

HIPAA NATIONAL PROVIDER IDENTIFIER (NPI) — APPLY THEN WAIT FOR INSTRUCTIONS!

By Jeanine Freeman, JD

The fourth major goal of the 1996 HIPAA administrative simplification law is uniform identifiers for patients, health plans, employers and providers involved in health care transactions. The Centers for Medicare and Medicaid Services (CMS) is responsible for implementation of identifiers. CMS first established the federal tax employer identification number (EIN) as the uniform identifier for employers. Now CMS has created the national provider identifier (NPI) for health providers, including physicians.

Physicians, whether HIPAA covered entities or not, should apply for an NPI; physician covered entities must apply. The 10-digit NPI will be the primary health care provider identifier for standard HIPAA electronic transactions, taking the place of the PIN, UPIN, and health plan legacy identification numbers. The NPI consists of 9 numbers plus a check-digit and contains no embedded identifying information about the physician.

Each physician will have only one NPI; the physician's NPI is portable. Clinics also will have an NPI which can be used for all clinic sites unless the clinic identifies a business need for more than one NPI. Both the physician's NPI and the group's NPI will be used on a claim. The NPI does not expire. Physicians must furnish updates to their NPI application data within 30 days of any changes.

The NPI is required on all electronic billing claims no later than May 23, 2007 (small health plans by May 23, 2008). Health plans, however, may require use of the NPI anytime before these effective dates. Physicians may begin using the NPI as soon as they receive it, but health plans can also require use of their current identifiers until such time as they accept the NPI or until May 23, 2007, whichever comes first. Physicians are best advised to wait

for instructions from health plans regarding use of the NPI.

Medicare anticipates phasing out the UPIN and phasing in the NPI in the latter part of 2006. Even though the HIPAA NPI rule addresses electronic transmissions, Medicare will require the NPI on paper submissions, too. It is expected that health plans will do the same, thereby avoiding running two separate provider identifier systems.

New terminology comes with the NPI. The NPI process is part of the National Plan and Provider Enumeration System (NPPES), a central electronic enumerating system. The process for obtaining an NPI is called "enumeration." CMS has contracted with Fox Systems, Inc., to serve as the NPI project "enumerator."

In addition to achieving efficiencies in standard transactions, the NPI is viewed as key to ultimate interoperability for electronic health records, quality measurements, and other health information system purposes. NPI application information is stored in the NPPES database. CMS and the enumerator have full access to NPPES data; access by others will be on a need basis more fully defined at a later time.

Physicians may apply for their NPI using ONLY ONE of the following methods:

Electronically:

Visit <https://nppes.cms.hhs.gov>. Apply beginning May 23. Some have encouraged physicians to wait to apply until more is known about how Medicare will handle the NPI.

By paper:

Submit form CMS-10114 directly to the enumerator. To obtain a copy



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and filing instructions, go to <https://nppes.cms.hhs.gov> or call the enumerator. Apply beginning July 1.

Bulk enumeration (group applications):

Electronic submission of a group application on behalf of the group's physicians and for the group's NPI. Available in the fall 2005. Further information? Go to http://www.cms.hhs.gov/hipaa/hipaa2/npi_provider.asp or <http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/SE0528.pdf> or call the enumerator's help desk at 1-800-465-3203.

The Centers for Medicare and Medicaid Services (CMS) has announced the following plan for transitioning to the National Provider Identifier (NPI) in fee-for-service Medicare:

Between May 23, 2005 and January 2, 2006, CMS claims processing systems will accept an existing legacy Medicare number and reject as unprocessable any claim that includes only an NPI.

Beginning January 3, 2006 and through October 1, 2006, CMS systems will accept an existing legacy Medicare number or an NPI as long as it is accompanied by an existing legacy Medicare number.

Beginning October 2, 2006 and through May 22, 2007, CMS systems will accept an existing legacy Medicare number and/or an NPI. This will allow for 6-7 months of provider testing before only an NPI will be accepted by Medicare on May 23, 2007.

Beginning May 23, 2007, CMS systems will accept only an NPI.

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