P R O V I D E R   B U L L E T I N

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To: All Providers

Subject: National Provider Identifier (NPI) Facts

Overview

This bulletin contains information about the National Provider Identifier (NPI), the implementation of the NPI by the Indiana Health Coverage Programs (IHCP), and other frequently asked questions.

National Provider Identifier

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 Is a National Provider Identifier?

The NPI is a ten-digit, intelligence-free numeric identifier (ten-digit number). Intelligence-free means the numbers do not carry information about health care providers, such as the state in which they practice or their provider type or specialization.

The NPI replaces health care provider identifiers in use today in HIPAA standard transactions. Those identifiers include the IHCP provider number and Medicare legacy identification numbers (IDs) such as unique physician/provider identification number (UPIN), Online Survey, Certification, and Reporting (OSCAR), physician/provider identification number (PIN), and National Supplier Clearinghouse (NSC). The provider's NPI does not change and remains with the provider regardless of job or location changes.

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
- Require a provider to conduct HIPAA transactions

Why Use the NPI?

- Simpler electronic transmission of HIPAA standard transactions

- Standard unique health identifiers for health care providers, health plans, and employers

- More efficient coordination of benefits transactions

What Is a HIPAA-Covered Health Care Provider?

A HIPAA-covered health care provider is one who transmits any health information in electronic form in connection with a transaction, for which the Secretary of Health and Human Services has adopted a standard, even if the health care provider uses a business associate to do so. To access a tool to help establish whether one is a covered entity, go to http://www.cms.hhs.gov/HIPAAGenInfo/ 06_AreYouaCoveredEntity.asp.

Who Can Apply for an NPI?

- All health care providers such as physicians, suppliers, hospitals, and others, are eligible for NPIs. Health care providers are individuals or organizations that render health care.

- If a health plan such as a managed care organization (MCO) has to be identified as a healthcare provider in a standard transaction, it is eligible for an NPI.

> *MCOs do not need to use an NPI for standard transactions sent to the IHCP.*

- All health care providers who are HIPAA-covered entities, whether they are individuals or organizations, must obtain an NPI to identify themselves in HIPAA standard transactions.

- Most individuals and small businesses have only one NPI. There are two groups of providers: individuals and organizations.

- Examples of individual providers include the following:
  - Dentists
  - Nurses
  - Physical therapists
  - Physicians
  - Psychologists

Individual providers who are sole proprietors can obtain only one NPI. An individual provider who works in a group practice or clinic may need to obtain an NPI for himself or herself and a separate NPI for the group practice or clinic.

> *The NPI is a personal number that remains with the provider for life.*

- Examples of organization providers include the following:
  - Ambulance companies
  - Clinics
  - Group practices
  - Hospitals
  - Nursing homes
  - Pharmacies

What are Subparts?

Organization providers may have the option to obtain more than one NPI. Some components or *subparts* of an organization may be eligible to obtain separate NPIs. The following are examples of subparts:

- Certified separately

- Licensed separately by the State

- Required by Federal Regulations to have their own billing number

Subparts do not apply to individual providers.

Additional information about the types of providers and subparts can be obtained from the Web sites of the Centers for Medicare & Medicaid Services (CMS) at http://www.cms.hhs.gov/ or the National Plan and Provider Enumeration System (NPPES) at https://nppes.cms.hhs.gov/NPPES/Welcome.do.

Who Cannot Obtain an NPI?

Any entity that does not meet the definition of a *health care provider* as defined in *45 CFR 160.103*, which includes billing services, value-added networks, repricers, health care clearinghouses, non-emergency transportation services, and others.

How to Obtain and Report NPI?

Obtaining an NPI

To obtain an NPI, providers must visit the NPPES Web site at https://nppes.cms.hhs.gov/NPPES/Welcome.do. Providers may apply for their number at this Web site or by completing a paper form and submitting it to NPPES.

> *Providers should apply* **now** *to receive their NPI.*

To apply for an NPI, providers must supply information such as the business name, address, provider's date of birth, and Social Security number or employer tax ID.

For additional information, visit *NPI Link List* available from the IHCP Web site at http://www.indianamedicaid.com/ihcp/ProviderServices/npi_links.asp.

Reporting an NPI

Soon providers will be able to report their NPI to the IHCP. Check the timeline on the IHCP Web site for the availability of the NPI Reporting Tool. For submission of NPI, refer to the *EDI Solutions* page of the IHCP Web site at http://www.indianamedicaid.com/ihcp/TradingPartner/EDI_index.asp.

HIPAA-covered entities such as health care providers and clearinghouses who transmit and receive HIPAA standard transactions, must use **only** the NPI to identify HIPAA-covered health care providers in standard transactions by **May 23, 2007**.

Sources: NPI Fact Sheet (http://new.cms.hhs.gov/NationalProvIdentStand/04_education.asp), 9 Jan. 2006. Center for Medicare & Medicaid Service (CMS) (http://www.cms.hhs.gov/) 24 Mar. 2006.

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