

September 9, 2014

## Health Plan Identifier (HPID) Requirements and Resources

*Please note: Insured plans with Cigna do not have to obtain an identifier since Cigna, as an issuer, will have its own identifier. No action is needed by fully insured employers.*

### Overview

As part of the Administrative Simplification provision of the Patient Protection and Affordable Care Act (PPACA), the Health Plan Identifier (HPID) is intended to streamline electronic transactions between carriers, administrators, health care professionals, and financial institutions. The Department of Health and Human Services (HHS) requires all health plans to obtain this 10-digit “unique identifier” from a government-sponsored agency.

Plans must use an HPID to identify a health plan in standard Health Insurance Portability & Accountability Act (HIPAA) electronic transactions. HIPAA transactions may include medical and dental claims or premium payment, for example.

Some health plans, with the exception of small health plans, will be required to obtain HPIDs by **November 5, 2014**. Cigna is here to help self-funded employers learn about the HPID and the resources available to them in preparation for the upcoming compliance date.

### Requirements and Compliance Dates

Health plans required to obtain an HPID include:

- Employer-sponsored group health plans;
- Health insurance issuers and HMOs;
- Federal Employees Health Benefits (FEHB) program and governmental health plans; and
- Controlling Health Plans (CHPs) and Subhealth Plans (SHP).

Key compliance dates to obtain an HPID:

Plan	Compliance Date
Health plans with annual receipts of \$5 million or more	Must obtain HPIDs by November 5, 2014
Health plans with annual receipts of \$5 million or less	Must obtain HPIDs by November 5, 2015
All plans generating electronic transactions	Must use HPIDs in transactions by November 7, 2016

The law requires self-funded employers or group health plans to obtain their own HPIDs. In addition, self-funded employers are responsible for calculating their annual receipts. Cigna will not be able to assist or advise on determining annual receipts.

Entities that are not considered health plans, health care providers or individuals, but need to be identified in standard transactions, will use the Other Entity Identifier (OEID) as their unique identifier, instead of the HPID. Examples of an OEID include, health care clearinghouses, third-party administrators, and non-HIPAA covered entities, such as auto liability and workers compensation carriers.

Cigna meets the definition of a health plan and will apply for insured clients' HPIDs accordingly, but we will not be applying for an OEID in connection with the self-funded plans we administer. Clients sponsoring self-funded plans are encouraged to consult with their own legal counsel on whether or not they are required to have an OEID.

### **Obtaining an HPID**

Self-funded employers are encouraged to apply for an HPID as soon as possible. HPID applications are available through the Centers for Medicare and Medicaid Services (CMS) [website](#). The online application can be found via the Health Plan and Other Entity Enumeration System housed within CMS' Health Insurance Oversight System and may be accessed through the [CMS Enterprise Portal](#). Users need to register in the enterprise portal and obtain a user ID and password.

The application also requests a Payer ID number, but CMS has advised that self-funded employers who do not have these numbers may enter "not applicable" in this field on the application and will still be able to apply for their HPIDs successfully.

To learn more about the application process, self-funded employers are encouraged to view CMS' HPID and OEID overview presentation by clicking [here](#). In addition, there are videos available to walk through each step of the application process to obtain an HPID for a [Controlling Health Plan](#) (CHP), a [Subhealth Plan](#) (SHP), and an [Other Entity Identifier](#) (OEID).

Lastly, self-funded clients that have already obtained their HPIDs are being asked to hold them until further guidance about specific usage of the HPID is issued by HHS.

### **Further Resources and Questions**

Cigna is still awaiting guidance about certain aspects of the HPID from HHS, and we will continue to communicate and update resources accordingly as more information becomes available.

For more information, please visit the [Employer Administrative Responsibilities](#) page located on [InformedonReform.com](http://InformedonReform.com), and download our [Health Plan Identifier Fact Sheet](#). You may also save the date for Cigna's upcoming [Employer Readiness on Upcoming PPACA Requirements](#) Web Meeting on September 24, 2014 from 4:00-5:00 p.m. EST where HPID will be one of the featured topics.

If you have any questions, please contact your Cigna representative.

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