



HHS Proposes HIPAA Standard Health Plan Identifier and One Year Delay of ICD-10

A proposed rule announced yesterday by the Department of Health and Human Services (HHS) would implement an administrative simplification provision of the Affordable Care Act. The rule would establish a unique health plan identifier (HPID) under Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards for electronic health care transactions. Further, the rule would require plans to obtain HPIDs, and that those identifiers be used in HIPAA standard transactions where health plans need to be identified. The rule would also adopt a data element that will serve as an “other entity” identifier (OEID) for entities that are not health plans, health care providers or individuals, but that need to be identified in standard transactions. The rule proposes an addition to the National Provider Identifier (NPI) requirements by specifying the circumstances under which a covered health care provider that is an organization must require certain noncovered individual health care providers who are prescribers to obtain and disclose an NPI. Finally, the proposed rule would delay by one year, from Oct. 1, 2013, until Oct. 1, 2014, the date by which covered entities must transition to ICD-10 from ICD-9 for HIPAA transactions.

Section 1104 of the Affordable Care Act requires HHS to issue a series of regulations over five years that are designed to streamline health care administrative transactions, encourage greater use of standards by health care providers and make existing standards work more efficiently. On July 8, 2011, HHS published the first regulation in the series, an interim final rule with comment (IFC) that adopted operating rules for two electronic health care transactions intended to make it easier for health care providers to determine whether a patient is eligible for coverage and the status of a health care claim submitted to a health insurer. On January 10, 2012, HHS published the second regulation, an IFC that adopted standards for the health care electronic funds transfers (EFT) and remittance advice transaction between health plans and health care providers.

The proposed rule is the third in the series. Future administrative simplification rules will address adoption of:

1. operating rules for the health care electronic funds transfers (EFT) and remittance advice transaction;
2. a standard for claims attachments; and
3. requirements for certification of health plans’ compliance with all HIPAA standards and operating rules.

When made final, the effective date of this regulation would be October 1, 2012. Under the Affordable Care Act, covered entities, excluding small health plans, would be required to be in compliance with the HPID on October 1, 2014. Small health plans would be required to be in compliance with the HPID on October 1, 2015. HHS also proposes that covered entities have 180 days from the October 1, 2012, effective date of the final rule to comply with the additional NPI requirement. The proposed rule is available at http://www.ofr.gov/OFRUpload/OFRData/2012-08718_PI.pdf and scheduled to be

published in the federal register on April 17, 2012. Comments are due no later than 5 p.m. EDT on May 17, 2012.