



## Cooperative Exchange (CE) Comments in Response to RFI CMS–0026–NC, Health Plan ID

The Cooperative Exchange is the nationally recognized resource and representative of the clearinghouse industry for the media, governmental bodies and other interested parties.

The Cooperative Exchange's 26 clearinghouse member companies, represent over 80% of the clearinghouse industry and process annually over 4 billion claims representing \$1.1 trillion, from over 750,000 provider organizations, through more than 7,000 payer connections and 1,000 HIT vendors. Combined with our non-profit members (AMA, ASC X12N and UHIN) and Supporting Organizations (Axiom, BancTec and MEA) the Cooperative Exchange<sup>1</sup> **truly represent the healthcare industry EDI highway infrastructure** and maintains hundreds of thousands of highways and the majority of the on and off ramp connections across all lines of healthcare business in this country.

- The Cooperative Exchange member clearinghouses support both administrative and clinical industry interoperability by:
- Managing tens of thousands of connection points
- Securely managing and moving complex data content including administrative and clinical information
- Receiving and submitting both real time and batch transactions
- Providing interoperability by normalizing disparate data to industry standards
- Providing flexible solutions to accommodate the different levels of stakeholder EDI readiness ( low tech to high tech)
- Actively participating and providing strong representations across all the national standards organization with many of our members holding leadership positions.

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<sup>1</sup> American Medical Association (AMA), Apex EDI, ASC X12N, Availity, LLC, AXIOM Systems, Inc., BancTec, ClaimRemedi, Emdeon, eProvider Solutions, Dorado Systems , GE Healthcare, Greenway Health, Health-e-Web, Inc., HDM Corp., InstaMed, Jopari Solutions, Inc., Medical Electronic Attachments (MEA), NextGen Healthcare, OfficeAlly, OptumInsight, PassportHealth, PracticeInsight, RelayHealth, Secure EDI, Siemens HDX, Smart Data Solutions The SSI Group, Trizetto Provider Solutions, Utah Health Information Exchange (UHIN), WEX, Inc., WorkCompEDI, Xerox EDI Direct, ZirMed

Therefore, we strongly advocate for EDI standardization and compliance within the healthcare industry. We are committed to promote and advance electronic data exchange for the healthcare industry by improving efficiency, advocacy, and education to industry stakeholders and government entities.

**RFI Issue 1 - The HPID enumeration structure outlined in the HPID final rule, including the use of the controlling health plan (CHP)/subhealth plan (SHP) and other entity identifier (OEID) concepts.**

Cooperative Exchange Response

The Cooperative Exchange membership believes there is a need for industry clarification with regards to the business intent of the HPID. There appears to be great confusion with the interpretation of what the controlling health plan (CHP), subhealth (SHP) and other entity (OE) are within the current structure of the healthcare industry. If the industry makes the determination there is a need to identify a Health Plan, in addition to a payer, there must be consistency in the enumeration and dissemination process as well as clear specific direction for the implementation to avoid negative impact to the industry. We must avoid the confusion that occurred during the NPI enumeration and implementation process and insure protection of personal health information.

With regards to the OEID, use in the current transactions should not occur until such time that the identified problems and clear business usage is defined. We strongly recommend a cost analysis be performed that shows the value to business process improvement and makes the entire EDI process more efficient thereby reducing costs. We believe that the OEID is not a useful data element within the transactions at this time. Clear return on investment for all stakeholders needs to be realized and communicated prior to implementation.

**RFI Issue 2 - The use of the HPID in Health Insurance Portability and Accountability Act (HIPAA) transactions in conjunction with the Payer ID.**

Cooperative Exchange Response

The Cooperative Exchange and its members take the position that HHS require plans to continue with the enumeration process and acquire HPIDs, but do not require the use of the HPID/OEID in the current transactions. These identifiers should not be used until such time that the identified problems and clear business usage are defined. We strongly recommend a cost analysis be performed that shows the value to business process improvement and makes the entire EDI process more efficient thereby reducing costs. We believe that the HPID is not a useful data element within the transactions at this time. Clear return on investment for all stakeholders needs to be realized and communicated prior to implementation.

The current transactions have not been properly designed to use the HPID and the vast majority of routing and other issues that a National Payer Identifier might have solved some time ago have been resolved. We suggest that if a value for the HPID is determined, we allow the industry to review the enumeration process; determine the impact to transactions; and resolve interpretation and other issues. However, the Payer ID must be kept, as is, to continue the efficient routing of transactions experienced today and avoid risks for Protected Health Information (PHI) breaches.

HHS needs to recognize that routing transactions and identifying a health plan under a payer are two different things. The industry needs one standard identifying the entity responsible for administering the benefits and if necessary, an HPID that identifies the health plans at a granular level. Once this is determined, the standard transactions can be enhanced to allow for both at the appropriate level.

**RFI Issue 3- Whether changes to the nation's health care system since the issuance of the HPID final rule published September 5, 2012, have altered your perspectives about the function of the HPID.**

#### Cooperative Exchange E Response

Over the years the health care industry has used the terms “health plan” and “payer” interchangeably, but functionally these two entities have very different roles. To understand the difference between a health plan and a payer, we look to the definitions in the WEDI Issue Brief “What is the Difference Between a Health Plan and a Payer? ”, available at <http://www.wedi.org/docs/resources/issue-brief.pdf>

Today billions of transactions are exchanged with minimal disruption in the flow. When the need for a national payer identifier was introduced in the 1993 WEDI Report, this was not the case and many transactions were getting lost. In the last 25 years, the clearinghouse industry has worked collaboratively to “fix” the routing issues seen earlier in the development cycle of electronic transactions. The Payer ID must be kept, as is, to continue the efficient routing of transactions and mitigate the potential PHI breach risk. Clearinghouses are focused on the secure exchange of transactions, especially those containing PHI. It is imperative that the existing EDI network not be disrupted. Today the Cooperative Exchange members are processing over 4 plus billion claims annually worth over \$ 1 trillion dollars that includes transaction routing to over 7000 payers and 7,500 plus provider organizations. As stated above, the industry has already resolved many of the payer identification and routing issues that were the original intent of the HPID.