

Health Information Compliance Alert

Identifier Standards: EMPLOYER IDENTIFIER FINALIZED

The **Centers for Medicare & Medicaid Services** crossed one of the less controversial items off of its Health Insurance Portability and Accountability Act checklist as HICA went to press: The agency May 28 finalized the adoption of a standard unique employer identifier.

As expected and as initially outlined in the **Department of Health and Human Services'** June 16 2001 proposed rule on the subject the employer identification number (EIN) issued and maintained by the **Internal Revenue Service** will be the standard employer identifier for use in the filing and processing of health care transactions. Since the EIN already is widely used all businesses that pay wages already have one the adoption of the identifier shouldn't be too cumbersome, although HIPAA-covered entities that don't already use the EIN for health claims will have to transition to the new format.

"This is another important step in our implementation of HIPAA that will make health insurance transactions easier and more efficient, not just for Medicare but for other federal health programs and the private health insurance industry as well as those who provide the nation's health care," says CMS Administrator Tom Scully.

The EIN is a nine-digit number separated by a hyphen, as follows: 12-3456789.