

**DEPARTMENT OF HEALTH AND HUMAN SERVICES****Health Care Financing Administration**

[HCFA-0149-N]

RIN 0938-A158

**Health Insurance Reform:  
Announcement of Designated  
Standard Maintenance Organizations**

AGENCY: Office of the Secretary, HHS.

ACTION: Notice.

**SUMMARY:** This notice announces the organizations that the Secretary designates as Designated Standard Maintenance Organizations (DSMOs). These organizations maintain standards for health care transactions adopted by the Secretary, and receive and process requests for adopting a new standard or modifying an adopted standard. This notice is published in accordance with our final rule titled Standards for Electronic Transactions, published elsewhere in this **Federal Register**, which implements section 262 of the Health Insurance Portability and Accountability Act, which added sections 1171 through 1179 to the Social Security Act.

**EFFECTIVE DATE:** October 16, 2000.**FOR FURTHER INFORMATION CONTACT:** Stanley Nachimson, (410) 786-6153.**SUPPLEMENTARY INFORMATION:****Background**

Section 262 of the Health Insurance Portability and Accountability Act

(HIPAA) added sections 1171 through 1179 to the Social Security Act (the "Act"). Section 1173(a) of the Act requires the Secretary to adopt standards for health care transactions to enable electronic exchange of health information. In addition, section 1172 of the Act requires consultation prior to the adoption of a standard with the following Data Content Committees (DCCs): National Uniform Billing Committee (NUBC), the National Uniform Claim Committee (NUCC), the Workgroup for Electronic Data Interchange (WEDI), and the American Dental Association prior to the adoption of a standard. In the case of a standard that has been developed, adopted, or modified by a standard setting organization (SSO), the SSO is to consult with the above-named groups during such development, adoption, or modification. In the case of any other standard, the Secretary is required to consult with each of the above-named groups before adopting the standard and must also comply with the provisions of section 1172(f) of the Act regarding consultation with the National Committee on Vital and Health Statistics.

The final rule titled "Standards for Electronic Transactions," published elsewhere in this **Federal Register**, establishes a new category of organization, the "Designated Standard Maintenance Organization (DSMO)." Section 162.910 of this final regulation provides that the Secretary may designate as DSMOs those organizations

that agree to maintain the standards adopted by the Secretary. Section 162.910 also establishes criteria for the processes to be used in such maintenance. Several DCCs and SSOs have agreed to maintain those standards designated as national standards in the final rule "Standards for Electronic Transactions" according to the criteria established by the Secretary.

**Provisions of the Notice**

Pursuant to § 162.910, the Secretary designates the following organizations as DSMOs:

1. Accredited Standards Committee X12.
2. Dental Content Committee of the American Dental Association.
3. Health Level Seven.
4. National Council for Prescription Drug Programs.
5. National Uniform Billing Committee.
6. National Uniform Claim Committee.

**Authority:** Section 1172 of the Social Security Act (42 U.S.C. 1320d-1) (Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program; No. 93.773 Medicare—Hospital Insurance Program; and No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: July 24, 2000.

**Donna Shalala,***Secretary.*

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