Electronic Health Networks

Overview

An electronic health network (EHN or clearinghouse) is an entity that functions as an intermediary in the exchange of electronic health care transactions[1] between a payor, health care provider (provider), and covered entities.[2] By processing claims electronically, EHNs reduce administrative costs, errors associated with paper claims[3], and improve efficiency through optimizing the claims process and the revenue cycle continuum. Provider services offered by EHNs include: verifying the accuracy of claims submitted to payors, identifying errors (claims scrubbing) and reducing the number of rejected claims, verifying compatibility with payor software, submitting batch claims to payors, and formatting health care transactions to align with national standards.[4] Payors that accept electronic health care transactions originating in Maryland are required to accept transactions only from EHNs certified by the Maryland Health Care Commission (MHCC).[5]

Transaction Types and Standards

Administrative health care transactions were mostly paper based prior to the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA established national standards for electronic health care transactions, among other things.[6] The following electronic health care transactions have a HIPAA mandated standard format:[7]

- Claims and encounter information
- Payment and remittance advice
- Claim status
- Eligibility

- Enrollment and disenrollment
- Referrals and authorizations
- Coordination of benefits
- Premium payment

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[1] Health care transactions involve the electronic exchange of information between two parties to carry out financial or administrative activities. More information is available at: www.cms.gov/files/document/health-care-transactions-basics.pdf.

[2] Covered entities are health plans, health care clearinghouses, and health care providers. More information is available at: www.hhs.gov/hipaa/for-professionals/faq/covered-entities/index.html.

[3] The average error rate for paper claims is 28 percent, EHNs can reduce claims error rates to two to three percent. More information is available at: coa.org/docs/WhitePapers/Clearinghouses.pdf.

[4] California Orthopaedic Association, The Official Guide to Clearinghouses; User Ratings and Reviews. More information is available at: coa.org/docs/WhitePapers/Clearinghouses.pdf.
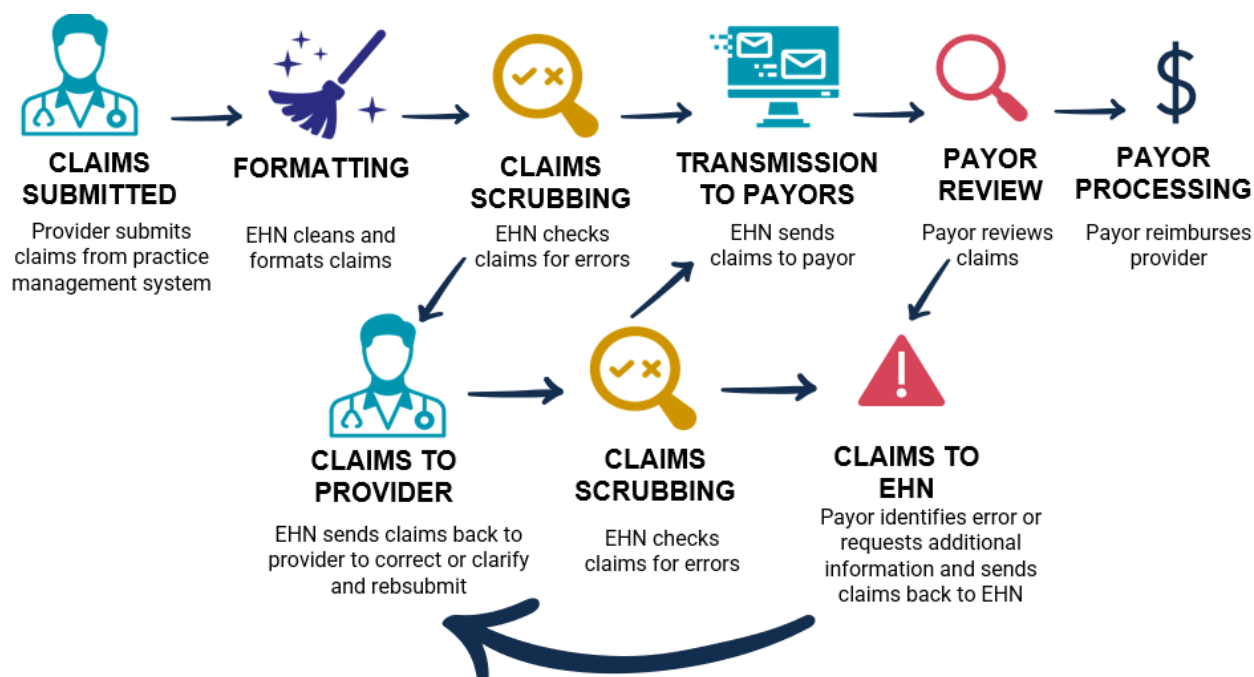
[5] EHN certification is required under COMAR 10.25.07.01, *Certification of Electronic Health Networks and Medical Care Electronic Claims Clearinghouses*. More information is available at: mhcc.maryland.gov/mhcc/pages/hit_ehn/hit_ehn.aspx.

