

Testimony before the NCVHS Subcommittee on Standards
on National Health Plan Identifier
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By Sheila Lynn Frank on behalf of the
Public Health Data Standards Consortium

The Public Health Data Standards Consortium (PHDSC, The Consortium) is a national non-profit membership-based organization of federal, state, and local health agencies; professional associations; academia; public and private sector organizations; and individuals. Its goal is to empower the healthcare and public health communities with health information technology standards to improve individual and community health.

The Consortium is committed to bringing a common voice from the public health community to the national efforts of standardization of health information for healthcare and population health. As a result of the creation of the PHDSC, public health now has active representation at ANSI X12 and HL7, as well as voting seats on the National Uniform Billing Committee (NUBC) and the National Uniform Claim Committee (NUCC). The Consortium believes that it is important to be part of the process creating the data standards necessary for today's health transactions.

The Consortium was created on the premise that the value of data increases when used for multiple purposes. The purposes of public health data systems range from providing support for clinical care to assessing the quality of that care and assessing the health status of populations at the state and national level over time. The aim of these systems is to inform sound health policy for the country's population. Because of its diverse purposes, public health needs data from multiple sources to achieve its objectives.

Early on, a need was identified to find a standard for categorizing the different payer types for health transactions. All existing payer type lists were problematic. Therefore, the PHDSC created a committee to find a solution. That solution was the creation of the Source of Payment Typology. This standard was developed with cross industry cooperation and is maintained by the PHDSC. The Source of Payment Typology has been incorporated into X12, HL7, and Uniform Bill standards. Even more significant is the fact that the Source of Payment Typology is currently being implemented into several state public health reporting systems for the very reason it was created. It is the best solution known for categorizing the types of payers in health care transactions.

The code set is posted on the PHDSC website. The maintenance committee has also created a User Guide and white paper on the implementation of the code set by states. These documents can be linked to from the committee website: <http://www.phdsc.org/standards/payer-typology.asp>. Changes to the Source of Payment Typology are made annually in October. Any interested industry representative can make comments and recommendations for additions or modifications via the PHDSC website.

The PHDSC believes that just as each National Provider ID has a Provider Taxonomy code attached to it to differentiate provider types, the National Health Plan ID should have a codified typology for use in differentiating plans. This opportunity should not be missed and would facilitate other requirements of recent legislation such as quality and cost measurement. Collection of these data during plan enumeration and its availability to users of the PlanID registry would allow researchers to answer questions raised by health reform. To cite three examples:

1. Using hospital discharge data, one could examine the prevalence of specific categories of payer type for various racial, ethnic and linguistic sub-populations. Further investigation could assess how well a particular payer type covers preventive services, ongoing medical treatment for chronic conditions, and long-term care. Disparities among sub-groups could be assessed at national, state and local levels. More specifically, a researcher could examine within payer type the various arrangements that sub-groups are most likely found in, i.e., Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), or Provider Sponsored Organization (PSO).
2. Using Medicaid claims data, a specific state or group of states could compare utilization of preventive services by Medicaid HMO enrollees with utilization by Medicaid Fee for Service (FFS) enrollees. The results of this type of analysis could inform changes in state policy in regard to either the cost or outcomes associated with the use of preventative services, and whether HMO or FFS models deliver better results. Using payer categories such as those found in the Payer Typology would make this type of research relatively easy to undertake.
3. Researchers at the behest of federal policymakers could assess utilization of specific services in the new Medicare programs, such as Medicare Advantage. Further, researchers could assess whether utilization varies by type of Medicare Advantage Plan, that is, whether it is a HMO, PPO, or PSO. These arrangements could impact individual utilization for specific treatments or services in ways unknown at the time policies were developed.

In closing, the PHDSC would like to recommend that the Source of Payment Typology be named as the standard vocabulary associated with the national health plan identifier for categorizing payer types for the following reasons:

- We have a unique opportunity for comprehensive categorization of all U.S. payers;
- We should not reinvent the wheel – no better code set exists today.
- The Typology is recognized by standards development organizations and committees such as HL7 and X12. It is also in the UB-04 standard.
- There is an existing standards consortium which approves additions, changes and deletions to the codes through a transparent public maintenance process.
- The Source of Payment Typology is in use by multiple organizations today.

Thank you for the opportunity to testify.



