

# DEPARTMENT OF REGULATORY AGENCIES

## Division of Insurance

### 3 CCR 702-4

#### LIFE, ACCIDENT AND HEALTH

#### New Regulation 4-2-32

### STANDARDIZED ELECTRONIC IDENTIFICATION AND COMMUNICATIONS SYSTEMS GUIDELINES FOR HEALTH BENEFIT PLANS

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#### **Section 1 Authority**

This regulation is promulgated and adopted by the Commissioner of Insurance under the authority of §§ 10-1-109 and 10-16-135, C.R.S.

#### **Section 2 Scope and Purpose**

The purpose of this regulation is to define the standardized electronic identification and communication systems to be used by carriers and providers of health benefit plans in Colorado, as required by §10-16-135, C.R.S.

#### **Section 3 Applicability**

This regulation applies to all health benefit plan providers and carriers operating in the state of Colorado. Deadlines imposed in this regulation may be extended by the Commissioner under the circumstances listed in Section 5.F. of this regulation.

#### **Section 4 Definitions**

- A. "Carrier" shall have the same meaning as in §10-16-102(8), C.R.S.
- B. "CORE" means the Committee on Operating Rules for Information Exchange.
- C. "CORE Phase I certified" means having followed all CORE certification guidelines and received a Phase I certification seal.
- D. "CORE Phase II certified" means having followed all CORE certification guidelines and received a Phase II certification seal.

- E. "Health benefit plan" shall have the same meaning as in §10-16-102(21), C.R.S.
- F. "Provider" shall have the same meaning as in §10-16-102(36), C.R.S.
- G. "HIPAA" means Health Insurance Portability and Accountability Act of 1996

## **Section 5 Rules**

- A. All carriers licensed in this state as of September 1, 2012, shall be able to show the ability of their systems to allow real time data exchange including benefits eligibility, coverage determinations, and other appropriate provider-carrier transactions and interoperability following all CORE guidelines for data formats and system requirements.
- B. Carriers licensed in this state after September 1, 2012, if not already having systems that allow real time data exchange including benefits eligibility, coverage determinations, and other appropriate provider-carrier transactions following all CORE guidelines, shall, within 60 days of becoming licensed adjust their systems to follow all CORE guidelines for data formats and system requirements.
- C. CORE Phase I certification shall be accepted as evidence of compliance with Section 5.A. and 5.B. Those carriers using CORE certification to comply with the provisions of this rule shall be required to become CORE Phase II certified within one year of completing certification for CORE Phase I.
- D. All carriers and providers shall uniformly use the Council for Affordable Quality Healthcare-developed CORE data content and infrastructure rules in the exchange of HIPAA compliant healthcare information and infrastructure improvements.
- E. When installing new operating systems after August 31, 2012, all carriers are required to use CORE certified systems for communications, those systems which meet CORE certification standards, or contract with a vendor who has applied by September 1, 2012 to be CORE certified.
- F. Notwithstanding the above requirements, those systems used solely for internal integrated systems between a carrier and a provider group may be granted an exemption from this requirement so long as CORE certification standards of systems that provide information exchange functionality for carrier interactions related to consumers, out of network providers, and non-dedicated providers is maintained. No exemption exists until the Commissioner has reviewed a written request for exemption and has made a written finding that the exemption is granted.
- G. A carrier or provider located in a rural area of the state, as determined by the Commissioner, may apply to the Commissioner for, and the Commissioner may grant, an extension of any of the deadlines imposed by this section if meeting a particular deadline would impose a financial hardship on the rural carrier or provider. The Commissioner may require the rural carrier or provider to submit documentation supporting the financial hardship claim.

## **Section 6 Severability**

If any provision of this regulation or the application of it to any person or circumstance is for any reason held to be invalid, the remainder of this regulation shall not be affected.

## **Section 7 Incorporated Materials**

- A. The "CORE Phase I Eligibility and Benefits Operating Rules Manual" published by the Council for Affordable Quality Healthcare shall mean "CORE Phase I Eligibility and Benefits Operating Rules

Manual” as published on the effective date of this regulation. It does not include later amendments to or editions of “CORE Phase I Eligibility and Benefits Operating Rules Manual”. A copy of the “CORE Phase I Eligibility and Benefits Operating Rules Manual” may be examined at any state publications depository library. For additional information regarding how the “CORE Phase I Eligibility and Benefits Operating Rules Manual” may be obtained or examined, contact the Rulemaking Coordinator, Colorado Division of Insurance, 1560 Broadway, Suite 850, Denver, Colorado, 80202.

- B. The “CORE Phase II Policies and Operating Rules” published by the Council for Affordable Quality Healthcare shall mean “CORE Phase II Policies and Operating Rules” as published on the effective date of this regulation. It does not include later amendments to or editions of “CORE Phase II Policies and Operating Rules”. A copy of the “CORE Phase II Policies and Operating Rules” may be examined at any state publications depository library. For additional information regarding how the “CORE Phase II Policies and Operating Rules” may be obtained or examined, contact the Rulemaking Coordinator, Colorado Division of Insurance, 1560 Broadway, Suite 850, Denver, Colorado, 80202.

## **Section 8      Enforcement**

Noncompliance with this regulation may result, after proper notice and hearing, in the imposition of any of the sanctions made available in the Colorado statutes pertaining to the business of insurance or other laws which include the imposition of fines, issuance of cease and desist orders, and/or suspensions or revocation of license. Among others, the penalties provided for in §10-3-1108, C.R.S. may be applied.

## **Section 9      Effective Date**

This regulation shall become effective on October 1, 2010.

## **Section 10     History**

New regulation effective October 1, 2010.