Health Information Compliance Alert

Industry Note: HPIDs and OEIDs End Dec. 27

After years of industry frustration and much stakeholder feedback to kibosh the mandate, **HHS** puts the requirement of identifying health plans in HIPAA transactions to rest.

Then: As part of its administrative simplification rollouts and influenced by Affordable Care Act (ACA) provisions, the feds finalized a unique health plan identifier (HPID) and an other entity identifier (OEID) "for an entity that is not a health plan, individual, or healthcare provider, but that needs to be identified in a HIPAA transaction" in September 2012 rulemaking, suggests HHS in a final rule titled, "Administrative Simplification: Rescinding the Adoption of the Standard Unique Health Plan Identifier and Other Entity Identifier," and published in the Federal Register in October.

Now: HHS will stop requiring HPIDs and OEIDs on HIPAA transactions on Dec. 27. Instead of helping organizations as hoped, the requirements caused financial strains and administrative hindrances, according to the final rule.

"Stakeholders informed HHS that the HPID was not needed for routing HIPAA transactions nor did it provide information about health plan products and benefits," the rule says. "Further, they stated it would not reduce the cost of managing financial and administrative information, and that if they were to implement the HPID, it would impose significant costs instead of decreasing them."

Plus, OEIDs created more confusion. In fact, since 2014, "only 99 organizations have applied for and received OEIDs," mentions the final rule. Moreover, "stakeholders also indicated that the OEID had minimal value and stated they were confused about the enumeration, purpose, and use of the OEID" in the first place, the rule says.

To "minimize costs," the feds made deactivation easier for covered entities (CEs), suggests the **Centers for Medicare & Medicaid Services** (CMS) in online guidance. "On or after the effective date of this final rule, any active HPID or OEID will be automatically deactivated in the Health Plan and Other Entity Enumeration System (HPOES)," CMS says.

CEs should ready their systems now to prepare for the changes, recommends CMS.

Read more about the HHS decision to rescind this requirement at:www.federalregister.gov/documents/2019/10/28/2019-23507/administrative-simplification-rescinding-the-adoption-of-the-standard-unique-health-plan-identifier.