

# Provider Perspective: Health Plan Identifier (HPID)

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NCVHS Subcommittee on Standards

May 3, 2017

# Represented Provider Organizations

**Today's joint testimony is provided on behalf of the following organizations:**

- American Dental Association (ADA)
- American Hospital Association (AHA)
- American Medical Association (AMA)
- Medical Group Management Association (MGMA)

# Background and Current Environment

- **HIPAA (1996)** - Providers had hoped that the HPID could be leveraged to increase the granularity and transparency of information regarding the various roles and functions (payment, administration, contracting, etc.) played by entities in the revenue cycle
- **Subsequent to HIPAA** - Health plans, clearinghouses, and other stakeholders have developed a system of routing transactions, based on Payer IDs, which has, for the most part, eliminated widespread misrouting issues
- **HPID Final Rule** created a system that only requires reporting of the HPID if an entity is identifying itself as a health plan in a transaction
  - Use of Other Entity Identifiers (OEIDs) to identify entities playing other roles is voluntary
- **Enumeration** - Health plans have interpreted the HPID rule to require a range of enumerations—single entity to upwards of 60 HPIDs per plan
  - Only limited improvement to transparency/granularity
  - Still not down to the fee schedule level

# Provider Concerns Surrounding HPID in Transactions

## Unfortunate reality: all cost, few offsetting benefits

- Different levels of enumeration between health plans
- One ID will just be replaced by another in transactions
- Providers will need to update their billing systems to change from a plan's current, single Payer ID to multiple HPIDs (complex mapping required)
- Potential for transaction misrouting, privacy breaches, and payment interruptions
- CMS previously indicated that it will not be providing a look-up database
  - Providers will have no way to validate HPIDs; potential for confusion/burdens
  - Eliminates the benefits of greater enumeration
- **HPID use in transactions will break our industry's currently (mostly) well-functioning routing system**

# HPID: Certification and Compliance

## **CMS has indicated that the HPID would also be used as an enumeration tool to facilitate health plan certification**

- Providers strongly support increased health plan accountability for proper implementation and use of the HIPAA standard electronic transactions and supporting operating rules
- If CMS deems the HPID a necessary element of health plan certification, providers support its usage for this purpose—just not in transactions
- The industry needs clarity from CMS regarding the use of the HPID for non-transactional purposes (i.e., health plan certification)
- Providers also encourage CMS to consider random audits and other enforcement mechanisms to ensure health plan transactional compliance

# HPID Position Summary

- **The provider community does not support the inclusion of HPID in electronic transactions:**
  1. The industry has already addressed the need for accurate payer identification in transactions and corrected routing issues
  2. Introduction of the HPID into electronic transactions may disrupt a currently functional process and lead to misrouting, privacy breaches, and payment interruptions
  3. HPID Final Rule fails to provide clear guidance on health plan enumeration
    - No consistency expected in health plan level of HPID enumeration
    - No CMS look-up tool expected to support increased transparency and ease transition
    - Thus, very limited value in provider revenue cycle management

# HPID Position Summary (continued)

- **We urge NCVHS to again recommend that CMS eliminate use of the HPID in electronic transactions**
  - This would reiterate the NCHVS 9/23/14 recommendation letter to HHS
- **We support use of the HPID solely for use by CMS in health plan compliance-related activities**
- **We urge NCVHS to recommend that CMS clarify if the HPID will be required for health plan certification purposes, if another method of enumeration will be used to track certification, or if an alternative method will be used to ensure health plan compliance**
- **The provider community strongly supports health plan HIPAA transactional compliance enforcement**

# Looking Ahead

- Today's hearing is important to “tie up loose ends” on HPID
- However, we encourage NCVHS to consider the following important and timely topics for future hearings:
  - The HHS Social Security Number Removal Initiative
  - Reporting of Patient Relationship Codes/Categories in claims
  - Reporting of Appropriate Use Criteria consultation in imaging claims
  - Increasing industry use of the current standard transactions (i.e., X12 270/271, 278, 835)
  - The current ePayments-environment widespread use of “virtual” credit cards and imposition of excessive EFT fees
  - The long-delayed rulemaking on a standard for electronic attachments
  - Other opportunities to achieve administrative simplification (e.g., patient ID cards, provider data/credentialing, reporting of quality data, software certification)



# Questions?

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