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Ms. Alix Goss, Co-Chair
Mr. Nick Coussoule, Co-Chair
Subcommittee on Standards
National Committee on Vital and Health Statistics

RE: Statement of the American Dental Association (ADA) on the Health Plan Identifier to the National Committee on Vital and Health Statistics (NCVHS), Subcommittee on Standards:

The American Dental Association is the world's oldest and largest professional dental association with over 161,000 members. As a longstanding member of the standards development community, the ADA appreciates the opportunity to comment on the Health Plan Identifier (HPID).

The administrative simplification provisions of the Health Insurance Portability and Accountability Act (HIPAA) were intended to reduce costs, paperwork, and manual tasks through standardization of the transactions and code sets used in the electronic exchange of administrative health care information. With the adoption of the HIPAA standard electronic transactions and operating rules, the health care industry has begun to achieve these improved efficiencies and savings. However, in some instances, the implementation of administrative simplification provisions may lead to unintended consequences, including additional stakeholder burdens and confusion.

The initial HIPAA legislation called for the creation and adoption of national identifiers for providers, health plans and individuals. The provider identifier was implemented in 2004, but Congress blocked implementation of the individual identifier. The HPID proposed rule was published in September 2012, but it was not finalized until November 2014, with an effective date of November 2016. On October 31, 2014, the Department of Health and Human Services (HHS) announced a delay until further notice in the enforcement of the regulations pertaining to health plan enumeration and use of the HPID in HIPAA transactions.

Under the final rule pertaining to HPIDs/OEIDs, health plans were required to obtain an HPID, a unique identifier, and use this identifier in standard electronic transactions. The original goal of HPID implementation was to standardize payer identification to support proper transactional routing. Providers initially were strong advocates of HPID and OEID implementation, as they believed that these identifiers would offer additional granularity in health plan identification in electronic transactions.

However, as the industry moved toward implementation of the HPID final rule, it became clear that adding HPIDs and OEIDs to standard electronic transactions would create large-scale administrative problems across stakeholders without realization of any benefits. Since the initial HIPAA legislation was drafted in 1996, the industry has collectively addressed the need for standardized payer identification to ensure proper routing of claims information. As

a result, HPID implementation is unnecessary and would disrupt today's functional routing systems, essentially breaking something that already works.

The ADA believes that the HPID adoption could lead to misrouted transactions, privacy breaches and payment interruptions. Additionally, some health plans have indicated that they would be obtaining upwards of sixty HPIDs based upon advice from their legal departments. This level of enumeration would complicate provider mapping of current payer identifiers to HPIDs without providing any useful information to providers. Finally, HHS indicated that there would not be a publicly available look-up database for HPIDs/OEIDs for at least the initial implementation period. Without such a tool, providers would have no way of validating HPIDs, which will create further administrative burdens and confusion.

We strongly believe that HPIDs/OEIDs should not be used in standard electronic transactions due to the substantial costs and disruptions associated with implementation. HPID/OEID use in transactions is no longer necessary to address the problem for which it was mandated, and would instead create significant administrative burdens and complexities in the claims process, in direct contrast to the intent of the HIPAA administrative simplification provisions. If CMS is requiring HPID/OEID enumeration for purposes other than electronic transaction routing, such as for health plan certification tracking, this should be clearly communicated to the industry.

The ADA recommends that HHS overturn the previous HPID/OEID regulation by issuing a new rule that would prohibit the use of HPIDs/OEIDs in standard transactions. We understand that HHS may still wish to use HPIDs for health plan certification purposes, and we do not object to this particular use of HPIDs as long as the identifier is not used in electronic transactions.

Thank you for the opportunity to provide information relative to dentistry's position on HPID/OEID. If you should have any questions, please feel free to contact Ms. Jean Narcisi, director, Center for Informatics and Standards at the American Dental Association at (312) 440-2750 or narcisij@ada.org.

Sincerely,

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