



National Provider Identifier (NPI) Frequently Asked Questions

Q: What is the National Provider Identifier (NPI)?

A: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated that the Secretary of Health and Human Services adopt a standard unique health identifier for health care providers. This standard unique identifier is the National Provider Identifier (NPI).

This simplification number will pare down the number of identifiers currently used in health care transactions. Once implemented, covered entities, including Medicare, will use only the NPI to identify the health care providers in all standard electronic transactions.

Q: How is an NPI determined?

A: The NPI is a random 10-digit number (nine digits plus a check digit in the 10th position to deter errors). It never expires. It contains no inherent information about the provider's state of residence or license number. NPI numbers are administered by the Centers for Medicare and Medicaid Services, which has contracted with the National Plan and Provider Enumeration System (NPPES). The NPPES will receive and process NPI applications and updates from providers, and will generate and notify the providers of their NPIs.

The NPPES will not communicate NPI assignments to the health plans. The health care provider must notify the health plans of their NPI assignment promptly to ensure a smooth transition and uninterrupted claim processing prior to the compliance date of 5/23/07.

Q: Is the NPI permanent?

A: Once the provider or organization has been assigned an NPI, they will not need another one. It will be permanent, except in certain situations (e.g. a health care provider's NPI was used fraudulently by another, and the health care provider requests a replacement NPI.)

Q: When is the deadline?

A: All HIPAA "covered entities" must use NPIs on all claims submitted by 5/23/07. This includes the submission of electronic claims to UCare Minnesota, and in UCare's resultant electronic remittance advice. To ensure a smooth transition, providers are encouraged to apply for their NPI well in advance of the compliance date. Clearinghouses are also required to be able to accept and transmit the NPI by the compliance date.

UCare is in the process of evaluating and finalizing the NPI implementation process. Continue to submit claims with your UCare provider identification number to ensure uninterrupted claim processing until further notice.

Q: Who is required to apply for an NPI number?

A: All entities, both individuals and organizations, that meet the HIPAA definition of “health care provider” are eligible to receive an NPI. However, only health care providers who also meet the HIPAA definition of a “covered entity” are required to obtain an NPI.

Q: Will the NPI replace other provider ID numbers?

A: The NPI will replace the other identifying numbers currently used in electronic claim transaction submissions such as:

- Numbers issues by plans and insurers.
- Medicaid provider number.
- Medicare provider number.
- CHAMPUS number.
- Other “legacy” identification numbers.

The NPI will not replace numbers used for purposes:

- Social Security number.
- DEA number.
- Taxpayer ID number (including 1099s).
- Taxonomy number.
- State license number.

Q: What constitutes a “covered entity”?

A: A covered entity is a health care provider, payer or clearinghouse who submits/receives electronic health care transactions as defined by HIPAA. Whether they are individuals or organizations, a health care provider who is also a covered entity must obtain an NPI for use to identify themselves in HIPAA standard electronic transactions. In the State of Minnesota, health care providers must obtain an NPI for use to identify themselves in paper claim transactions. Health care providers are divided into two categories: Individual and Organizations for the purposes of NPI enumeration.

Type 1 Individual Providers: Although no inclusive list exists for all covered individual health care providers, individual health care providers include but are not limited to:

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| ▪ Physicians | ▪ Physical therapists |
| ▪ Pharmacists | ▪ Dentists |
| ▪ Nurse Practitioners | ▪ Chiropractors |

Type 2 Organization Providers: Although no inclusive list exists for all covered organizations, organizations include but are not limited to:

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| ▪ Hospitals | ▪ Nursing homes |
| ▪ Group practices | ▪ Pharmacies |
| ▪ Home health agencies | ▪ Residential treatment centers |
| ▪ Health maintenance organizations | ▪ Ambulance companies |
| ▪ Clinics | ▪ Laboratories |
| ▪ Suppliers of durable medical equipment | |

This includes “sub-parts” of organizations as well. The covered organization health care provider has to decide if it has a sub-part or multiple sub-parts, and if they must be assigned NPIs. If so, it must either apply for the NPIs for its sub-parts or instruct its sub-parts to apply for NPIs themselves.

Q: What is a “sub-part” of a covered organization health care provider?

A: A sub-part is any component of the covered organization health care provider that needs an NPI in order to be identified in HIPAA standard transactions. Subpart designation may be based on whether the organization’s subpart conducts standard transactions, whether existing Federal regulations require them to have billing numbers in order to be reimbursed by Federal health plans, or certain other reasons. Subparts function as organization providers but they are not legal entities – they are part of a legal entity, the covered organization health care provider. The legal entity is ultimately responsible for complying with the NPI Final Rule and for ensuring that its subparts, if assigned NPIs, also comply with the Rule.

