

The NPI is here. The NPI is now. Are you using it?

During this testing and implementation phase for the NPI, providers should pay close attention to information from health plans and clearinghouses to understand how claims are being processed and what providers should be doing to assure no disruption in payment. Providers should also ensure that the information they are submitting on a claim is what is being transmitted to each health plan by the billing vendors or clearinghouses who may be submitting the claims on their behalf.

National Plan and Provider Enumeration System (NPPES) FOIA-Disclosable Data to be Available on August 1, 2007

The NPI Registry, a query-only database, will be operational on August 1, 2007. The NPI Registry will operate in a real-time environment. This means that FOIA-disclosable data for newly enumerated providers, as well as updates and changes to enumerated providers' FOIA-disclosable data, will be available in the NPI Registry as that information is applied to NPPES. The NPI Registry will enable a user to query by, for example, NPI or provider name, and will return a list of all NPPES records that meet the query specifications. The user selects from that list the NPPES records he/she wants to see. The NPI Registry will then display the FOIA-disclosable data for those records. About a week later, CMS will make available a file for downloading that will contain the FOIA-disclosable NPPES data of enumerated health care providers. Technical expertise will be required to download that file and to import that data into a relational database or to otherwise manipulate the data. CMS will be furnishing more information about data dissemination, including a "Read Me" file, Header File, and Code Value document for the downloadable file, and will make that information available on the CMS NPI web page at http://www.cms.hhs.gov/NationalProvIdentStand/06a_DataDissemination.asp.

Two New Educational Products Posted

Fact Sheets:

- For Providers who are Organizations
http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPI_FactSheet_Org_Privi_web_07-03-07.pdf
- For Providers who are Sole Proprietors
http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPI_FactSheet_Sole_Propr_web.pdf

Group Practices that Conduct Any HIPAA Standard Transactions MUST Have an NPI!

A group practice that conducts any of the HIPAA standard transactions is a covered health care provider (a covered entity under HIPAA) and, as such, must obtain and use an NPI. The providers employed by the group practice, on the other hand, are only furnishing services at the group practice; they are not conducting any of the HIPAA standard transactions (such as submitting claims, checking eligibility and obtaining claim status electronically). Therefore, these employed providers are not covered health care providers and are not required by the NPI Final Rule to obtain NPIs. However, as a condition of employment, the group practice could require these providers to obtain NPIs so that the group practice can use them to identify the employed providers as the Rendering Providers in the claims that the group submits to health plans. If these physicians prescribe medications, the pharmacies may require their NPIs because the pharmacies may be required by health plans to include the NPIs of prescribers in their claims. Additionally, health plans may require enrolled physicians, or any other enrolled providers, to obtain NPIs in order to participate in those plans.

Important Information for Medicare Providers

Members of Group Practices Need NPIs for Medicare Purposes

Group practices that bill Medicare electronically are covered providers and are required by regulation to obtain and use NPIs to identify themselves as the Billing and Pay-to Providers in Medicare claims. Medicare requires that providers who are identified as Rendering Providers in Medicare claims be identified by NPIs, whether or not they are covered providers. Therefore, group practices that are enrolled in Medicare will want to ensure that their members (physicians or other practitioners) obtain NPIs in order to ensure payments to the group practices by Medicare.

Issues with New CMS 1500 Form Version 08-05

In 2006, the Centers for Medicare and Medicaid Services (CMS) introduced the revised Form CMS-1500 (08-05) to Medicare. This new version of the form was developed through a collaborative effort headed up by the National Uniform Claim Committee (NUCC). The NUCC is chaired by the American Medical Association (AMA), in consultation with the CMS. The committee includes representation from key provider and payer organizations, as well as standards setting organizations, one healthcare vendor, and the National Uniform Billing Committee (NUBC). As such, the committee is intended to have an authoritative voice regarding national standard data content and data definitions for non-institutional health care claims in the United States.

Although CMS prefers all claims be submitted to Medicare electronically, the Administrative Simplification Compliance Act (ASCA) provides for exceptions to the mandatory electronic claim submission requirement. Therefore, Medicare must be prepared to receive and process paper claims. However, Medicare is not required to accept and process multiple versions of the 1500 form.

