



**American Hospital
Association**

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May 17, 2012

Submitted Electronically

Marilyn Tavenner
Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
200 Independence Avenue, S.W., Room 445-G
Washington, DC 20201

Re: Administrative Simplification: Adoption of a Standard for a Unique Health Plan Identifier – CMS-0040-P;

Dear Ms. Tavenner:

On behalf of our more than 5,000 member hospitals, health systems and other health care organizations, and our 42,000 individual members, the American Hospital Association (AHA) appreciates the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed rule that calls for:

- 1) unique health plan identifiers (HPID);
- 2) other entity identifiers (OEID); and
- 3) expansion of the National Provider Identifier (NPI)

Please note that the AHA submitted a separate comment letter pertaining to the International Classification of Diseases 10th Edition (ICD-10) discussion within this rule.

HEALTH PLAN IDENTIFIERS

The proposed rule intends to implement section 1104 of the *Patient Protection and Affordable Care Act* (ACA) by establishing new reporting requirements for use in the *Health Insurance Portability and Accountability Act* (HIPAA) electronic transaction standards. That calls for the enumeration and use of unique HPIDs. The rule would require health plans to obtain an HPID and would require all covered entities (health plans, providers and clearinghouses) to use the HPID whenever a health plan needs to be identified in any of the HIPAA transaction standards.

An important function of the HPID is to facilitate appropriate routing of the transaction. The



enumeration process will lead to the development of a database that will allow providers and others to verify or obtain the HPID of a health plan. We anticipate that the enumeration system will allow a provider to not only identify a health plan's HPID but to provide corresponding routing and contact information. The enumeration system should help reduce the number of failed attempts providers experience when submitting a transaction. This is a significant problem when the patient presents at the hospital's emergency department without an enrollment card. In the absence of the enrollment card, providers often have a difficult time determining the responsible health plan. The AHA also recommends that CMS require health plans to include their HPID on the subscriber's health insurance enrollment card.

The enumeration database for HPIDs is vital and must be routinely maintained to be accurate. A well maintained and current database makes it possible for providers to search for the right HPID and then utilize the eligibility inquiry transaction standard to verify whether the correct health plan has been identified for that patient.

According to the proposed rule, a health plan must obtain a "Controlling Health Plan (CHP)" HPID if it has control over its operations. Alternatively, the rule would allow the plan to seek a "Sub-health Plan" (SHP) identifier if it wishes to define a particular health plan line of business. While the health plan has the option to further define its operations, it comes down to a business decision on whether the plan believes the SHP option is the right direction. **The AHA believes greater guidance is needed for health plans to make informed decisions on the most appropriate approach.** The AHA also supports requiring self-insured groups to obtain a HPID if it meets the definition of a CHP.

HPID Standard Format. The proposed HPID format is a 10-digit all-numeric identifier with a Luhn check digit (ISO 7812 standard format). It is the same format that is being used for the NPI. The use of this format for the HPID appears feasible based on the experience of its use in the NPI and would fit within the existing field size for plan identifiers within the HIPAA transaction standards.

OTHER ENTITY IDENTIFIER

The OEID is intended to serve as an identifier for entities that are not health plans but have similar functions such as third party administrators and health care clearinghouses. Typically, these entities are heavily engaged in sending, receiving and sometimes processing the health care transaction. The primary purpose of the HPID is to define the health plan; the use of the OEID is to recognize the role of other entities for processing the transaction. The establishment of the OEID also should increase standardization, consistency and efficiency in routing the transaction.

The AHA supports CMS's proposal to create an identification for other entities. The rule proposes that these entities obtain and use an OEID on a voluntary basis. The AHA urges CMS to require entities that have contractual responsibilities for handling HIPAA transaction standards to obtain OEIDs.

Similarly, non-covered entities, such as auto liability and workers compensation carriers, should obtain OEIDs if they are responsible for processing transactions. This would make the process of routing the transactions easier for the provider community.

EFFECTIVE AND COMPLIANCE DATES FOR HPID AND OEID

The effective date specified in the rule for HPID and OEID is October 1, 2012, which marks the first day that a health plan or other entity will be able to apply to obtain an HPID or OEID. **The AHA urges CMS to provide more time. The proposed six-month period for enumeration is too short because many health plans undergo an annual enrollment process (that normally runs from October – December). It would be best to allow a full year for the enumeration phase to accommodate a complete annual enrollment cycle. This would allow new employer plans to come on board in accordance with their fiscal year.**

The AHA also disagrees with the October 1, 2014 compliance date since it coincides with the proposed revised date for ICD-10. Introducing the HPID and OEID at the same time as ICD-10 will make it difficult to determine the cause of any claim delays. The AHA recommends that the HPID and OEID compliance date should be no sooner than one year after the ICD-10 compliance date.

EXPANSION OF NATIONAL PROVIDER IDENTIFIER

The proposed rule indicates that an organization that is a covered health care provider may require certain non-covered individual health care providers who are prescribers to: (1) obtain NPIs; and (2) to the extent the prescribers write prescriptions while acting within the scope of the prescribers' relationship with the organization, to disclose to any entity that needs an NPI to identify these prescribers in the standard transactions. The proposed rule indicates that this addition to the NPI requirements would address the issue that pharmacies are encountering when the NPI of a prescribing health care provider is needed on a pharmacy claim, but the prescribing health care provider does not have, or has not disclosed its NPI. **The AHA supports this proposal to allow non-covered individual health care providers to apply for an NPI so that it can be transmitted within the transaction standard.**

The AHA appreciates the opportunity to comment. If you have any questions, please contact me or George Arges, senior director, health data management, at (312) 422-3398 or garges@aha.org.

Sincerely,

/s/

Rick Pollack
Executive Vice President