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Medicare Fee for Service (FFS) Implementation of the National Provider Identifier (NPI)

Note: This article was revised on May 16, 2018, to update Web addresses. All other information remains the same.

Provider Types Affected

All FFS providers who bill Medicare

Background

The Centers for Medicare & Medicaid Services (CMS) is publishing this Special Edition (SE) article to remind providers that on May 23, 2007, the NPI will replace health care provider identifiers that are in use today in HIPAA standard transactions. Health care providers should remember that getting an NPI is free and easy. Time is running out! It is estimated that, once a provider obtains an NPI, it may take up to 120 days to implement the NPI in current business practices. The following key points will assist Medicare providers as they transition from the application stage to the implementation stage to ensure NPI readiness.

Applying for an NPI

Visit the official CMS source for NPI-related information, including how to apply for an NPI, as well as free educational products, at <https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/>.

Key Points

The following are the critical content areas for the Medicare FFS Health plan implementation of the NPI.

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Medicare Legacy Numbers

After the compliance date, Medicare providers must begin submitting their NPIs instead of their Medicare legacy identifiers on claims they send to Medicare. A provider's Taxpayer Identification Number (TIN), which is the provider's Social Security Number or Employer Identification Number, will continue to be used when a provider needs to be identified as a taxpayer in HIPAA standard transactions. The Implementation Guides for each of the standard transactions indicate when it is necessary to identify a provider as a taxpayer.

- A related MLN Matters article, MM4023, is available at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM4023.pdf>.

Electronic File Interchange (EFI)

Health industry organizations that are approved by CMS as Electronic File Interchange Organizations (EFIOs) can submit NPI application data for health care providers, including Medicare providers, in electronic files to the National Plan and Provider Enumeration System (NPPES) after obtaining the permission of the health care providers to do so. This process is called Electronic File Interchange (EFI). For health care providers who are approached by EFIOs, EFI is an alternative to having to apply for their NPIs via the web-based or paper application process. Providers who are enumerated via EFI, receive their NPI notifications from the EFIO that had them enumerated. These notifications are not generated from NPPES.

Designation of Subparts

CMS reminds Medicare providers to visit Medicare's Subparts Expectation Paper (entitled, "Medicare Expectations on Determination of Subparts by Medicare Organization Health Care Providers Who Are Covered Entities Under HIPAA," and located at <https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/Downloads/Medsubparts01252006.pdf>) for suggestions on how to determine their subparts. Remember, no health plan, not even Medicare, can instruct a provider on how to enumerate subparts. This is a business decision that the organization provider must make considering its unique business operations.

Durable Medical Equipment (DME) Enumeration Requirement

As mentioned in the paper entitled, "Medicare Expectations on Determination of Subparts by Medicare Organization Health Care Providers Who Are Covered Entities Under HIPAA" (see link in preceding paragraph), Medicare DME suppliers are required to obtain an NPI for every location. The only exception to this requirement is the situation in which a Medicare DME supplier is a sole proprietor. A sole proprietor is eligible for only one NPI (the individual's NPI) regardless of the number of locations the DME supplier may have.

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Submitting your NPI on Medicare Electronic Claims

Until further notice, CMS recommends that Medicare providers submit claims using both the NPI and legacy number. *Claims submitted with **only an NPI** may be rejected/returned as unprocessable if Medicare systems are unable to properly match the incoming NPI with a legacy number. The provider will then need to resubmit the claim with the appropriate legacy number.*

A related MLN Matters article, MM5378, is available at <http://www.cms.hhs.gov/mlnmattersarticles/downloads/mm5378.pdf>.

Required Use of the NPI on Medicare Paper Claims

Medicare, as a health plan, will require the use of the NPI on its paper claims. The paper claim forms used by Medicare have been revised to accommodate use of the NPI. There will be transition periods for each of the revised forms. While the NPI cannot be used on the current paper claim forms, providers may begin using the NPI on the revised forms once the transition period for each form begins.

