American Hospital Association

Liberty Place, Suite 700
325 Seventh Street, NW
Washington, DC 20004-2802
(202) 638-1100 Phone
www.aha.org

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Darrell Bachman
Centers for Medicare and Medicaid Services
Acquisition and Grants Group
7500 Security Blvd.
C2-21-15, Central Building
Baltimore, MD 21244-1850

Via email to Dbachman@cms.hhs.gov

Dear Mr. Bachman:

We appreciate the leadership of the Centers for Medicare and Medicaid Services (CMS) in implementing the administrative simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). We welcome CMS' strong leadership in ensuring the smooth implementation of the newest component of the administrative simplification process, the adoption of national standard identifiers for health care providers (hereinafter "NPIs").

CMS recently released a request for information, soliciting input from potential contractors on the options for carrying out the operations associated with NPI enumeration for health care providers. A draft statement of work accompanied the request for information. Although we are not a potential contractor, we are taking this opportunity to provide initial comments and suggestions on behalf of the American Hospital Association's nearly 5,000 member hospitals, health systems, and other providers of care who will be affected by the enumeration process.

Role of Providers in the Enumeration Process

As with many aspects of administrative simplification, providers bear the initial burden in the implementation of NPIs. Successful NPI enumeration depends on millions of health care providers applying for NPIs within a fairly narrow window of time. If the enumeration process does not meet the needs of the provider community, NPI implementation risks being delayed or derailed entirely.

We are pleased that the tasks listed in the draft statement of work emphasize the central role of customer service in the responsibilities of the enumerator. In particular, the establishment of a toll-free provider service hotline with a sufficient number of customer service representatives to address provider inquiries has the potential to greatly enhance both provider comfort with the

enumeration process and the accuracy of the applications submitted. In addition, we are pleased with the proposed requirement that the enumerator maintain a complaint log to monitor provider concerns with the enumeration process. By tracking provider inquiries and complaints, the enumerator has important information with which to make quality improvements. We urge CMS to require monthly reporting of customer service data and the use of this data to measure contract compliance.

While we are encouraged that customer service will be a primary responsibility of the enumerator, we believe that formalized provider input in the enumeration process should not be limited solely to the comments of individual providers in response to a fully formed system. Indeed, CMS and the enumerator should actively seek provider input throughout the development and implementation of the enumeration process. Provider input will help ensure that the systems developed will facilitate, and not hinder, providers' efforts to obtain an NPI.

CMS should work with the provider community on mechanisms to minimize the time and data burdens imposed on providers in the enumeration process. We recommend that CMS coordinate with providers on a rational plan to systematize the enumeration process. For example, coordinating the timing of enumeration based on geographic location or provider type would increase the likelihood that applications are submitted in a steady stream over time rather than a trickle followed by a last minute glut. CMS should continue to pursue options for bulk enumeration and explore opportunities whereby providers could authorize third parties, such as state medical board and professional societies, to submit data on their behalf. With input from the provider community, CMS should develop documents that identify the required elements of an NPI application and the background documents necessary to complete the NPI application. The AHA stands ready to assist in the widespread distribution of such documents, as we believe they would simultaneously educate providers about NPI requirements and streamline the application process. CMS should consult with the provider community to ensure that mechanisms the enumerator will use to solicit missing data elements are appropriate and give each provider sufficient time and opportunity to obtain the needed information and amend the application. CMS should work with the provider community to develop a common understanding of when a provider may want to, or be required to, obtain multiple NPIs and ensure that the enumeration system will not reject legitimate requests for multiple NPIs. An ongoing dialogue between CMS and the provider community will help ensure that factors such as these are discussed and that opportunities to reduce the burdens and improve the efficiency of the enumeration process are fully explored.

Similarly, the enumerator should be actively involving the provider community in the set-up and testing phase of the enumeration process to ensure that the resulting systems are tailored to user needs. Security features must be adopted which protect sensitive information and prevent unauthorized access and modification of provider information. The process for submitting web-based information should include: the ability to save information at regular intervals throughout the data entry process; identifiers that "flag" required fields; automatic log-off times that accommodate reasonable processing delays; mechanisms that allow providers to validate and/or correct information prior to submission; and electronic acknowledgements that applications have been submitted. When required information is omitted, the process to solicit such information must clearly communicate what element is missing and the enumerator must give the provider sufficient notice and opportunity to produce the required information. The enumeration process

should include the capacity for a provider to inquire electronically and via telephone on the status of an NPI application. Furthermore, providers should be actively involved in the tests of the enumerator's web page before its "go-live" date; the chilling effect of technical difficulties during the first weeks of on-line enumeration must be avoided. While not inclusive, these examples are indicative of the concerns of the provider community. To the extent that provider concerns are discussed and incorporated into the development process, the resulting system may facilitate the timely application for NPIs.

Relationship between CMS and the Enumerator

We believe that CMS must more clearly delineate which responsibilities for the enumeration process lie with CMS and which lie with the enumerator. In addition, CMS and the enumerator must coordinate their communications with providers.

CMS should not delegate its decision-making authority. Important policy questions which have yet to be resolved include: which data elements are required versus optional; what are the acceptable alternates to an individual provider's social security number; which states require licensure for which taxonomy codes; under what circumstances may an NPI be denied or deactivated. The responsibility for policy decisions such as these must remain with CMS. Similar concerns arise in the decision-making related to potential system changes. For example, delays in the assignment of NPIs and comments from providers may lead the enumerator to conclude that temporary identification numbers are appropriate. While the enumerator should rightly raise such concerns with CMS, it should not make unilateral changes of this nature.

Although CMS must retain decision-making authority, both CMS and the enumerator will play important roles in communicating with providers about NPIs and the enumeration process. The collaboration of these entities is critical. There will be many instances in which some providers will pose their questions to CMS while others make the same inquiries of the enumerator. Each entity must give the same answers. Clear and coordinated responses to provider inquiries will reduce provider confusion and smooth the process of implementing NPIs.

We look forward to continuing to work with CMS to resolve these and other issues and concerns that will arise in the coming months. If you have any questions about our proposals or if the AHA can be of further assistance, please contact me at (202) 626-2336, George Arges, senior director, Health Data Management at (312) 422-3398, or Lawrence Hughes, regulatory counsel and director, Member Relations at (312) 422-3328.

Sincerely,

Melinda Reid Hatton
Vice President and Chief Washington Counsel

cc: Karen Trudel, Acting Director, Office of HIPAA Standards, CMS