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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte NICHOLAS R. REVAK and DANIEL P. O'SHEA

Appeal 2017-008240
Application 12/173,519¹
Technology Center 3600

Before NINA L. MEDLOCK, PHILIP J. HOFFMANN, and
BRUCE T. WIEDER, *Administrative Patent Judges*.

WIEDER, *Administrative Patent Judge*.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 from the Examiner's final rejection of claims 1–13 and 15. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

CLAIMED SUBJECT MATTER

Appellants' invention relates to a system and method "for acquiring medical insurance coverage information associating medical insurance coverage identifiers with corresponding patient identifiers for use in claim

¹ According to Appellants, the real party in interest is Cerner Innovation, Inc. (Appeal Br. 3.)

generation and reimbursement in a hospital information system.” (Spec. 1, ll. 10–13.)

Claims 1, 8, and 15 are the independent claims on appeal. Claim 15 is illustrative. It recites:

15. A method for acquiring patient medical insurance coverage identification data for use in medical reimbursement claim generation, comprising the activities of:

employing at least one processing device for,
communicating a patient insurance eligibility inquiry identifying payer organizations in association with respective individual patient records, to an intermediary organization that converts inquiries concerning patient insurance eligibility from a first data format to a different data format for forwarding to payer organizations and converts responses from said payer organizations from the different data format to the first data format for return to requesting organizations;

acquiring medical insurance coverage information associating medical insurance coverage identifiers with corresponding patient identifiers for a plurality of different patients in response to a communicated patient insurance eligibility inquiry;

initiating generation of data representing a single display image, in a human readable format, for presenting a medical insurance coverage identifier acquired from said intermediary organization and corresponding patient identifier and enabling a user to initiate automatic storage of said medical insurance coverage identifier in a record associated with said patient identifier in a healthcare information system without having to transcribe the medical insurance coverage identifier; and

initiating communication of said medical insurance coverage identifier for storage in said record associated with said patient identifier in a healthcare information system in response to a command received using an executable operation, wherein the executable operation is initiated through user selection of said at least one display image.

REJECTION

Claims 1–13 and 15 are rejected under 35 U.S.C. § 101 as directed to a judicial exception without significantly more.

ANALYSIS

“Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.” 35 U.S.C. § 101. Section 101, however, “contains an important implicit exception: Laws of nature, natural phenomena, and abstract ideas are not patentable.” *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014) (quoting *Ass’n for Molecular Pathology v. Myriad Genetics, Inc.*, 569 U.S. 576, 589 (2013)).

Alice applies a two-step framework, earlier set out in *Mayo Collaborative Services v. Prometheus Laboratories, Inc.*, 566 U.S. 66 (2012), “for distinguishing patents that claim laws of nature, natural phenomena, and abstract ideas from those that claim patent-eligible applications of those concepts.” *Alice*, 134 S. Ct. at 2355.

Under the two-step framework, it must first be determined if “the claims at issue are directed to a patent-ineligible concept.” *Id.* If the claims are determined to be directed to a patent-ineligible concept, e.g., an abstract idea, then the second step of the framework is applied to determine if “the elements of the claim . . . contain[] an ‘inventive concept’ sufficient to ‘transform’ the claimed abstract idea into a patent-eligible application.” *Id.* at 2357 (citing *Mayo*, 566 U.S. at 72–73, 79).

With regard to step one of the *Alice* framework, the Examiner determines that claim 15 is representative of the claims on appeal (Answer 3), and that claim 15 is directed to the abstract idea of “processing information through a clearinghouse . . . (i.e. sending an insurance eligibility inquiry to an intermediary organization, [and] responding to the inquiry with medical insurance coverage information)” (*Id.* at 6, emphasis omitted; *see also id.* at 4–5).

Appellants disagree and argue that the “rejection is improper, as the Office suggests that the claims include multiple, unrelated, abstract ideas and that there is no judicial precedent for this form of analysis.” (Reply Br. 5.)

Under step one of the *Alice* framework, we “look at the ‘focus of the claimed advance over the prior art’ to determine if the claim’s ‘character as a whole’ is directed to excluded subject matter.” *Affinity Labs of Texas, LLC v. DIRECTV, LLC*, 838 F.3d 1253, 1257 (Fed. Cir. 2016) (quoting *Elec. Power Grp., LLC v. Alstom S.A.*, 830 F.3d 1350, 1353 (Fed. Cir. 2016)).

The Specification provides evidence as to what the claimed invention is directed. In this case, the Specification discloses that the invention relates to a system and method “for acquiring medical insurance coverage information associating medical insurance coverage identifiers with corresponding patient identifiers” (Spec. 1, ll. 10–12.) Claim 15 provides further evidence. Claim 15 recites “[a] method for acquiring patient medical insurance coverage identification data . . . comprising: . . . communicating a patient insurance eligibility inquiry . . . to an intermediary organization that converts inquires . . . to a different format,” “acquiring medical insurance coverage information,” “initiating generation of data

representing a single display image . . . and enabling a user to initiate automatic storage of said medical insurance coverage identifier,” “and initiating communication of said medical insurance identifier for storage.” In other words, information is transmitted (and may be reformatted), additional information is collected, information is prepared for display, a user is enabled to store information, and information is transmitted.