- The MLN Matters article related the transition from UB-92 to UB 04 can be viewed at: <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5072.pdf>.
- The MLN Matters article related to the transition from CMS 1500 (12/90) to CMS 1500 (08/05) can be viewed at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5060.pdf>.

Required Use of Taxonomy Codes on Institutional Provider Claims

Effective January 1, 2007, institutional Medicare providers who submit claims for their primary facility and its subparts (such as psychiatric unit, rehabilitation unit, etc.) must report a **taxonomy code** on all claims submitted to their FI. Taxonomy codes shall be reported by these facilities whether or not the facility has applied for NPIs for each of their subparts. Institutional providers that do not currently bill Medicare for services performed by their subparts are not required to use taxonomy codes on their claims to Medicare. A recent MLN Matters article, MM5243, discusses this requirement in more detail and is available at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5243.pdf>.

National Council of Prescription Drug Plans (NCPDP) Claims

The NCPDP format was designed to permit a prescription drug claim to be submitted with either an NPI or a legacy identifier, but no more than one identifier may be reported for a provider (retail pharmacy or prescribing physician) per claim. From October 1, 2006, through May 22, 2007, retail pharmacies will be allowed to report their NPI, and/or the NPI of the prescribing physician (if they have this information). (Refer to *MLN Matters* article MM4023 at the link provided earlier in this article.)

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Medicare Remittance Advice Print Software

The 835-PC-Print and Medicare Remit Easy Print software were modified to enable either the NPI or a Medicare legacy number, or both, if included in the 835. (Refer to *MLN Matters* article MM4023.)

Communicating Your NPI to Medicare

Medicare providers should know that there is no “special process” or any need to call to communicate NPIs to the Medicare program. NPIs can be shared with the Medicare program by using them on your claims along with your legacy identifier. Secondly, for providers applying for Medicare enrollment, an NPI must be reported on the CMS-855 enrollment application (along with a photocopy of the NPI notification received by the provider from the NPPES or from an EFIO). Existing Medicare providers must provide their NPIs when making any changes to their Medicare provider enrollment information.

Sharing NPIs

Once providers have received their NPIs, they should share their NPIs with other providers with whom they do business, and with health plans that request their NPIs. In fact, as outlined in current regulation, all providers, including Medicare providers, that are HIPAA covered providers **must** share their NPI with other providers, health plans, clearinghouses, and any entity that may need those NPIs for use in standard transactions, including the need to identify an ordering or a referring physician. Providers should also consider letting health plans, or institutions for whom they work, share their NPIs for them.

Additional Information

Providers should remember that the NPI Enumerator can only answer/address the following types of questions/issues:

- Status of an application
- Forgotten/lost NPI
- Lost NPI notification letter (i.e., for those providers enumerated via paper or web-based applications)
- Trouble accessing NPPES
- Forgotten password/User ID
- Need to request a paper application
- Need clarification on information that is to be supplied in the NPI application.

For some period after May 23, 2007, Medicare FFS will allow continued use of legacy numbers on transactions; accept transactions with only NPIs, and accept transactions with both legacy numbers and NPIs. For details of this contingency

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plan, see the MLN Matters article, MM5595, at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5595.pdf>.

Providers needing this type of assistance may contact the enumerator at 1-800-465-3203, TTY 1-800-692-2326, or email the request to the NPI Enumerator at CustomerService@NPIenumerator.com.

Please Note: The NPI Enumerator's operation is closed on federal holidays. The federal holidays observed are: New Year's Day, Independence Day, Veteran's Day, Christmas Day, Martin Luther King's Birthday, Washington's Birthday, Memorial Day, Labor Day, Columbus Day, and Thanksgiving.

Document History

- November 1, 2006 – Initial article released.
- February 13, 2008 – The article was revised to add a reference to MLN Matters MM5890 (<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM5890.pdf>). MM5890 stated that effective with claims received on or after May 23, 2008, Medicare will not pay for referred or ordered services or items, unless the fields for the name and NPI of the ordering, referring and attending, operating, other, or service facility providers are completed on the claims.
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