

May 3, 2017

NATIONAL COMMITTEE ON VITAL AND HEALTH STATISTICS

**Subcommittee on Standards
Review Committee**

HEALTH PLAN IDENTIFIER (HPID)

**Comments regarding
Department of Veterans Affairs
as Health Care Provider**

Given the lack of a tangible benefit to the industry and the increase in cost and risk, the recommendation is that the HPID regulation, including enumeration and transaction usage, should be rescinded.

As the largest integrated healthcare system in the US, VA sent and received over 80 million healthcare transactions in 2016, and is committed to implementing HIPAA mandated electronic transactions to ensure the benefits of administrative simplification are met across the healthcare industry.

The questions posed by NCVHS are addressed in the two following categories:

- 1. Challenges faced for development and implementation of HPID, and**
- 2. Future HPID usage and recommendation.**

Challenges faced for development and implementation of HPID

In one of the first industry meetings regarding HPID, a question was asked to a representative from a well-known company if they were a healthcare plan or not. The representative's response was "It depends." This answer highlights the confusion surrounding the HPID enumeration structure outlined in the final rule. HPID enumeration is left to the discretion of the enumerating entity.

While flexibility is appreciated, in this instance a consistent and detailed rule may have been more effective. This flexibility is of particular concern to VA if the HPID will be utilized in place of payer IDs in electronic transactions. As a national healthcare system, VA submits transactions to over 1,100 payers. Transactions to payers flow through various touch-points, clearinghouses, and other intermediaries; which is an intricate and multi-step process. Given the various enumeration options for the HPID and the current use of payer IDs, it is inevitable that for most payers, the HPID will not relate to the current payer ID on a one to one basis. Providers need to rely on clear, open and consistent communication with payers and clearinghouse to ensure every touchpoint has the correct HPIDs mapped to patient plans. This severely limits the ability to perform any automatic payer mapping, adding complexity, introducing potential risk and manual processes to ensure transactions are correctly handed off to the proper entities instead of providing administration simplification.

Additionally, the lack of a reference database that would be used to identify and confirm assigned HPIDs, further complicates this issue. VA utilizes the National Plan & Provider Enumeration System (NPPES), the NPI data repository frequently and sees the lack of something similar a major void.

The current process of routing transactions to and receiving transactions from payers utilizing payer IDs has been working well with trading partners. It is our expectation that the introduction of HPID in electronic transactions will negatively impact this process and, ultimately, influence the resulting revenue stream used to benefit our nation's Veterans.

Future HPID usage and recommendation

VA has already invested taxpayer dollars developing capability to prepare for requirements as outlined in the CMS Final Rule. There is considerable reluctance to invest further in something that has no discernable value added.

Twenty years ago when transaction processing was in its infancy without clearly defined payer IDs, HPID was a viable concept, but circumstances have overcome the need or usefulness. As mentioned at the beginning of these comments, the recommendation is that the HPID regulation should be rescinded and no further

regulations should be published. The proposed rule will not meet current business needs, and will complicate streamlined business processes and increase cost.

I hope these remarks have been helpful, and I thank you for the opportunity to submit these comments.