

Health Plan Identifier (HPID) Requirement Delayed

Issue Date: November 2014

On October 31st, The Centers for Medicare and Medicaid Services (CMS) announced an indefinite delay in the Health Plans Identifier (HPID) requirements applicable to self-funded employer sponsored health plans. Officially described as an enforcement delay, the announcement means that large self-funded employers will not be required to obtain an HPID by November 5th, 2014 as originally required. No further information regarding a new deadline, or other changes to the HPID requirements, was contained in the announcement.

Background

Existing regulations require employers who sponsor self-funded health plans to obtain an HPID from CMS. Prior to the delay, large health plans (with annual receipts of \$5 million or more) were required to obtain an HPID by November 5, 2014. Small health plans had until November 5, 2015.

What Does the Delay Mean to Employers?

Employers who have already obtained an HPID number should maintain their records, and wait for further information from CMS. Employers who have not yet obtained an HPID may choose to wait until further guidance is issued before attempting to obtain an HPID.

Note that the HPID is unrelated to the ACA Transitional Reinsurance Program reporting deadline which is still in place. This HPID delay has no effect on the existing requirement for self-funded employers to report membership to CMS by November 17, 2014, for purposes of paying the reinsurance contribution.

The official announcement of the HPID delay can be found on the CMS website at:

<http://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Affordable-Care-Act/Health-Plan-Identifier.html>.

Please be aware that this does not represent legal or tax advice and is only Frenkel's interpretation of the laws, regulations and statutes. It is highly recommended that you seek the advice of your legal and tax professional as to the applicability of this information to your particular situation.