Example 1: A hospital may have a skilled nursing facility that is not a separate legal entity but bills separately from the hospital for services. The hospital receives an NPI as the organizational legal entity; the skilled nursing facility also receives an NPI as a subpart of the hospital. The hospital is responsible for ensuring that both it and the skilled nursing facility comply with the NPI Final Rule.

Example 2: A hospital may have several free-standing clinics that are not separate legal entities and bill through the hospital. While the clinics could receive individual NPIs, they would not be required and may not want to do so. HIPAA standard transactions provide means other than the NPI to capture information like separate clinic locations.

Q: Who is not eligible for an NPI?

A: Any entity who is not a health care provider is not eligible for an NPI. A health care provider is defined in 45 CFR Section 160.103. There are a number of entities who do not meet this definition, but whose services are payable by UCare. In many cases the entities submit claims in standard, HIPAA format and identify themselves using the proprietary provider ID number assigned by UCare. The NPI final rule refers to these entities as “atypical service providers” because the services they render are not “health care” services.

Although no inclusive list exists for all covered individual health care providers, individual health care providers include but are not limited to:

- Home and Community Service Providers
- Approved Day Treatment Programs
- Mental Health Rehab Professionals
- Interpreters
- Personal Care Attendants
- Transportation

In collaboration with the local health care community, UCare is in the process of evaluating and finalizing the NPI implementation process for atypical providers. Continue to submit claims with your UCare provider identification number to ensure uninterrupted claim processing until further notice.

Q: Will there be a charge to apply for an NPI?

A: There is no charge to health care providers to apply for and be assigned an NPI. Federal funds support the cost of the enumeration process and the NPPES.

Q: Will NPIs be required on paper claims?

A: Yes, the use of NPIs will be required on paper claim transactions according to Minnesota Statute 62J.54. HIPAA regulations adopted standards for format and content of certain electronic health transactions; they do not address the content of paper claim transactions. The NPIs are required for all paper claims submitted to payers within the state in accordance with existing Minnesota state law.

Q: How will a health care provider obtain an NPI?

A: A covered health care provider may apply for an NPI in one of three ways:

- Apply through a web-based application process. The web address is <https://nppes.cms.hhs.gov>.
- Prepare and send a paper application from the Enumerator. A copy of the application form can be found at <https://nppes.cms.hhs.gov>, or by calling the Enumerator at 1-800-465-3203 or TTY 1-800-692-2326.
- Mail: NPI Enumerator, PO Box 6059 Fargo, ND 58108-6059.
- An organization may submit an application in an electronic file.

Q: How do you submit your NPI to UCare Minnesota?

A: It's important to notify UCare as soon as you have completed the application process and have received your NPI. We have identified several methods of notification. The use of an NPI on claim transactions without prior notification is not an acceptable means of notification and will adversely affect your claim payment. You may submit your NPI in one of the following methods based on your provider type.

Type 1 - Individual Providers

- Minnesota Uniform Credentialing Application Form (Paper).
- Minnesota Uniform Practitioner Change Form (Paper).
- Administrative Uniformity Committee (AUC) NPI Notification Form (Paper).
- ENUF – Electronic NPI Upload File (Electronic).
- Individual Practitioner Spreadsheet (Electronic).

Type 2 - Health Care Providers and Organizations

- Administrative Uniformity Committee (AUC) NPI Notification Form (Paper).
- Provider Spreadsheet (Electronic).

Q: Will UCare process claims if an NPI is not submitted on claim transactions by 5/23/07?

A: Covered health care providers as defined by HIPAA must submit only the NPI for use in HIPAA standard transactions beginning 5/23/07.

Q: Will the use of the NPI on claim transactions slow down the payment process?

A: UCare maintains a 30 day turn around time on all clean claims received, and will not be affected by the assignment of an NPI. Implementing the NPI into the claim payment process will be seamless to the providers.

Q: Will the assignment of an NPI change my contractual rate of reimbursement?

A: The assignment of an NPI has no bearing on the terms and conditions of your contract.

Q: Will I need to update the health plans of an address change in addition to the NPPES?

A: Notification to the NPPES will not eliminate the need to inform the health plans of address changes. UCare-contracted providers must send written notifications of address changes within 30 days using the Facility Change/Update form located on our web site at www.ucare.org.