“[W]e have treated collecting information, including when limited to particular content (which does not change its character as information), as within the realm of abstract ideas.” *Elec. Power Grp.*, 830 F.3d at 1353. “In a similar vein, we have treated analyzing information by steps people go through in their minds, or by mathematical algorithms, without more, as essentially mental processes within the abstract-idea category.” *Id.* at 1354. Indeed, the steps recited in claim 15 could be performed by persons using a pencil and paper, or with ordinary mental steps. *See id.* at 1355. “And we have recognized that merely presenting the results of abstract processes of collecting and analyzing [or reformatting] information, without more (such as identifying a particular tool for presentation), is abstract as an ancillary part of such collection and analysis.” *Id.* at 1354. “Here, the claims are clearly focused on the combination of those abstract-idea processes.” *Id.*; *see also FairWarning IP, LLC v. Iatric Sys., Inc.*, 839 F.3d 1089, 1096–97 (Fed. Cir. 2016) (“FairWarning contends that its system allowed for the compilation and combination of . . . disparate information sources and that the patented method ‘made it possible to generate a full picture of a user’s activity, identity, frequency of activity, and the like in a computer environment.’ . . . As we have explained, ‘merely selecting information, by content or source, for collection, analysis, and [announcement] does nothing

significant to differentiate a process from ordinary mental processes, whose implicit exclusion from § 101 undergirds the information-based category of abstract ideas.’ *Elec. Power*, 830 F.3d at 1355.” (alteration in original, internal citation omitted)); *Content Extraction and Transmission LLC v. Wells Fargo Bank, Nat’l Ass’n*, 776 F.3d 1343, 1347 (Fed. Cir. 2014) (determining claims directed to collecting, recognizing, and storing data in a computer memory to be directed to an abstract idea).

Although we and the Examiner describe, at different levels of abstraction, to what the claims are directed, it is recognized that “[a]n abstract idea can generally be described at different levels of abstraction.” *Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1240 (Fed. Cir. 2016). That need not and, in this case does not, “impact the patentability analysis.” *See id.* at 1241.

With regard to Appellants’ argument that “there is no judicial precedent” for determining that claims directed to more than one abstract idea are not directed to a judicial exception under step one of the *Alice* framework, (*see* Reply Br. 5), we do not find this argument persuasive of error. The focus of the analysis is on the claim as a whole. *RecogniCorp, LLC v. Nintendo Co.*, 855 F.3d 1322, 1327 (Fed. Cir. 2017). A claim may incorporate multiple abstract ideas but that “does not render the claim non-abstract.” *Id.*

Moreover, the limitations of claim 15 do not recite implementation details. Instead, they recite functional results to be achieved. In other words, claim 15 does not recite “a particular way of programming or designing the software . . . , but instead merely claim[s] the resulting [method].” *Apple, Inc.*, 842 F.3d at 1241. “Indeed, the claim language here

provides only a result-oriented solution, with insufficient detail for how a computer accomplishes it. Our law demands more.” *Intellectual Ventures I LLC v. Capital One Fin. Corp.*, 850 F.3d 1332, 1342 (Fed. Cir. 2017).

In view of the above, we agree with the Examiner that claim 15 is directed to an abstract idea.

Step two of the *Alice* framework has been described “as a search for an ‘“inventive concept” ’—*i.e.*, an element or combination of elements that is ‘sufficient to ensure that the patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’” *Alice*, 134 S. Ct. at 2355 (citing *Mayo*, 566 U.S. at 72–73).

The Examiner determines:

The claims do not include additional elements that are sufficient to amount to significantly more than the judicial exception because the additional elements or combination of elements in the claims, other than the abstract idea per se, amount to no more than a recitation of A) generic computer structure that serves to perform generic computer functions that serve to merely link the abstract idea to a particular technological environment . . . ; and B) functions that are well-understood, routine, and conventional activities previously known to the pertinent industry . . . and which are performed in a purely conventional manner.

(Answer 5.)

