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Administrative Simplification

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HIPAA Administrative Simplification Information Bulletin

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Eligibility for a Health Plan Transaction Error

The National Standards Group (NSG), on behalf of the Department of Health and Human Services (HHS), tests covered entities' transactions as part of the HIPAA Administrative Simplification Compliance Review Program. NSG compiles reports and uses compliance review violation statistics to trend non-compliance and alert the industry to potential solutions for resolving frequently identified violations. This document addresses violations made by health plans when conducting Eligibility for a Health Plan Response transmissions.

Background

The Eligibility for a Health Plan transaction, defined at 45 CFR § 162.1201, includes both the inquiry to obtain information about a benefit plan for an enrollee and the health plan's response to the inquiry. The Eligibility for a Health Plan Response transmission is used by health plans to respond to a health care provider's (or another health plan's) inquiry about an enrollee's eligibility and coverage. HHS adopted the X12 5010 270 (270) standard for the inquiry portion of the transaction and the X12 5010 271 (271) standard for the response portion of the transaction. In July 2021, the Compliance Review Program Findings report identified 17 violations related to compliance with the 271 standard that required corrective action by a covered entity. The most common violation related to health plans' improper use of the loops 2110C/D.

Loop 2110C conveys eligibility or benefit information for the subscriber in the health plan's response. If a dependent of the subscriber is the patient identified in the inquiry, loop 2110D conveys the eligibility or benefit information for the dependent in the health plan's response. These loops contain "EB Segments" that provide specific eligibility and benefits data elements. The EB03 data element is used to convey an applicable service type code.

The Issue

Transaction testing completed during compliance reviews revealed that frequently, health plans did not follow the requirements specified in the X12 270/271 Implementation Guide-Type 3 (TR3) on how to report eligibility and benefits response information.

In several instances, health plans used multiple 2110C or D loops in situations where all of the data relayed in each loop was the same, with the exception of the service type code used in data element EB03. However, EB03 is a repeating data element in the 271 transaction that may be repeated up to 99 times. The TR3 report

states:

> If all of the information that will be used in the 2110C [or 2110D] loop is the same with the exception of the Service Type Code used in EB03, it is more efficient to use the repetition function of EB03 to send each of the Service Type Codes needed. If an Information Source supports responses with multiple Service Type Codes, **the repetition use of EB03 must be supported if all other elements in the 2110C [or 2110D] loop are identical**.[1] [emphasis added]

When a health plan uses multiple 2110C or D loops that contain the same information, with the exception of the service type code in EB03, instead of repeating EB03 within the same loop to reflect the different service type codes, the Administrative Simplification Enforcement and Testing Tool (ASETT) identifies a violation as follows:

> Loop 2110C/D (Subscriber Eligibility or Benefit Information) is used. It should not be used when 1 iteration of loop 2110C/D is used with the same information except for EB03 value. Loop 2110C/D should be sent once with different EB03 values separated by repetition separator. Loop 2110C/D is defined in the guideline at position 1300.

Resolution

To be compliant with the adopted 270/271 standard, when sending Eligibility for a Health Plan response transmissions, the repetitive use of EB03 must be supported if all other elements in the 2110C/D loop are identical. Transactions that include 2110 C/D loops containing the same information, with the exception of the service type code in EB03, are noncompliant with the adopted standard under HIPAA. Incorrect or improper data elements and structures in X12 270/271 transactions may trigger violations in a compliance review and result in the need for corrective action.

For additional information on compliance with the 270/271 standard and proper use of loops 2110 C/D and multiple EB03 segments, please see the guidance provided by X12 in their response to requests for information # 2267, 898, and 1422.

Stay Up to Date

Visit the Administrative Simplification website for more information on transactions, standards, operating rules, and code sets. For the latest news about Administrative Simplification, sign up for Email Updates.

[1] The Accredited Standards Committee (ASC) X12 Standards for Electronic Data Interchange Technical Report Type 3 - Health Care Eligibility Benefit Inquiry and Response (270/271), April 2008, ASC X12N/005010X279, Section 2.6, pp. 289, 393.