Statement of the American Hospital Association
National Committee on Vital and Health Statistics'
Subcommittee on Standards
Regarding
Upcoming Regulations on National Health Plan Identifier

July 19, 2010

I am George Arges, senior director of the health data management group at the American Hospital Association (AHA). On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our 40,000 individual members, the American Hospital Association (AHA) appreciates the opportunity to discuss the adoption of the National Health Plan Identifier (NHPI).

Today hospitals face uncertainty in being able to accurately identify the health plan responsible for processing the claim. The establishment of a viable process that not only issues, but also allows for easy verification of NHPI is long overdue. Today the lack of a NHPI and the associated national registry of NHPIs make it difficult for hospitals to accurately determine the patient's eligibility for health benefits. This is especially true when the patient presents without an insurance enrollment card. It is therefore very important to move forward with the adoption of a health plan identifier along with a readily accessible registry that would allow the provider to easily locate the patient's health plan and corresponding NHPI.

The NHPI registry should contain additional information about the health plan, the type of insurance product, linkage to the patient's group/policy number, as well as links where one can obtain more details about the insurance product and its benefits. To keep the NHPI and NHPI Registry current, a core set of business rules is needed on who should get an NHPI, the information that will be contained in the registry, access to the registry, frequency of updates, and other search functions to allow for NHPI retrieval or validation.

From our perspective, it is important that there be a linkage of the NHPI along with the group or policy number. Ideally, these elements should be present on all enrollment cards. Any entity assigned with the responsibility of handling and processing the claim should have a NHPI. Every group or policy number representing the specific benefit plan of the subscriber should have a corresponding NHPI assigned for processing the claim. With these core elements the provider should be able to determine where the claim should be sent and the parent or umbrella health plan ultimately responsible (government or commercial) for the group or individual covered benefit package.

The process for issuance of an NHPI should begin with development of a registry that contains additional detail information about the category of insurance product – HMO, PPO, Fee for Service, etc.; the name of the entity responsible for the issuance of insurance coverage (health plan, employer plan, government plan, etc.) and their NHPI; the entity assigned to administer the product and their NHPI (processing of claims, payment, etc.); and the group or policy number issued by the responsible insurance plan.

Hospitals are interested in being able to correctly route the claim to the appropriate entity quickly and easily and to verify benefits based on the group or individual policy number. The registry and the information contained therein are the key to making this work. Each entity identified as the administering agent is assigned an NHPI and categorized within the registry with the assigned routing number. Included in this registry should be another look-up feature that would allow the provider to find the group or policy numbers under which the subscriber is enrolled. The registry must include other information such as the name and address (mailing or electronic communication) for submitting the claim. It should also include the parent organization's name and NHPI that is responsible for the issuance of the group or policy benefit.

The AHA supports the approach outlined in the AMA paper particularly since it outlines many of the critical components needed by providers. The illustration of the file cabinet provides a picture of the many items and functions that will likely reside in the registry, all of which are tied to the health plan identifier. These items must be correctly managed and organized as part of the registry along with look-up features.

The previous CMS paper from March 1998 also provided a good start in identifying who should receive a NHPI, but is missing other types of plans such as property and casualty insurance carriers, workers compensation programs, and Health Savings Account administrators. These other types should also obtain a NHPI. The CMS paper indicated development of a NHPI using 9 digits with the ninth digit acting as a check digit. Since that time others have suggested following the ISO standard which is10 digits. We would support the 10 digit length for the NHPI; which can also be accommodated in both the electronic and paper forms.

The AHA thanks you for the opportunity to comment on the proposals under consideration for the NHPI. We are willing to provide answers or comments as the NCVHS formalizes their recommendations for the Secretary of HHS.