

## **National Provider Identifier (NPI) Implementation and Drug Data Processing System (DDPS)**

CMS has recently issued contingency guidance for National Provider Identifier implementation. This contingency guidance provides that, for a period of 12 months after the NPI Rule compliance date of May 23, 2007, CMS will not impose civil money penalties on covered entities that deploy contingency plans, including (in order to ensure the smooth flow of payments) continuing to use and accept legacy identifiers on HIPAA transactions, if they have made reasonable and diligent efforts to become compliant and, in the case of health plans (that are not small health plans), in order to facilitate the compliance of their trading partners.

CMS remains committed to implement NPI processing in DDPS to support plans as they work with trading partners to achieve compliance during the contingency period. These instructions lay out the processing that CMS will utilize and the plan requirements for submission of NPI.

### **Submission requirements**

#### *Service Provider ID*

CMS requires that plans submit the NPI when it is received on an original claim. Plans may submit NPI on a claim that was originally submitted under NCPDP but has since been reversed/rebilled or adjusted using NPI. However, CMS is leaving this decision to the plan. If a pharmacy reverses/rebills or adjusts in any way a claim that was originally submitted with NCPDP as the service provider identifier, NCPDP may be submitted on all PDEs related to that claim, even if any reversals/rebills or adjustments to that claim are done using NPI. CMS also allows plans to submit NCPDP IDs when that is the only ID that the pharmacy submitted for claims after May 23.

#### *Prescriber ID*

CMS again requires that plans submit the NPI as prescriber ID when NPI is submitted. Even if NPI is not on the original claim, prescriber ID remains a required field on standard format PDEs, and one of the acceptable alternate prescriber IDs must be submitted. For non-standard format PDEs, prescriber ID should be submitted when received but remains an optional data element.

### **DDPS processing of NPIs**

DDPS will provide new functionality on or around May 1 in order to handle the NPI for all core system processes. The objective of the DDPS implementation of NPI is to apply consistent rules across all PDE transactions regardless of whether NPI or NCPDP ID is submitted. Current DDPS processing treats NPIs and NCPDP IDs as distinct identifiers, and does not crosswalk between the two identification systems. When the new process is implemented, CMS will use the NCPDP to NPI crosswalk from the NCPDP version 2.1 file to map NPIs to NCPDP numbers. The new process will work as follows:

- DDPS will translate all NPI numbers to NCPDP numbers prior to performing duplicate checking and adjustment/deletion logic. Note that for non-standard format claims, the NPI may not relate to a specific NCPDP ID. Until DDPS

has a full NPI roster (including NPIs that have no associated NCPDP ID), special processing rules (outlined below) will apply to NPIs on non-standard format PDEs that do not successfully crosswalk to NCPDP.

- The duplicate check logic will be modified to perform as follows:
  - When NCPDP is submitted, always use NCPDP ID for duplicate checking.
  - When NPI is submitted and is successfully translated to NCPDP ID, again use the NCPDP ID for duplicate checks.
  - If PDE is non-standard format, NPI is submitted, and NPI does not crosswalk to NCPDP ID, then perform duplicate check using NPIs.
- Modify Edit 615: Modify the Edit message from “The Service Provider ID is missing” to “The Service Provider ID is missing or invalid”. Validity checks will be added for both NPIs and NCPDP IDs that do not match our reference table.
- Modify Adjustment/Deletion logic for existing Edits 661, 662, and 663: add cross-reference check on Service Provider ID Qualifier and Service Provider Identifier between the incoming and existing PDE using ‘07’ for qualifier and NCPDP number for all checks where possible. As with duplicate checking, the only time NPI shall be used for adjustment/deletion logic is on a non-standard format PDE with NPI as the service provider ID, when that NPI does not translate successfully to an NCPDP ID.
- When performing the service provider ID look-up function and associated editing, DDPS will modify program logic to include look-up for NPI and add Check Digit algorithms to PDE Edit programs for both, NCPDP Provider Number and NPI validation.
  - **The following will occur for Standard PDES:**
    - When the NCPDP or NPI number is not on the Provider table and the provider number provided on the PDE passes the Check Digit algorithm, edit 781 will be returned.
    - When the NCPDP or NPI number is not on the Provider table and the provider number provided on the PDE fails the Check Digit algorithm, edit 615 will be returned.
  - **The following will occur for Non-Standard PDES:**
    - If NCPDP number is provided, edit the same as for standard format PDEs. The number must be on the NCPDP table; if it is not present, generate the 615 or 781 as appropriate.
    - When the NPI number is not on the Provider table and the provider number provided on the PDE passes the Check Digit algorithm, the PDE will be accepted.
    - When the NPI number is not on the Provider table and the provider number provided on the PDE fails the Check Digit algorithm, edit 615 will be returned.
- Add Alternate Service Provider ID and Alternate Service Provider ID Qualifier to the PDE Return file. When NPI is submitted and successfully crosswalks to an NCPDP ID, 07 will be the alternate service provider ID qualifier and the associated NCPDP ID will be the alternate service provider

ID. When a valid NCPDP ID is submitted, 01 will be returned as the alternate service provider ID qualifier and the associated NPI will be in the alternate service provider ID. These numbers are being provided to assist plans in understanding our duplicate check and adjustment/deletion logic as applied to each PDE.