

# Affordable Care Act Implementation Alert

*The Affordable Care Act and your self-funded health plan*



**Independence  
Administrators**

## CONTENTS

- > Obtain a Health Plan Identifier (HPID) by November 5
- > Terminology
- > HPID requirements
- > How to get an HPID
- > HPID resources

### OBTAIN A HEALTH PLAN IDENTIFIER BY NOVEMBER 5

Part of the Administrative Simplification provision of the Affordable Care Act (ACA) requires the adoption of a standard unique health plan identifier. The rule requires all covered entities to use a Health Plan Identifier (HPID). An HPID is required whenever a covered entity identifies a health plan in a covered transaction.

### TERMINOLOGY

- Controlling Health Plan (CHP) – A CHP is a health plan that controls its own business activities, actions, or policies or a health plan controlled by an entity that is not a health plan.
- Subhealth Plan (SHP) – A SHP is a health plan whose business activities, actions, or policies are directed by the CHP.
- Small Health Plan – A small health plan as defined by the Centers for Medicare & Medicaid Services is a health plan with annual receipts of \$5 million or less.

### HPID REQUIREMENTS

All Controlling Health Plans (CHPs) must obtain a HPID by November 5, 2014, for use in standard transactions. Small health plans have until November 5, 2015, to obtain an HPID.

An entity must meet the definition of Health Plan to obtain an HPID. In addition, a CHP may obtain an HPID for its subhealth plan (SHP) or direct the SHP to obtain an HPID, if it determines the SHP needs to be identified in a standard transaction.

### HOW TO GET AN HPID

As a self-funded health plan sponsor, you are responsible for obtaining any required HPIDs. To apply for an HPID, first visit the Center for Medicare & Medicaid Services' (CMS) Enterprise Portal.

Within the CMS portal is the Health Insurance Oversight System (HIOS). Once in HIOS, visit the [Health Plan and Other Entity Enumeration System](#) (HPOES) in order to apply for an HPID.

# Affordable Care Act Implementation Alert

*The Affordable Care Act and your self-funded health plan*

## RESOURCES

For additional information on HPIDs, visit the [CMS website](#).

[Educational videos](#) are available from the CMS.

In addition, the CMS [eHealth University](#) website has HPID videos. Once you are at the eHealth University website look for the "Intermediate" tab.

**Independence Administrators does not provide legal or tax advice. The final determination of whether the Plan Sponsor meets the requirements of the Affordable Care Act and other relevant regulations must be made by the Plan Sponsor in consultation with their own legal counsel or tax advisor.**

