

## **Testimony**

**Hearing on HIPAA and ACA Administrative Simplification  
-- Operating Rules, ICD-10, Health Plan ID, Attachments --**

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**NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS (NCVHS)  
Subcommittee on Standards**

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Good afternoon Mr. Chairman and members of the Subcommittee,

Thank you for the opportunity to provide testimony on behalf of WellPoint Inc. regarding our recent experiences with implementing the Health Plan ID (HPID) requirement. We provide our testimony with the goal of providing information to NCVHS to accomplish its task of assisting and advising the Secretary of the U.S. Department of Health and Human Services in the implementation of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act. We hope that sharing our experience with NCVHS will help HHS improve upon the process for obtaining HPIDs so that the industry may meet its compliance deadlines.

I am Christol Green, Senior Business Consultant in E-Solutions for WellPoint, Inc. WellPoint is one of our nation's largest companies providing health and ancillary benefits to consumers and businesses, with nearly 37 million members in our affiliated health plans, and nearly 67 million members served through our subsidiaries. We're an independent licensee of the Blue Cross and Blue Shield Association, serving members as the Blue Cross licensee for California; and as the Blue Cross and Blue Shield licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as the Blue Cross Blue Shield licensee in 10 New York City metropolitan and surrounding counties and as the Blue Cross or Blue Cross Blue Shield licensee in selected upstate counties only), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.), and Wisconsin.

I am a current member of WEDI, X12, HL7, NPAG and other healthcare related industry organizations and I currently serve as co-chair of the WEDI HPID enumeration schema workgroup. I have been working on HIPAA Administrative Simplification and active in implementing and integrating healthcare electronic transactions for 18 years, prior to the enactment of HIPAA.

Our planning process for the HPID requirement has spanned the last few years. After legal review and analysis of the final HPID regulation that was issued in September 2012, WellPoint kicked off its HPID implementation project in the spring of 2013. We have spent the ensuing months since project kickoff assessing our organization for impact and developing strategy, including determining how many Controlling Health Plans and Sub Health Plans exist in our large, complex organization and planning for implementation of the enumeration process.

In April, 2014 our implementation team was finally ready to begin applying for HPIDs and we began our Phase I effort. However, almost immediately we encountered a number of challenges and roadblocks to obtaining our HPIDs that continue to this day, which I will elaborate upon below.

We appreciate the recent blog posts and other guidance that CMS has issued and promised to assist health plans, as well as the new dedicated email address for questions. However, we need additional and timelier technical and operational assistance from HHS so that users can quickly and easily obtain the necessary HPIDs well in advance of their compliance date.

#### HIOS/HPOES Difficulties

We believe that WellPoint is one of the earlier enumerators. Based on our initial experiences over the past few months which we share below, we are concerned that as enumeration volume increases with HIOS/HPOES, service issues may multiply and prolong enumeration for the numerous remaining entities that need to obtain HPIDs.

Our general concerns are that the Health Plan and Other Entity Enumeration System (HPOES) currently appears to contain many bugs that hamper its usability and scalability; that service tickets take many weeks to resolve; and that inquiries are not answered in a timely fashion. Without timely resolution of problems and questions, Controlling Health Plans will not be able to enumerate in a timely fashion, and a compliance extension may very well be necessary here as it was for other HIPAA initiatives.

From the first, it was evident to our users that the HPOES module of the Health Insurance Oversight System (HIOS) had difficulties. Not a single user at our plan was able to access the system as a submitter or register as an “approver” without having to submit a service ticket, each of which took 10 days to 3 weeks to resolve. When I myself requested HPOES access as a submitter, it took 10 days to get my ticket resolved. One of our vice presidents of EDI has not yet been able to obtain “approver” status even though he applied at the end of April. Our experience appears not to be unique: CMS technical support has informed us that there are so many service tickets currently pending they cannot estimate their response time.

To date we have been able to obtain enumeration for the first phase of our Controlling Health Plans. However, one of our Controlling Health Plans was caught in a kind of limbo between the

submitter and approver, with HPOES indicating to the submitter that the request was submitted, but the CHP does not show up on the approver's list. Two weeks passed before we were contacted on our service ticket, but the problem was resolved in about five minutes. This leads us to believe that there are many problems with HPOES requiring resolution. Delays such as this will hamper the ability of Controlling Health Plans to smoothly complete enumeration.

In addition to these major challenges, there are also minor roadblocks hampering a smooth HPID implementation. For example, in the HPOES application the submitter cannot simply paste a CHP's NAIC number in the relevant box, because HPOES inexplicably and without warning changes that number between submitter and approver. This glitch requires a level of double-checking that should be unnecessary in a sophisticated system.

### Impact of HPID and Certificate of Compliance on Self-funded Health Plans and TPAs

Finally, we'd like to speak to the issue of how the HPID requirement and upcoming certification requirement are currently impacting self-funded group health plans and the third-party administrators (TPAs) that service them. WellPoint provides TPA services on an administrative service only (ASO) basis for a number of large self-funded group health plans, and has communicated to them on HPID and certification.

It appears to us that the plan sponsors of self-funded group health plans – even the largest employers -- lack considerable understanding that they must obtain an HPID by early November of this year. We frequently receive questions from our ASO and fully-insured customers which we have difficulty responding to absent further CMS guidance on these important issues. In our view it is essential that CMS undertake greater and more comprehensive education of employers and other entities that sponsor self-funded group health plans on the HPID requirement, or enumeration of self-funded plans simply will not occur, or will not occur in a timely fashion.

For our part, we have taken steps to inform our group health plan customers by sharing some of the previous CMS materials and presentations, by creating and distributing explanatory FAQs, and we are considering hosting webinars to further share information with our employer customers. However, there remain many questions and issues which only CMS can resolve, such as whether fully-insured group health plans must obtain HPIDs separate from the health insurers which supply them with health insurance.

As we get closer to the enumeration deadline, having clear answers becomes more important. We understand that many group health plans are awaiting further information before they enumerate, which may create a time crunch closer to the compliance period.

Additionally, the proposed certification regulation did not address the question of how self-funded group health plans that rely upon TPAs to conduct transactions on their behalf will be expected to certify. Our comments to the proposed regulation recommended that HHS allow

self-insured health plans that do not conduct the HIPAA standard transactions for which certification is required to either rely on the certifications of their business associates and trading partners that conduct the transactions for them, or develop another level of certification that maintains the reporting of covered lives and other provisions but does not include the testing documentation and other certification requirements for which they may have limited first-hand experience. We reiterate that recommendation here, and hope that the final certification regulation adopts this position.

Again, thank you for allowing me the opportunity to testify regarding HPID implementation. I'd be happy to answer any questions you may have. Should you have later questions, I may be reached at (303) 831-2172, or via email at [Christol.Green@anthem.com](mailto:Christol.Green@anthem.com).