



Related MLN Matters Article #: MM5452

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### *Stage 3: National Provider Identifier (NPI) Changes for Transaction 835 and Standard Paper Remittance Advice (RA)*

#### Key Words

MM5452, CR5452, R1343CP, Stage 3, NPI, Changes, Transaction, 835, Standard, Paper, RA

#### Provider Types Affected

Physicians, providers, and suppliers who conduct Health Insurance Portability and Accountability Act standard transactions, such as claims and eligibility inquiries, with Medicare

#### Key Points

- The effective date of the instruction is July 2, 2007.
- The implementation date is July 2, 2007, for durable medical equipment (DME) suppliers.
- The implementation date is April 7, 2008, for other providers that bill Medicare Carriers, Fiscal Intermediaries (FIs), including Regional Home Health Intermediaries (RHHIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs).
- MM5452 discusses Stage 3 of Medicare's fee-for-service (FFS) processes for the NPI and reflects Medicare's processing of claims submitted with NPIs.
- Submitted NPIs will be cross walked to the Medicare legacy number(s) for processing.
- Medicare's internal provider files will continue to be based upon records established in relation to the legacy identifiers. The crosswalk may result in 3 scenarios:
  - **Scenario I** - Single NPI, cross walked to single Medicare legacy number
  - **Scenario II** - Multiple NPIs, cross walked to single Medicare legacy number
  - **Scenario III** - Single NPI, cross walked to multiple Medicare legacy numbers.
- The Centers for Medicare and Medicaid Services (CMS) will adjudicate Medicare FFS claims based upon a unique NPI/legacy number combination for Scenarios II and III.
- However, the electronic and paper RA and any output using PC Print or Medicare Remit Easy Print (MREP) will have only the NPI as the primary provider identification.

- The Taxpayer Identification Number (TIN) will be used as the secondary identifier for the Payee. The NPI regulation permits continued use of TIN for tax purposes, if the implementation guide allows it.
- The companion documents and flat files for both Part A and B will be updated to reflect these changes, and the updated documents will be posted at [http://www.cms.hhs.gov/ElectronicBillingEDITrans/11\\_Remittance.asp#TopOfPage](http://www.cms.hhs.gov/ElectronicBillingEDITrans/11_Remittance.asp#TopOfPage) on the CMS website.

**Note: The current requirements concerning the reporting of provider names and addresses still apply.**

- The following three scenarios refer to Medicare reporting of NPIs in remittance advice processes.

**Scenario I – Single NPI Cross Walked to Single Legacy Number**

- **Electronic Remittance Advice (ERA)** - Medicare will report the NPI at the Payee level as the Payee primary ID. Medicare will report the TIN (Employer Identification Number (EIN)/Social Security Number (SSN) (EIN/SSN)) in the REF segment as Payee Additional ID. Medicare will report any relevant Rendering Provider NPI at the claim level if different from the Payee NPI. Carriers, A/B MACs, and DME Medicare Administrative Contractors (DME MACs) (as appropriate) will also report relevant Rendering NPI(s) at the service line level if different from the claim level Rendering Provider NPI. There will be one remittance advice and one check or Electronic Funds Transfer (EFT) per NPI.
- **Standard Paper Remittance (SPR)** - Medicare will insert the appropriate Payee NPI at the header level. The ERA reporting requirements apply to the corresponding SPR fields. (See above for additional note.)
- **PC Print Software** - Medicare will show the Payee NPI at the header level and add the relevant Rendering Provider NPI at the claim level if different from the Payee NPI.
- **MREP Software** - Medicare will show the Payee NPI at the header level and add any relevant Rendering Provider NPI at the claim level if different from the Payee NPI. Medicare will also add any relevant Rendering NPI(s) at the service line level if different from the claim level Rendering Provider NPI.

**Scenario II: Multiple NPIs Cross Walked to Single Medicare Legacy Number**

- **ERA** - Medicare will report the NPI at the Payee level as the Payee primary ID. Medicare will report the TIN (EIN/SSN) in the REF segment as Payee Additional ID. Medicare will add any relevant Rendering Provider NPI at the claim level if different from the Payee NPI. Carriers, A/B MACs, and DME MACs (as appropriate) will add any relevant Rendering NPI(s) at the service line level if different from the claim level Rendering Provider NPI. Adjudication will be based on the unique combination of NPI/legacy number. There would be multiple remittance advices, checks, or EFTs based on that unique combination.
- **SPR** - Medicare will insert the appropriate NPI number at the header level. The ERA reporting requirements apply to the corresponding SPR fields. (See above for additional note.)
- **PC Print Software** - Same as Scenario I.
- **MREP Software** - Same as Scenario I.

**Scenario III: Single NPI Cross Walked to Multiple Medicare Legacy Numbers**

- **ERA** - Medicare will report the NPI at the Payee level as the Payee primary ID. Medicare will report the TIN (EIN/SSN) in the REF segment as Payee Additional ID. Medicare will add any relevant Rendering Provider NPI at the claim level if different from the Payee NPI. Carriers, A/B MACs, and DME MACs (as appropriate) will add relevant Rendering NPI(s) at the service line level if different from the claim level Rendering Provider NPI. Adjudication will be based on the unique combination of NPI/legacy number. There would be multiple remittance advices, checks, or EFTs based on that unique combination.
- **SPR** – Medicare will insert the appropriate NPI number at the header level. The ERA reporting requirements apply to the corresponding SPR fields. (See above for additional note.)
- **PC Print Software** - Same as Scenario I.
- **MREP Software** - Same as Scenario I.

### Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5452.pdf> on the CMS website

The official instruction (CR5452) issued regarding this change is located at

<http://www.cms.hhs.gov/Transmittals/downloads/R1343CP.pdf> on the CMS website. The revised sections of Chapter 22 (Remittance Advice of the *Medicare Claims Processing Manual*) are attached to CR5452.