

**Testimony of the American Dental Association
National Committee on Vital and Health Statistics
Subcommittee on Standards and Security**

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Presented By:

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Council on Dental Practice

American Dental Association

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RE: American Dental Association Comments

The American Dental Association (ADA) is the world's oldest and largest professional dental association with over 157,000 members. As a longstanding member of the standards community, the ADA appreciates the opportunity to comment on the National Health Plan Identifier (NHPI) and the *Patient Protection and Affordable Care Act* (PPACA) that included provisions that affect the administrative simplification requirements under HIPAA.

With regard to the NHPI, the original intent was to facilitate the routing of electronic transactions between providers, payers, and clearinghouses or other intermediaries. The NHPI, as well as the other identifiers such as the National Provider Identifier, were established to improve the efficiency and effectiveness of the electronic transmission of health information. The Centers for Medicare & Medicaid Services (CMS) developed the National Plan and Provider Enumeration System (NPPES) to assign these unique identifiers. However, some in the health care industry see the implementation of the NHPI as an opportunity to utilize the health plan identifier not only for routing purposes, but also to accomplish additional business needs such as:

- Identifying the product line within the plan/payer in which the patient is enrolled;
- Identifying the network the payer/plan is using through which the provider accesses the payer;
- Identifying the entity within the plan that is paying the claim;
- Identifying self-funded and insured group health plans and certain agents of the health plans such as TPA, ASOs, etc.

The ADA believes that such administrative simplification can be accomplished through a combination of the establishment of the NHPI along with "operating rules" for HIPAA transaction standards. The ADA agrees with the intention of the PPACA that seeks to reduce the number and complexity of forms and data entry required. By adopting a

single set of operating rules for each standard transaction with the goal of creating as much uniformity in the implementation of the electronic standards as possible, the Secretary will go a long way toward giving providers of health care much needed information.

Dentists manage both direct consumer payments and insurance payments. They also deal with multiple insurance companies and the challenges of determining what each plan will pay. In addition, patients want to know exactly what they need to pay out of pocket. The ADA has policy that encourages the national organizations to move towards real-time claims adjudication and the development of real time adjudication standards. The NHPI along with operating rules can help make real time transactions a reality. In pharmacy today, real time transactions are the rule, not the exception. Real time transactions will lower costs for consumers and reduce hassles for providers.

Potentially, there would be many benefits to dentists related to the implementation of the HIPAA standards in real time transactions including:

- Vendors would be able to supply low-cost software solutions to physicians/dentists who support real time standards-based EDI. Costs associated with mailing, faxing, and telephoning will decrease.
- All administrative tasks can be accomplished electronically. Dentists will have more time to devote to direct care.
- Dentists will have a more complete data set of the patient they are treating, enabling better care.

There are also potential benefits for our patients:

- Patients seeking information on enrollment status or health care benefits will be given more accurate, complete and easier-to-understand information.
- Consumer documents will be made more uniform and easier to read.
- Cost savings to providers and plans will translate into less costly health care for consumers. Premiums and charges will be lowered.
- Patients will save postage and telephone costs incurred in claims follow-up.
- Patient records will be adequately protected through organizational policies and technical security controls.
- Visits to dentists and other health care providers will be shorter without the burden of filling out forms.

- Consumer correspondence with insurers about problems with claims will be reduced.

Thank you for the opportunity to present information relative to dentistry's position on the National Health Plan Identifiers and Operating Rules. If you should have any questions, please feel free to contact Ms. Jean Narcisi, Director of Dental Informatics at the American Dental Association at (312) 440-2750.

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