

For Health Care Providers Who Are Sole Proprietors

July 2007



What Is the National Provider Identifier (NPI)?

The National Provider Identifier (NPI) is the standard unique health identifier for health care providers adopted by the Secretary of Health and Human Services in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). All covered entities under HIPAA are required by regulation to use NPIs to identify health care providers in standard HIPAA transactions.

Is a Sole Proprietor Considered an Individual or Organization?

A sole proprietor/sole proprietorship is an individual and, as such, is eligible for a single NPI. The sole proprietor must apply for the NPI using his or her own Social Security Number (SSN), not an Employer Identification Number (EIN) even if he/she has an EIN. Because a sole proprietor/sole proprietorship is an individual, he/she cannot be a subpart and cannot designate subparts.

How Many NPIs Should a Sole Proprietor Have?

A sole proprietor is eligible for only one NPI, just like any other Individual. For example, if a Durable Medical Equipment (DME) supplier is a sole proprietor, the sole proprietor is eligible for only *one* NPI (the individual's NPI) regardless of the number of different locations the supplier may have, whether the sole proprietorship has employees, and whether the Internal Revenue Service (IRS) has issued an EIN to the sole proprietorship so that the employees' W-2 forms can reflect that EIN instead of the sole proprietorship's Taxpayer Identification Number (which is the sole proprietor's SSN). A sole proprietor is not an incorporated individual because the sole proprietor has not formed a corporation. Being a sole practitioner or solo practitioner does not necessarily mean that the practitioner is a sole proprietor, and vice versa.

How Does a Sole Proprietor Apply For an NPI?

Sole proprietors apply for NPIs online at <https://nppes.cms.hhs.gov> or they may call the NPI Enumerator to request a paper NPI Application/Update Form at 1-800-465-3203. (Note: The CMS-10114, the NPI Application/Update Form, was recently revised. The old version may be used until July 10, 2007. The revised version may be obtained from the NPI Enumerator or may be downloaded from the CMS forms web page at <http://www.cms.hhs.gov/cmsforms> on the CMS website. Old versions of the CMS-10114 will not be accepted for processing after July 13, 2007.)

Resources for Additional Information

More information and education on the NPI can be found at the CMS NPI web page at <http://www.cms.hhs.gov/NationalProvIdentStand> on the CMS website.

The Medicare Learning Network (MLN) is the brand name for official CMS educational products and information for Medicare fee-for-service providers. For additional information visit the Medicare Learning Network's web page at <http://www.cms.hhs.gov/MLNGenInfo/> on the CMS website.

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