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Source of Payment Typology

Code	Description	Code	Description
1	MEDICARE	32126	Other Federal Agency
11	Medicare (Managed Care)	322	Non-veteran care
111	Medicare HMO	3221	Civilian Health and Medical Program for the VA (CHAMPVA)
112	Medicare PPO	3222	Spina Bifida Health Care Program (SB)
113	Medicare POS	3223	Children of Women Vietnam Veterans (CWVV)
119	Medicare Managed Care Other	3229	Other non-veteran care
12	Medicare (Non-managed Care)	33	Indian Health Service or Tribe
121	Medicare FFS	331	Indian Health Service - Regular
122	Medicare Drug Benefit	332	Indian Health Service - Contract
123	Medicare Medical Savings Account (MSA)	333	Indian Health Service - Managed Care
129	Medicare Non-managed Care Other	334	Indian Tribe - Sponsored Coverage
19	Medicare Other	34	HRSA Program
2	MEDICAID	341	Title V (MCH Block Grant)
21	Medicaid (Managed Care)	342	Migrant Health Program
211	Medicaid HMO	343	Ryan White Act
212	Medicaid PPO	349	Other
213	Medicaid PCCM (Primary Care Case Management)	35	Black Lung
219	Medicaid Managed Care Other	36	State Government
22	Medicaid (Non-managed Care Plan)	361	State SCHIP program (codes for individual states)
23	Medicaid/SCHIP	362	Specific state programs (list/ local code)
24	Medicaid Applicant	369	State, not otherwise specified (other state)
25	Medicaid - Out of State	37	Local Government
29	Medicaid Other	371	Local - Managed care
3	OTHER GOVERNMENT (Federal/State/Local excluding Department of Corrections)	3711	HMO
31	Department of Defense	3712	PPO
311	TRICARE (CHAMPUS)	3713	POS
3111	TRICARE Prime--HMO	372	FFS/Indemnity
3112	TRICARE Extra--PPO	379	Local, not otherwise specified (other local, county)
3113	TRICARE Standard - Fee For Service	38	Other Government (Federal, State, Local not specified)
3114	TRICARE For Life--Medicare Supplement	381	Federal, State, Local not specified managed care
3115	TRICARE Reserve Select	3811	Federal, State, Local not specified - HMO
3116	Uniformed Services Family Health Plan (USFHP) -- HMO	3812	Federal, State, Local not specified - PPO
3119	Department of Defense - (other)	3813	Federal, State, Local not specified - POS
312	Military Treatment Facility	3819	Federal, State, Local not specified – not specified managed care
3121	Enrolled Prime--HMO	382	Federal, State, Local not specified - FFS
3122	Non-enrolled Space Available	389	Federal, State, Local not specified - Other
3123	TRICARE For Life (TFL)	39	Other Federal
313	Dental --Stand Alone	4	DEPARTMENTS OF CORRECTIONS
32	Department of Veterans Affairs	41	Corrections Federal
321	Veteran care--Care provided to Veterans	42	Corrections State
3211	Direct Care--Care provided in VA facilities	43	Corrections Local
3212	Indirect Care--Care provided outside VA facilities	44	Corrections Unknown Level
32121	Fee Basis	5	PRIVATE HEALTH INSURANCE
32122	Foreign Fee/Foreign Medical Program(FMP)	51	Managed Care (Private)
32123	Contract Nursing Home/Community Nursing Home	511	Commercial Managed Care - HMO
32124	State Veterans Home	512	Commercial Managed Care - PPO
32125	Sharing Agreements	513	Commercial Managed Care - POS
		514	Exclusive Provider Organization

Code	Description	Code	Description
515	Gatekeeper PPO (GPPO)	98	Other specified (includes Hospice - Unspecified plan)
519	Managed Care, Other (non HMO)	99	No Typology Code available for payment source
52	Private Health Insurance - Indemnity	999	Unavailable / Unknown
521	Commercial Indemnity		
522	Self-insured (ERISA) Administrative Services Only (ASO) plan		
523	Medicare supplemental policy (as second payer)		
529	Private health insurance—other commercial Indemnity		
53	Managed Care (private) or private health insurance (indemnity), not otherwise specified		
54	Organized Delivery System		
55	Small Employer Purchasing Group		
59	Other Private Insurance		
6	BLUE CROSS/BLUE SHIELD		
61	BC Managed Care		
611	BC Managed Care - HMO		
612	BC Managed Care - PPO		
613	BC Managed Care - POS		
619	BC Managed Care - Other		
62	BC Indemnity		
63	BC (Indemnity or Managed Care) - Out of State		
64	BC (Indemnity or Managed Care) - Unspecified		
69	BC (Indemnity or Managed Care) - Other		
7	MANAGED CARE, UNSPECIFIED (to be used only if one can't distinguish public from private)		
71	HMO		
72	PPO		
73	POS		
79	Other Managed Care, Unknown if public or private		
8	NO PAYMENT from an Organization/Agency /Program/ Private Payer Listed		
81	Self-pay		
82	No Charge		
821	Charity		
822	Professional Courtesy		
823	Research/Clinical Trial		
83	Refusal to Pay/Bad Debt		
84	Hill Burton Free Care		
85	Research/Donor		
89	No Payment, Other		
9	MISCELLANEOUS/OTHER		
91	Foreign National		
92	Other (Non-government)		
93	Disability Insurance		
94	Long-term Care Insurance		
95	Worker's Compensation		
951	Worker's Comp HMO		
953	Worker's Comp Fee-for-Service		
954	Worker's Comp Other Managed Care		
959	Worker's Comp, Other unspecified		
96	Auto Insurance (no fault)		