



COMPLIANCE UPDATE

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ATTN: ALL EMPLOYERS SPONSORING SELF-FUNDED HEALTH PLANS:

CMS ANNOUNCES INDEFINITE DELAY IN ENFORCEMENT OF HPID REGULATIONS

The Centers for Medicare & Medicaid Services (CMS) announced that effective October 31, 2014, enforcement of the HPID regulations will be delayed indefinitely.

The Health Plan Identifier (HPID) is a standard, unique health plan identifier required by the Health Insurance Portability & Accountability Act of 1996 (HIPAA). Before the delay, health plans were to obtain an HPID. Large health plans, which are defined as those health plans having receipts of at least \$5 million had to obtain their HPIDs by November 5, 2014. Small health plans, those with receipts of less than \$5 million, had to obtain their HPIDs by November 5, 2015. Insurance issuers were responsible for obtaining HPIDs on behalf of fully insured plans, while plan sponsors were responsible for obtaining HPIDs on behalf of self-funded plans.

The guidance from the CMS website is reproduced below:

Effective October 31, 2014, the Centers for Medicare & Medicaid Services (CMS) Office of e-Health Standards and Services (OEHS), the division of the Department of Health & Human Services (HHS) that is responsible for enforcement of compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standard transactions, code sets, unique identifiers and operating rules, 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 (CMS-0040-F).

This enforcement delay applies to all HIPAA covered entities, including healthcare providers, health plans, and healthcare clearinghouses. On September 23, 2014, the National Committee on Vital and Health Statistics (NCVHS), an advisory body to HHS, recommended that HHS rectify in rulemaking that all covered entities (health plans, healthcare providers and clearinghouses, and their business associates) not use the HPID in the HIPAA transactions (see <http://ncvhs.us/wp-content/uploads/2014/10/140923lt5.pdf>). This enforcement discretion will allow HHS to review the NCVHS's recommendation and consider any appropriate next steps.

Questions? Contact Gunn-Mowery's Employee Benefits Professionals
at (717) 761-4600 or info@gunnmowery.com