



Related MLN Matters Article #: MM5060 **Revised**

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### *Additional Requirements Necessary to Implement the Revised Health Insurance Claim Form CMS-1500*

#### Key Words

MM5060, CR5060, R1058CP, CMS-1500, Billing, NPI, MM4320, CR4293, R899CP, MM4023, MM5616, CR5616, MM5568, CR5568

#### Provider Types Affected

Physicians and suppliers who bill Medicare carriers, including Durable Medical Equipment Regional Carriers (DMERCs), Part A/B Medicare Administrative Contractors (A/B MACs), and Durable Medical Equipment Medicare Administrative Contractors (DME MACs) for their services using the Form CMS-1500

**Note:** MLN Matters article MM5060 was revised on June 12, 2008, to add references to MM5568 and MM5616, which changed the implementation of the Form CMS-1500 (08-05). The links to these articles may be found in the Important Links section below.

#### Key Points

**Important Note:** Medicare fee-for-service has instituted a contingency plan for National Provider Identifier (NPI) implementation that delays the requirement for the NPI beyond May 23, 2007. For details regarding this delay, please see MLN Matters article MM5595 at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5595.pdf> on the CMS website.

- The effective date of the instruction is January 1, 2007.
- The implementation date is January 2, 2007.
- The Centers for Medicare & Medicaid Services (CMS) is implementing the revised Form CMS-1500, which accommodates the reporting of the NPI.
- The Form CMS-1500 (08-05) version will be effective January 1, 2007, but will not be mandated for use until April 2, 2007. During this transition time, there will be a dual acceptability period of the current and the revised forms.

- A major difference between Form CMS-1500 (08-05) and the prior form CMS-1500 is the **split provider identifier fields**. The split fields will enable NPI reporting in the fields labeled as NPI, and the corresponding legacy number reporting in the unlabeled block above each NPI field.
- There will be a period of time when both versions of the CMS-1500 will be accepted (08-05 and 12-90 versions). The dual acceptability timeline period for Form CMS-1500 is as follows:
  - **January 2, 2007 – March 30, 2007**
    - Providers can use either the current Form CMS-1500 (12-90) version or the revised Form CMS-1500 (08-05) version. **Note:** Health plans, clearinghouses, and other information support vendors should be able to handle and accept the revised Form CMS-1500 (08-05) by January 2, 2007.
  - **April 2, 2007**
    - The current Form CMS-1500 (12-90) version of the claim form is discontinued; only the revised Form CMS-1500 (08-05) is to be used. **Note:** All **rebilling** of claims should use the **revised** Form CMS-1500 (08-05) from this date forward, even though earlier submissions may have been on the current Form CMS-1500 (12-90).

## Background

- Form CMS-1500 is one of the basic forms prescribed by CMS for the Medicare program. It is only accepted from physicians and suppliers that are excluded from the mandatory electronic claims submission requirements set forth in the Administrative Simplification Compliance Act, Public Law 107-105, and the implementing regulation at 42 Code of Federal Regulations 424.32.
- The CMS-1500 form is being revised to accommodate the reporting of the NPI.
- A provision in the Health Insurance Portability and Accountability Act legislation allows for an additional year for small health plans to comply with NPI guidelines.
- Small plans may need to receive legacy provider numbers on coordination of benefits (COB) transactions through May 23, 2008. CMS will issue requirements for reporting legacy numbers in COB transactions after May 22, 2007. **(See Important Note above.)**
- In a related Change Request (CR), 4023, CMS required submitters of the Form CMS-1500 (12-90 version) to continue to report Provider Identification Numbers (PINs) and Unique Physician Identification Numbers (UPINs) as applicable.
- There were no fields on that version of the form for reporting of NPIs in addition to those legacy identifiers. CR4293 provided guidance for implementing the revised Form CMS-1500 (08-05).
- MLN Matters article MM5060, based on CR5060, provides additional Form CMS-1500 (08-05) information related to validation edits and requirements for Medicare carriers, DMERCs, and DME MACs.

## Billing Guidelines

- When the NPI number is effective (May 23, 2007, although it can be reported starting January 1, 2007), **and the billed service requires the submission of an NPI**, claims will be **rejected** (in most cases with reason code 16 – “claim/service lacks information that is needed for adjudication”) in tandem with the appropriate remark code that specifies the missing information, **if:**

- The appropriate **NPI is not entered** on Form CMS-1500 (08-05) in items:
  - 24J (replacing item 24K, Form CMS-1500 (12-90));
  - 17B (replacing item 17 or 17A, Form CMS-1500 (12-90));
  - 32a (replacing item 32, Form CMS-1500 (12-90)); and
  - 33a (replacing item 33, Form CMS-1500 (12-90)).

## Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5060.pdf> on the CMS website.

The official instruction issued (CR5060) regarding this change may be found by going to

<http://www.cms.hhs.gov/Transmittals/downloads/R1058CP.pdf> on the CMS website.

Additional NPI-related information can be found at <http://www.cms.hhs.gov/NationalProvIdentStand/> on the CMS website.

The change log, which lists the various changes made to the Form CMS-1500 (08-05) version, can be viewed at the National Uniform Claim Committee (NUCC) website at

[http://www.nucc.org/images/stories/PDF/change\\_log.pdf](http://www.nucc.org/images/stories/PDF/change_log.pdf) on the Internet.

MLN Matters article MM4320, "Stage 1 Use and Editing of National Provider Identifier Numbers Received in Electronic Data Interchange Transactions via Direct Data Entry Screen, or Paper Claim Forms," can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4320.pdf> on the CMS website.

CR4293, Transmittal Number 899, "Revised Health Insurance Claim Form CMS-1500," provides contractor guidance for implementing the revised Form CMS-1500 (08-05). It can be found at

<http://www.cms.hhs.gov/transmittals/downloads/R899CP.pdf> on the CMS website.

MLN Matters article MM4023, "Stage 2 Requirements for Use and Editing of National Provider Identifier (NPI) Numbers Received in Electronic Data Interchange Transactions, via Direct Data Entry Screens, or Paper Claim Forms," can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4023.pdf> on the CMS website.

MLN Matters article MM5616, "New Deadline for Required Submission of the Form CMS-1500 (08-05)," is located at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5616.pdf> on the CMS website.

MLN Matters article MM5568, "Extension for Acceptance of Form CMS-1500 (12-90)," is located at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5568.pdf> on the CMS website.