



**Connecting  
Healthcare<sup>®</sup>**  
*Engaging Patients<sup>™</sup>*

**HIPAA**Success - Physician Education Series

**Identifiers**

# Your Faculty:

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- President and Founder, Connecting Healthcare®
- Host and Producer, Medical Update Show
- Served as Technical and Operations Lead, HIE Project Manager Florida Health Information Exchange
- Served as the State of Florida - Technical SME for the ONC State Health Policy Consortium, Southeast Regional HIT-HIE Collaboration (SERCH)
- Founding Executive Director, ePrescribe Florida and President, ePrescribe America
- Founding Chair of the Southern Healthcare Administrative Regional Process (SHARP), a regional collaborative workgroup alliance of private and public health care organizations and HHS, HRSA and CMS
- Founding Co-Chair of the CMS Sponsored Southern Insurance Commissioner Task Force, a regional collaborative workgroup alliance for State-level HIPAA Education
- Founding Security and Privacy Co-Chair for the Workgroup for Electronic Data Interchange (WEDi) Strategic National Implementation Process (SNIP)



## HIPAA National Identifiers

- *Health Care Providers (National Provider Identifier - NPI):* A nationally maintained uniform provider identifier. Likely to be a 10-digit numeric field with a check digit in the 10th position.
- *Employers (Employer Identification Number):* Proposed to be the current taxpayer identification number utilized for IRS purposes.
- *Health Plans (Plan ID):* Identifier format yet to be announced. Likely to be a ten digit number. Would be assigned to all “health plans”, including entities like TPAs.
- *Individual:* Identifier format not yet announced. This is a charged issue that has been vigorously debated and continually delayed.



# HIPAA Component Interactions

## Standard transaction sets are defined for the following:

- Health claims or equivalent encounter (X12N 837)
- Retail Pharmacy (NCPDP - Online Version 5.1, Batch 1.0)
- Enrollment and Disenrollment in a health plan (X12 834)
- Eligibility for health plan - inquiry/response (X12N 270-271)
- Healthcare payment and remittance advice (X12N 835)
- Health claim status - inquiry/response (X12N 276-277)
- Coordination of benefits (X12N 837)
- Referral certification (X12N 278)
- Referral authorization (X12N 278)
- Health plan premiums (X12 820)
- First report of injury (Not in Final)
- Health claims attachments (Not in Final)

## Standard Transaction Record

### Code Sets

ICD-9-CM (diagnosis and procedures)  
CPT-4 (physician procedures)  
HCPCS (ancillary services/procedures)  
CDT-2 (dental terminology)  
NDC (national drug codes)

### Identifiers

Providers  
Employers  
Health plans (open)  
Individuals (open)



# Identifier Impacts

- Standard Identifier Issues
  - Inclusion of new identifiers in legacy data files
  - Conversion to use new identifiers in business processes
  - Addition of new data elements to supply information formerly in intelligent identifiers



# Identifier Impacts

- Standard Identifier Benefits
  - Simplified, more accurate identification of health system entities
  - Simplified data exchanges to and from health system entities
  - Improved tracking of health system entities
  - Improved data analysis about health system entities



## National Provider Identifier (NPI)

- Defines “single unique identification of providers”
  - must be used in all standard transactions
- Applies to all Medicare providers and “any other person furnishing healthcare services and supplies”
- Unique healthcare provider ID would not change with moves or changes in specialty



# National Provider Identifier (NPI)

- Identifiers must be “intelligence-free” (not contain any encoded information about the healthcare provider)
- Reduces potential for fraud and abuse within healthcare programs
  - Many Providers routinely bill under names and identifiers not generally known to their patients
  - This makes validation and verification of services difficult





## NPI Details

- Maintained in the public domain (NPPES)
- Use CMS's National Payer and Provider System (NPPES) to store NPI
- NPI format as proposed likely will be a 10-digit numeric field with a check digit in the 10th position
- Would be maintained by CMS and issued by "enumerators"



## National Plan and Provider Enumeration System

- The Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated the adoption of standard unique identifiers for health care providers and health plans
- The purpose of these provisions is to improve the efficiency and effectiveness of the electronic transmission of health information. The Centers for Medicare & Medicaid Services (CMS) has developed the National Plan and Provider Enumeration System (NPPES) to assign these unique identifiers



# NPI Implementation Issues

- Identifiers are generally not standardized within a single plan or across plans
- A single provider may have several numbers for each program and often multiple billing numbers within the same program
- The 10-digit format does not allow for variations which insurers generally use to identify place of service, provider care role, or other claims payment requirements



# NPI Implementation Issues

- Another *unique provider* IDN to manage and maintain:
  - Provider IDN
  - Medicare IDN
  - Civilian Health and Medical Program of the Uniform Services IDN
  - Local or Regional IDNs
  - Preferred Provider Organization IDNs
  - Other private or public affiliated IDNs



# NPI Challenges

- Rules for assignment of NPIs will not always match rules for assignment of legacy provider identifiers
- Challenges in matching providers when assignment is not one to one
- Challenges in matching providers when data differs



# NPI Challenges

- Challenges of lost specificity, compared to legacy provider identifiers based on
  - Specialty
  - Location
  - Contract
  - Tax Identification Number, EIN or SSN, etc.
- Many legacy specialty code sets describe payment distinctions



## NPI Operations Issues

- Limit data to that needed for unique enumeration
- NPS should not collect credentialing data or perform credentialing functions
- Collect one mailing address and one physical location address per provider
- Does not establish location codes
- Does not capture provider membership in groups



