

HHS Issues Proposed Rule to Rescind the Health Plan Identifier Regulation

On December 19, 2018, the Department of Health and Human Services (HHS) issued a proposed rule, entitled [Administrative Simplification: Rescinding the Adoption of the Standard Unique Health Plan Identifier and Other Entity Identifier](#), which would rescind the Health Plan Identifier (HPID) regulation.

The original Final Rule, entitled **Administrative Simplification: Adoption of a Standard for a Unique Health Plan Identifier** (45 CFR Part 162), and published on September 5, 2012:

- Adopted the HPID as the standard unique identifier for health plans,
- Defined the terms "Controlling health plan" (CHP) and "Subhealth plan" (SHP),
- Required all covered entities to use an HPID whenever a covered entity identifies a health plan in a covered transaction.
- Adopted a data element serving as an "other entity identifier" (OEID) for entities that are not health plans, individuals, or health care providers.

Following the final rule's publication, the Health Plan and Other Entity Enumeration System (HPOES) was deployed in October of 2012 and 11,000 HPID's and 99 OEID's were enumerated through October 2014 when HHS issued a statement of enforcement discretion which delayed enforcement of the HPID regulation. The National Committee on Vital and Health Statistics, advisory body to HHS, held hearings in 2014, 2015, and 2017 assessing the regulation's impact on the industry. Additionally, HHS published a Request for Information (RFI) in 2015 where the industry voiced consistent feedback indicating:

- A lack of clear business need and purpose for using HPID and OEID in health care electronic administrative transactions,
- Confusion about how the HPID and OEID would be used in electronic administrative transactions, including strong concerns that HPID might replace current Payer IDs which were widely in use between covered entities, especially for transaction routing purposes.
- Challenges faced by health plans with respect to the definitions of CHPs and SHPs.
- Use of the HPID for group health plans that do not conduct HIPAA transactions.
- The cost to health plans, clearinghouses, and providers for modifying software to account for the HPID.

HHS will accept comments on the proposed rule to rescind the HPID regulation through February 19, 2019. Change Healthcare continues to support the near-unanimous industry consensus to rescind the HPID regulation.