



National Committee on Vital and Health Statistics
Subcommittee on Standards
c/o National Center for Health Statistics
3311 Toledo Rd
Hyattsville, MD 20782-2002

April 25, 2017

Dear National Committee on Vital and Health Statistics Subcommittee on Standards Co-chairs:

The National Uniform Claim Committee (NUCC) presents the following information in response to your request for the NUCC's position on the regulatory requirement for a Unique Health Plan Identifier (HPID).

The NUCC is a data content committee that was named in the Health Insurance Portability and Accountability Act of 1996 (HIPAA). It is a diverse group of health care industry stakeholders representing providers, health plans, designated standards maintenance organizations, public health organizations, and vendors. Its goal is to promote the development of a uniform claim "form" for use by the professional/non-institutional health care community to transmit related claim and encounter information to and from all third-party payers. As such, the NUCC can provide a broad perspective on data reporting and claims processing needs facing the industry.

The HIPAA legislation in 1996 included the creation of a unique identifier for health plans. The assumption at that time was that the industry needed a single identification system for health plans, similar to what was proposed for providers, employers, and patients. This new identifier was to be used throughout the HIPAA adopted electronic transactions.

To understand the role of HPID in today's business environment, the distinction between "health plans" and "payers" of health care services must first be made. The term health plan is defined in HIPAA as "an individual or group plan that provides, or pays the cost of, medical care" (45 CFR §160.103). Payers are organizations that are responsible as the final processor of insurance claims, inquiries, and member enrollment. Payers may pay for health care services, but are not necessarily a health plan. Health Plans may function as payers, but they do not always do so.

Secondly, the context in which HPID will be used must be considered. The original proposal for HPID was its use in electronic data interchange (EDI) transactions. In today's EDI transactions, health plans do not need to be identified; only payers need to be identified.

As EDI transactions came online, payers and the industry solved the problem of how to identify payers for the routing of transactions by creating payer identifiers (payer IDs). These payer IDs continue to be in use in EDI transactions. The NUCC is not aware of any issues or new business needs at this time to change this current identification system.

Health plans currently have and use various identifiers for different purposes including, but not limited to, National Association of Insurance Commissioners (NAIC) identifier, tax identifier, and Health Insurance Oversight System (HIOS) identifier. These identifiers have specific purposes and uses.

The following are direct responses to the questions that were posed regarding HPID and the current regulation for it.

1. The NUCC is aware of current health plan identifiers that include, but are not limited to, NAIC, tax, and HIOS identifiers. Each identifier has a specific need and purpose.
2. The NUCC is not aware of any unmet business needs with the current use of payer IDs in EDI transactions.
3. The NUCC has reviewed the current HPID model established in the regulation and finds neither benefits nor a business need for it within the current EDI transactions.
4. The NUCC believes the current HPID model established in the regulation will not only undo current processes in place, but will also be costly to implement and maintain, ultimately bringing no added value to EDI transactions.
5. The NUCC recommends that the current HPID regulation be rescinded and no further regulation be developed for HPID.

The NUCC appreciates the opportunity to provide our position on the current need for an HPID. If you have any questions, please contact me directly at (973) 263-9191 ext. 204 or nancy.spector@ama-assn.org.

Sincerely,

Nancy Spector
Chair, National Uniform Claim Committee