Group

HealthNow New York, Inc. HealthPlan of Michigan

HealthRight HealthSmart Preferred Care (The Parker

Highmark Blue Cross Blue Shield

Horizon Blue Cross Blue Shield of **New Jersey**

HTP. Inc

Independence Blue Cross

Independent Health Independent Living Systems, LLC (Better Health)

Independent Physician Association of Georgia, Inc.

Indiana University / University Health Care Associates

Industry Buying Group Infotech Global, Inc.

Interplan Health (The Parker Group)

Kaiser Foundation Health Plan of the Mid-Atlantic States

Kentucky Medical Services Foundation, Inc. Kentucky Orthopedic Physical Therapy

LINXUS (initiative of GNYHA) Louisiana Medicaid — Unisys Lovelace Health Plan

Magellan Health Services, Inc. MagnaCare Health Plan MAMSI Health Plans Managed Health Network Managed Health Service MD Medicare Choice MD On-Line, Inc. MedAvant Healthcare Solutions Medical Group Management Association (MGMA)

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PNC Bank

RealMed Corporation Recondo Technology, Inc

Rochester Community IPA, Inc. Michigan Department of Community Health Microsoft Corporation
Minnesota Department of Human Services

Mercy Health Plans Meriden — Wallingford IPA

Michigan Public Health Institute

Mobility Medical, Inc. Molina Healthcare of California Molina Healthcare of Florida

Molina Healthcare of New Mexico Molina Healthcare of Ohio Molina Healthcare of Utah

MultiPlan, Inc.

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MVP Health Plan, Inc.

Montefiore Medical Center of New York Multicultural Primary Care Medical Group

Association National Account Service Company (NASCO)

National Capital Preferred Provider Organization (NCPPO) National Committee for Quality Assurance (NCQA)

National Council for Prescription Drug Programs (NCPDP) NaviMedix

New York Presbyterian System Select Health NextGen Healthcare Information Systems,

NJ SHORE (WEDI/SNIP NY Affiliate)

North Shore Long Island Jewish Health System

Omega Technology Solutions OptiCare Eye Health Network Oregon Department of Human Resources

Otis Health Care Center / Grace Cottage Owensboro Community Health Network Oxford Health Plans, Inc.

Parkview Health Plan Services PartnerCare Health Plan, Inc.

Passport Health Communications Payerpath, a Misys Company Peach State Health Plan

Physician Associates of Middle Georgia Physician Organized Healthcare System Physicians Health Plan of Mid Michigan

Physicians United Plan, Inc. Pillsbury Winthrop Shaw Pittman LLP

Planned Parenthood of Metropolitan Washington DC, Inc.

Priority Health
Private Sector Technology Group

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SafeMed, Inc. Saint Barnabas — Metrowest IPA Salisbury Health Group Senior Whole Health, LLC Sentara Healthcare Siemens Medical Solutions / HDX Smart Card Alliance Council Southwestern Vermont Medical Center SummaCare Sunshine State Health Plan

The TriZetto Group, Inc.

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Unison Health Plan United Behavioral Health United Physicians

UnitedHealth Group

Universal American Universal Health Care University Healthcare Associates, Inc.

University of Kentucky Medical Services Foundation, Inc.

University Physicians Associates Louisville University Physicians, Inc. (University of Maryland)

Utah Health Information Network (UHIN) Utilization Review Accreditation Commission (URAC)

V

Virginia Premier VisionShare, Inc Visiting Nurse Service of New York / VNS Choice

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WellChoice WellPoint Behavioral Health

WellPoint, Inc. Windsor Health Plan Wise Provider Networks

Work Group for Electronic Data Interchange (WEDI)

Medical Informatics Engineering, Inc.

simplifying healthcare administration CAQH

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