CMS began accepting the revised Form CMS-1500 in January 1, 2007 with a planned cutoff of the old version Form CMS-1500 (12-90) on April 1, 2007. However, formatting issues which were identified with Form CMS-1500 (08-05) printed stock and images sold by the Government Printing Office (GPO) forced CMS to extend the cut off date of the 12-90 version. CMS closely monitored the situation through our contractors and concluded that the formatting issue was solely limited to the GPO and, as such, moved forward with the planned phase out of the Form CMS-1500 (12-90) version. Beginning July 2, 2007, CMS began returning the 12-90 version of the form. However, it recently came to our attention that the GPO is still not in a position to accept and fill orders for the revised form. CMS recognizes that the ability to purchase the revised form is a critical factor in a provider's ability to comply with the July cut-off.

Our research of the 1500 form has shown that the revised Form CMS-1500 (08-05) is widely available for purchase from print vendors. However, CMS is not able to recommend specific print vendors as this would be seen as creating a marketplace advantage. In order to assist providers in locating the Form CMS-1500 (08-05), CMS recommends:

- Use local print media directories to search for print vendors;
- Contact other providers to inquire on their source for the form;
- Search "CMS-1500 (08-05)" or "CMS-1500 08/05" via the internet and locate online print vendors. Ask for samples before ordering to ensure that the formatting is correct;
- Contact the NUCC (www.nucc.org) for assistance.

Even though the Form CMS-1500 (08-05) experienced formatting difficulties, those issues were quickly resolved. Medicare contractors are currently receiving and processing the new 1500 form without issue. Therefore, CMS will continue to adhere to the July 2, 2007 mandatory cutoff of the Form CMS-1500 (12-90) version.

Note that in using the new CMS-1500 version 08-05, if you previously populated boxes 17a (referring provider), 24j (rendering provider), and 33 (billing provider) with your legacy number, you should begin using your NPI also. If the information in block 33 (billing) is different than block 32 (service facility), you should populate block 32 with the address information.

Potential Issues Related to Clearinghouse Practices

It has come to CMS' attention that some Clearinghouses are stripping the National Provider Identifier (NPI) off the claim prior to its submission to Medicare. This could adversely affect Medicare providers in two ways. First, providers may be under the false impression that their claims are being successfully submitted to Medicare, through their clearinghouse, using an NPI. Second, without the NPI, these claims will not count toward PQRI participation for Eligible Professionals. Stripping of NPIs may also be occurring even though the NPI appears on remittance advice because some clearinghouses are adding the NPI to the remittance prior to sending to the provider. CMS urges Medicare providers that use clearinghouses to check with their clearinghouse to assure NPIs are not being stripped from claims. If the provider determines that their clearinghouse is stripping NPIs from the claim, the provider may wish to consider other billing options.

CMS has also become aware that some clearinghouses are not forwarding to providers NPI informational claim error messages being sent by Medicare carriers. Part B Carriers currently use logic to bypass validating the NPI/legacy provider pair. While claims are being paid today based on the legacy identifier, these messages are designed to help the provider understand the problems Medicare is encountering in attempts to crosswalk the NPI to legacy identifiers. These informational messages are a critical measure of the extent to which a provider will experience rejected claims once the bypass logic is lifted. Providers who use clearinghouses should make sure they are in fact receiving NPI informational claim error messages so that issues can be addressed timely.

Reminder: Don't Miss This Important MLN Matters Article

A recent Special Edition MLN Matters article contains other important information for Medicare providers and suppliers, including how to use the NPI correctly on Part A and Part B claims. You may view this article by visiting <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0725.pdf> on the CMS website.

Reminder: CMS Will Host National Roundtable on August 2nd

CMS will host a national Roundtable specifically to address certain NPI implementation issues. This roundtable is entitled: Fee-for-Service Medicare Q&A Session: Common Billing Errors. The MLN Matters article referenced above should be read prior to the call. It will be held on August 2, 2007 from 2-3:30 PM EDT. Please visit http://www.cms.hhs.gov/nationalprovidentstand/Downloads/NPI_FFS_MEDICARE_NPI_Q&A_SESSION.PDF for registration details.

Still Confused?

Not sure what an NPI is and how you can get it, share it and use it? As always, more information and education on the NPI can be found through the CMS NPI page www.cms.hhs.gov/NationalProvIdentStand on the CMS website. Providers can apply for an NPI online at <https://nppes.cms.hhs.gov> or can call the NPI enumerator to request a paper application at 1-800-465-3203.

Getting an NPI is free - not having one can be costly.