

National Provider Identifier (NPI) Frequently Asked Questions February 2007

Background

What is the National Provider Identifier (NPI)?

- The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires the adoption of a standard unique identifier for health care providers. The NPI Final Rule issued January 23, 2004, adopted the NPI as this standard.

What does the NPI include?

- The NPI is a 10-digit, intelligence free numeric identifier (10-digit number). Intelligence free means that the numbers do not include information about health care providers, such as the state in which they practice, or their provider type or specialization.
- NPI is a unique national identifier for every medical provider.
- NPIs replace provider identification numbers assigned by Medicare, Medi-Cal, and local carriers like Alameda Alliance for Health (Alliance).
- NPIs will replace provider numbers as the standard unique identifier for health care providers, but NPIs will not replace or substitute Tax Identification or Drug Enforcement Administration (DEA) numbers.
- A provider's NPI will not change and will remain with the provider regardless of job or location changes.

Why do I need an NPI?

- HIPAA requires the standardization and adoption of a unique identifier to be used by health care providers who provide care services or supplies.
- If you are a covered entity transmitting health information electronically under HIPAA, you are required to report your NPI when performing the following (HIPAA) transactions:
 - ✓ Institutional, professional, dental, retail pharmacy drug claims
 - ✓ Payment and remittance advice
 - ✓ Eligibility inquiry or response
 - ✓ Claim status inquiry or response
 - ✓ Referral/Prior Authorization
- The Alliance requests but does not require that providers submit NPIs with paper transactions.

Having an NPI does not:

- Ensure a provider is licensed or credentialed;

- Guarantee payment by a health plan;
- Enroll a provider in a health plan;
- Turn a provider into a covered provider; and
- Require a provider to conduct HIPAA transactions.

Action Items

How can I obtain an NPI?

- Providers can apply online at the National Plan and Provider Enumeration System (NPPES) Web site at www.nppes.cms.hhs.gov.
- Providers can apply via paper application and mail it to the Enumerator, Fox Systems Inc., at:

NPI Enumerator
P.O. Box 6059
Fargo, ND 58108-6059

- Fox Systems Inc. can be contacted directly at 1-800-465-3203 or www.foxsys.com/npi.htm.

Who do I give my NPI to once I obtain it?

- Report your NPI to the Alliance as soon as possible, **but no later than May, 23, 2007**, to Provider Services at (510) 747-4510. You can also send a fax to (510) 747-4508, or email providerservices@alamedaalliance.org.
- Report your NPI to Medi-Cal by March 1, 2007, to www.medi-cal.ca.gov.

When do I start using my NPI?

- The Alliance will accept and store your NPI now. However, by May 23, 2007, you must use your NPI when submitting electronic transactions. The Alliance will request, but not require NPI on paper claims.
- Providers should start phasing out use of older claim forms and begin using the new CMS-1500 and UB -04 claims forms effective May 23, 2007.

If I do not report my NPI to the Alliance or other carriers what will happen?

- Failure to report your NPI to the Alliance for electronic transactions is a HIPAA violation and may also result in claims payment delays.

ELIGIBILITY

Who can apply for the NPI?

- All health care providers (e.g., physicians, suppliers, hospitals, and others) are eligible for NPIs. Health care providers are individuals or organizations that render health care.
- All health care providers who are HIPAA-covered entities, whether they are **individuals** (such as physicians, nurses, dentists, chiropractors, physical therapists, or pharmacists) or **organizations** (such as hospitals, home health agencies, clinics, nursing homes, residential treatment centers, laboratories, ambulance companies, group practices, HMOs, suppliers of durable medical equipment, pharmacies, etc.) must obtain an NPI to identify themselves in HIPAA

standard transactions.

What is a HIPAA-covered health care provider?

- A health care provider who transmits any health information in electronic form in connection with a transaction for which the Secretary of Health & Human Services (HHS) has adopted a standard, even if the health care provider uses a business associate to do so. To access the tool to help establish whether one is a covered entity, visit:
<http://www.cms.hhs.gov/HIPAAgeninfo/Downloads/CoveredEntitycharts.pdf>.

Is a sole proprietor/sole proprietorship an individual or an organization?

- A sole proprietor/sole proprietorship is an individual and is eligible for a single NPI. The sole proprietor must apply for the NPI using his or her own SSN, not an 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.

What is a subpart?

- A subpart is a component of an organization provider that furnishes health care and is not itself a legal entity.

A subpart might:

- Own its standard transactions
- Be at the same or different address than organization provider “parent”
- Be certified separately from the organization provider “parent” by the State
- Furnish services of a type different from that of the organization provider

A subpart cannot be a person and a person cannot have subparts. An organization can decide if it has “subparts” that need their own NPIs.

What is a taxonomy code?

- The Health Care Provider taxonomy code set is a collection of unique alphanumeric codes, ten characters in length. The taxonomy code identifies a provider’s specialty category and must be entered on the NPI application. Providers may have one or more values associated with them. When determining what value or values to choose, the provider needs to review the requirements of the trading partner with which the value(s) is being used. Providers must choose taxonomy associated with their provider type/specialty.
- Upon implementation of the NPI, providers will be required to submit the billing provider’s taxonomy code on their claim. Additional taxonomy information, including a complete list of taxonomy codes, is available at www.wpc-edi.com/taxonomy.
- To identify subparts of their facility, only institutional providers are required to use their taxonomy code, if they currently bill Medicare using more than one legacy Medicare identifier.

Who cannot receive an NPI?

- Any entity that does not meet the definition of a “health care provider” at 45 CFR 160.103, which would include billing services, value-added networks, re-pricers, health care clearinghouses, non-emergency transportation services, and others.