

## CMS Issues HIPAA Standard for Electronic Funds Transfers

Article By:

Health Law

---

The Centers for Medicare & Medicaid Services (CMS) January 5, 2012 an [interim final rule](#) that adopts standards for electronic funds transfers (EFT) under HIPAA. According to CMS, the standards could reduce administrative costs for physicians, hospitals, and private and government health plans by up to \$4.5 billion over the next ten years.

The final rule outlines two standards that health plans must comply with in order to use EFT to transmit health care claim payments to providers. First, health plans must use a standard format when ordering, authorizing, or initiating an EFT with their financial institutions. Second, the rule outlines the data content to be contained within the EFT.

The interim final rule is the second in a series of regulations mandated by the Affordable Care Act (ACA). Under the ACA, CMS is required to issue regulations designed to streamline health care administrative transactions, encourage greater use of standards among providers, and increase the efficiency of standards. Yesterday's rule follows a July 2011 interim final rule (76 FR 40458) establishing operating rules for patient eligibility for coverage and health care claim status.

According to CMS, future rules will address the following: (1) a standard unique identifier for health plans; (2) a standard for claims attachments; and (3) requirements that health plans certify compliance with all HIPAA standards and operating rules.

Covered entities must use the health care EFT standards by January 1, 2014. A fact sheet on the interim final rule is available [here](#). CMS is accepting comments on the rule via mail, hand delivery, or [electronic submission](#).

©2025 von Briesen & Roper, s.c

---

National Law Review, Volume II, Number 7

Source URL: <https://natlawreview.com/article/cms-issues-hipaa-standard-electronic-funds-transfers>