# NPI Operations Issues

- Detailed location and group information maintained in health plan provider files
- Collect the same data for provider groups and organization/facility providers





# National Employer Identifier

- EIN as Proposed:
  - Develop Employer Identification Number (EIN) as standard
  - Already in use and accepted by industry
  - Process for assigning EINs and administrations remains with the Internal Revenue Service
  - 9-digit numeric



## Effect on Employers

- Employers are not bound by HIPAA to use HIPAA standards
- Employers would be required to disclose the EIN to entities that need to use it in standard transactions
- Could be used voluntarily by employers



## Effect on Employers

- Primarily to identify themselves in transactions they initiate on behalf of their employees
  - Benefits enrollment, disenrollment, premium payment
- Could be used to identify employers as the source or receiver of eligibility information



# Employer Identifier

- Implementation Issues:
  - Difficulties developing coordination of benefit information
  - Employers, providers, and health plans have difficulty identifying the employer when making or keeping track of premium payments or contributions
  - Some employers have multiple tax number identifiers



## Health Plan Identifier (HPID)

- The Health Plan Identifier (HPID) is a standard, unique health plan identifier required by the [Health Insurance Portability & Accountability Act of 1996 \(HIPAA\)](#).
- On September 5, 2012, the Department of Health and Human Services (HHS) published the [final rule](#) (CMS-0040F), which adopted a unique identifier (HPID) for Health Plans
- The Final Rule for Transactions and Codes Sets provides a definition for health plan at [45 CFR 160.103](#), which references 42 U.S. Code § 300gg–91 - Definitions.



## Health Plan Identifier - Definitions

- For the purposes of HPID enumeration, health plans are divided into controlling health plans and sub-health plans, two of several new terms introduced in the final rule
- Other new terms include Other Entity Identifier (OEID); Health Plan and Other Entity Enumeration System (HPOES) and Health Insurance Oversight System (HIOS)
  - The HPID will not be housed in the NPPES as originally proposed and established



# Health Plan Identifier

- Health Plan Identifier:
  - Organizations which contract to conduct or process transactions of health plans would also be eligible for identifiers (Other Entities)
    - The proposed Plan ID system would have contained EDI addresses to facilitate routing of EDI transaction
    - This was not implemented in the final rule



# Health Plan Entities Enumerated

- Health Plans:
  - Group health plans
  - Health insurance issuers
  - Managed care organizations (HMOs)
  - Medicare program
  - Medicaid program
  - Medigap plans
  - Long term care plans
  - Employee welfare benefit plans offered by two or more employers





# Health Plan Entities Enumerated

- Health Plans:
  - Active military plans
  - Veterans health care program
  - Civilian Health and Medical Programs of the Uniformed Services (CHAMPUS)
  - Indian health service program
  - Federal Employees Health Benefit Plan
- Employers (those that offer self-insured health benefits)



# Health Plan Identifier

- Implementation Issues:
  - While less controversial than the Provider and Individual IDNs, the Health Plan IDN made the least progress towards issuance
    - Delayed over a decade
  - Adoption across the industry will take coordination and more effort than the Employer IDN which is widely used and maintained



# HPID Enforcement Discretion

- Effective October 31, 2014, the Centers for Medicare & Medicaid Services (CMS) announces a delay, until further notice, in enforcement of 45 CFR 162, Subpart E, the regulations pertaining to health plan enumeration and use of the Health Plan Identifier (HPID) in HIPAA transactions adopted in the HPID final rule
- This enforcement delay applies to all HIPAA-covered entities, including health care providers, health plans, and health care clearinghouses



# Individual Identification Number

- More commonly known as the Unique Patient Identifier or UPI
- HIPAA recognized the unique identifier for individuals as an essential component of administrative simplification
- There is evidence that a unique identifier for individuals in the health system would have many benefits, including improved quality of care and reduced administrative costs
- Being able to identify an individual uniquely is essential in both the delivery and administration of health care



# Individual Identification Number

- Today, various health care organizations routinely assign identifiers to individuals for use within their systems
  - Insurance companies
  - Integrated delivery systems
  - Health plans
  - Managed care organizations
  - Clinics, hospitals, physicians, and pharmacies
  - Public programs
  - Health information Exchanges



# UPI Proposals

- The various proposals for unique identifiers for individuals fall into four general classes:
  - Unique Identifier Proposals Based on the SSN
  - Unique Identifier Proposals Not Based on the SSN
  - Proposals That Do Not Require a Universal, Unique Identifier
  - Hybrid approaches which do not include a unique identifier but that may nevertheless allow each individual to be accurately identified in the health care system



## UPI Issues

- Controversy over the adoption of a standard for the unique health identifier for individuals has focused, to a large degree, on privacy concerns
- Some of these views contrast sharply with the previous discussion of the value a unique identifier for individuals would have in clinical practice



## UPI Issues

- The privacy issues are substantive, not a trivial concern or a public relations matter
  - For some, privacy threats outweigh any practical benefits of improved patient care or administrative savings
  - To others, privacy concerns are significant, but can be managed
  - To many, the status quo poses greater privacy risks





# UPI Status

- Because of privacy concerns, Congress later inserted language into the 1999 Omnibus Appropriations Act prohibiting funds made available under HIPAA from being used to adopt a national patient identifier
- That language has remained in appropriations bills since, despite concerns that lack of an identifier hampers patient safety and health data exchange





# Have Questions?

Visit our Website,  
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