[6] Health Insurance Portability and Accountability Act of 1996. More information is available at: www.govinfo.gov/content/pkg/PLAW-104publ191/pdf/PLAW-104publ191.pdf.

[7] Centers for Medicare & Medicaid Services, Health Care Transactions Basics. More information is available at: www.cms.gov/files/document/health-care-transactions-basics.pdf.

Benefits and Claims Processing Workflow

EHNs increase automation of tasks like payment notification, follow-up, reporting, and adjustments to reduce the amount of time and money providers spend on claims processing.[8] The following illustrates the role of EHNs in the claims processing workflow.

CLAIMS SUBMITTED
Provider submits claims from practice management system

FORMATTING
EHN cleans and formats claims

CLAIMS SCRUBBING
EHN checks claims for errors

TRANSMISSION TO PAYORS
EHN sends claims to payor

PAYOR REVIEW
Payor reviews claims

PAYOR PROCESSING
Payor reimburses provider

CLAIMS TO PROVIDER
EHN sends claims back to provider to correct or clarify and rebsubmit

CLAIMS SCRUBBING
EHN checks claims for errors

CLAIMS TO EHN
Payor identifies error or requests additional information and sends claims back to EHN

MHCC Certification

In order to receive MHCC certification (or recertification), EHNs must be accredited or certified by a national organization, recognized by MHCC, that evaluates EHNs for meeting standards related to privacy and confidentiality, business practices, physical and human resources, technical performance, and security. National organizations currently recognized by MHCC include the Electronic Healthcare Network Accreditation Commission (EHNAC) and the Health Information Trust Alliance (HITRUST).[9] As part of the certification process, MHCC reviews EHNs' EHNAC or HITRUST Common Security Framework assessment reports to verify compliance with HIPAA regulations and make recommendations to mitigate data breach risks in areas such as disaster recovery, business continuity, contingency plans, and intrusion detection and response.
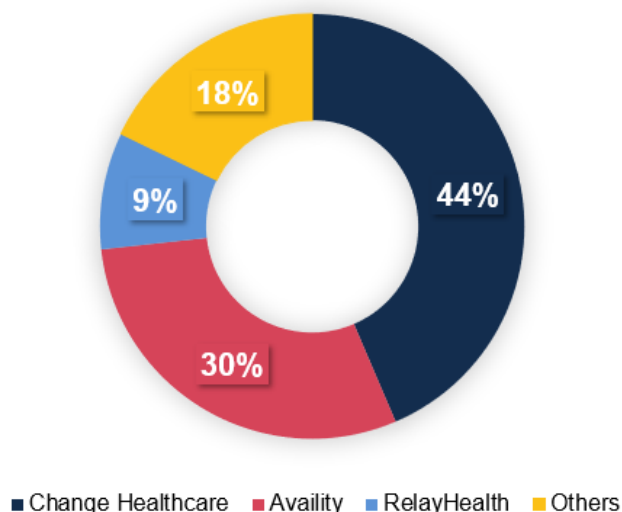
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[8] American Medical Association, The benefits of electronic claims submission— improve practice efficiencies. More information is available at: www.ama-assn.org/media/11106/download.

[9] More information about the MHCC certification process is available at: mhcc.maryland.gov/mhcc/Pages/hit/hit_ehn/hit_ehn.aspx.

The MHCC certifications are valid for a two-year period. A total of 30 EHNs are certified to operate in the State as of November 2021 (See table below).[10] Change Healthcare Operations LLC, Availity LLC, and RelayHealth Pharmacy Solutions process approximately 82 percent of electronic health care transactions in Maryland.

EHNs Operating in the State	
1	Ability Network Inc.
2	ACS EDI Gateway, Inc., a Xerox Company
3	Allscripts Healthcare, LLC
4	athenaEDI™
5	Availity, LLC
6	Carestream Dental, LLC
7	Cerner Corporation
8	Change Healthcare
9	Cyfluent, Inc.
10	EDI Health Group, Inc.
11	Experian Health
12	Eyefinity, Inc.
13	Inmediata Corp.
14	InstaMed Communications, LLC
15	NantHealth, Inc.
16	nThrive, Inc.
17	Office Ally, LLC
18	Optum
19	Optum 360 Formerly CareMedic
20	PNC Bank, NA
21	PNT Data Corp.
22	QS/1 Data Systems
23	RelayHealth
24	Smart Data Solutions, LLC
25	The SSI Group, LLC
26	Surescripts
27	Tesia Clearinghouse, LLC
28	TransUnion Healthcare, LLC
29	TriZetto Provider Solutions, LLC
30	Waystar

Private Payor Medical Claims Transaction Share by EHN (2021)

■ Change Healthcare ■ Availity ■ RelayHealth ■ Others

Questions?

Contact: Anene Onyeabo, Program Manager

anene.onyeabo@maryland.gov

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[10] MHCC Certified Electronic Health Networks. More information is available at: mhcc.maryland.gov/mhcc/Pages/hit/hit_ehn/hit_ehn_certified.aspx.