Appellants disagree and seek to analogize the claims to those in *BASCOM Global Internet Services, Inc. v. AT&T Mobility LLC*, 827 F.3d 1341 (Fed. Cir. 2016). (Reply Br. 12–15.) Specifically, Appellants argue that, in *BASCOM*, “[t]he claimed method was directed to the inventive solution to the problem, ‘the installation of a filtering tool at a specific location, remote from the end-users, with customizable filtering features

specific to each end user.” (*Id.* at 14, citing *BASCOM*, 827 F.3d at 1350.) Appellants further argue that “[s]imilarly, the present claims address an issue relating to data transferred over a network. Rather than an issue of filtering internet content, the issue in the present invention is the compatibility of insurance data between healthcare providers and payer organizations.” (*Id.*)

In *BASCOM*, the court determined that “an inventive concept can be found in the non-conventional and non-generic arrangement of known, conventional pieces.” *BASCOM*, 827 F.3d at 1350. Specifically, “[t]he inventive concept described and claimed in the ’606 patent is the installation of a filtering tool at a specific location, remote from the end-users, with customizable filtering features specific to each end user.” *Id.* at 1350. “*BASCOM* explains that the inventive concept rests on taking advantage of the ability of at least some ISPs to identify individual accounts that communicate with the ISP server, and to associate a request for Internet content with a specific individual account.” (*Id.*) “According to *BASCOM*, the inventive concept harnesses this technical feature . . . by associating individual accounts with their own filtering scheme and elements while locating the filtering system on an ISP server.” (*Id.*)

Here, Appellants do not persuasively argue or cite to support in the Specification explaining why “the compatibility of insurance data between healthcare providers and payer organizations” is not simply an improvement to a business method regarding providing information from one organization to another. (*See Reply Br. 14.*) Moreover, as discussed above, the claims recite the functional results to be achieved rather than implementation details. Thus, “these claims in substance [are] directed to nothing more than the performance of an abstract business practice . . . using a conventional

computer. Such claims are not patent-eligible.” *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245, 1256 (Fed. Cir. 2014). Indeed, as noted above, claim 15 could be performed by persons using a pencil and paper. Thus, unlike the claimed invention in *BASCOM*, we do not agree that Appellants’ claimed invention provides a solution to a technological problem. The claims do not, for example, purport to improve the functioning of the processing device itself. Nor do they effect an improvement in any other technology or technical field. The claims do not even recite a network. In short, the claims amount to nothing significantly more than an instruction to apply the abstract idea using some unspecified, generic processing device. (See Final Action 5; see also Spec. 6, ll. 27–29.) That is not enough to transform an abstract idea into a patent-eligible invention. See *Alice*, 134 S. Ct. at 2360.

Appellants further argue that the claim elements reciting converting inquires to a different format, generating data representing a display image, enabling a user to automatically store the medical insurance identifier, and communicating the identifier for storage, provide an inventive concept under step two of the *Alice* framework. (Reply Br. 16–17.) We disagree. “It has been clear since *Alice* that a claimed invention’s use of the ineligible concept to which it is directed cannot supply the inventive concept that renders the invention ‘significantly more’ than that ineligible concept.” *BSG Tech LLC v. BuySeasons, Inc.*, 899 F.3d 1281, 1290 (Fed. Cir. 2018). Appellants also argue that these steps are not routine and conventional. (Reply Br. 16–17.) However, these steps are broadly recited and Appellants do not persuasively argue why the Examiner erred in finding that

the courts have recognized the following computer functions to be well-understood, routine and conventional functions when they are claimed in a merely generic manner: performing repetitive calculations (*Flook*); receiving, processing and storing data (*Alice*); electronically scanning or extracting data (*Content Extraction*); electronic recordkeeping (*Alice*); automating mental tasks (*Benson*); receiving or transmitting data over a network (*Ultramercial*).

(Answer 7; *see also Elec. Power Grp.*, 830 F.3d at 1356) (The claims “do not include any requirement for performing the claimed functions of gathering, analyzing, and displaying in real time by use of anything but entirely conventional, generic technology. The claims therefore do not state an arguably inventive concept . . .”).

Appellants further argue that “[t]he Office has failed to produce a prima facie rejection.” (Reply Br. 5, emphasis omitted.) We disagree.

The USPTO carries its procedural burden of establishing a prima facie case when its rejection satisfies the requirements of 35 U.S.C. § 132 by notifying the applicant of the reasons for rejection, “together with such information and references as may be useful in judging of the propriety of continuing the prosecution of [the] application.” *In re Jung*, 637 F.3d 1356, 1362 (Fed. Cir. 2011) (brackets in original, quoting 35 U.S.C. § 132(a)). Particularly in view of Appellants’ response to the Examiner’s stated reasons for the rejection, we do not agree that the Examiner did not notify Appellants of the reasons for the rejection.

Appellants also argue that “the individual claim elements of independent claims 1, 8, and 14 were not reviewed for inventive concepts, nor were the claim elements of dependent claims 2-7 or 8-13.” (Reply Br. 15.) As an initial matter, we note that claim 14 is not pending and thus,

is not appealed. (*See* Final Action 1.) Additionally, we note that the Examiner determined that “[c]laims 1 and 8 recite similar features” to those in claim 15, and that “[t]he dependent claims merely provide additional details about the type of intermediary, the database, display processing and additional workflow tasks.” (*Id.* at 2, emphasis omitted.) In view of the above discussion of claim 15, and the Examiner’s determinations regarding independent claims 1 and 8, and the dependent claims, we do not find Appellants’ argument persuasive of error.

DECISION

The Examiner’s rejection of claims 1–13 and 15 under 35 U.S.C. § 101 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED