

National Provider Identifier FAQ

Q. What is an NPI?

- A. An NPI is a 10 digit numerical identifier for providers of health care services. It is national in scope and unique to the provider. Whereas in the past, a provider had a different identification number for each payer, after May 23, 2007, a provider will have a single identifier that will be used across all payers. The number itself is not a "smart" number, i.e., there is no intelligence built into it (e.g., a phone number is intelligent because starting with area code provides some indication of location).

Further, NPIs can be 1 of 2 Types. Type 1 is at the practitioner level, for example, in a group practice, all of the physicians and mid-level providers, e.g., Nurse Practitioners and Physicians' Assistants will have their own NPI. In addition, the group itself will have a Type 2 NPI (or more depending on how the group chooses to enumerate). Under certain circumstances, a group could have more than one NPI if it chooses. For example a group with multiple offices or a lab may choose to get a separate Type 2 NPI for each office or ancillary.

Q: What is the purpose of NPI?

- A. The NPI is a single identification number that will be issued by the federal government to health care providers. It is intended to improve the efficiency of the health care system and help to reduce fraud and abuse.

Q: Who gets a National Provider Identifier (NPI)?

- A. NPIs will be assigned to health care providers who need them to submit claims or conduct other transactions specified by HIPAA. A "health care provider" is defined as an individual, group, or organization that provides medical or other health services or supplies. This includes:
- physicians and other practitioners
 - physician/practitioner groups
 - institutions such as hospitals
 - laboratories
 - nursing homes
 - dental providers
 - suppliers such as pharmacies and medical supply companies and
 - any health care provider who transmits any health information in electronic form in connection with a standard transaction.

Exception: Health industry workers, such as admissions and billing personnel, housekeeping staff, and orderlies who support the provision of health care are not eligible to obtain NPIs.

Q: How do I get an NPI?

- A. NPIs are issued by the National Plan and Provider Enumeration System (NPPES). You may apply for an NPI in one of three ways:
- Through an easy web-based application process at <https://nppes.cms.hhs.gov>.
 - Through a paper application sent directly to the entity that will be assigning the NPI (the Enumerator). A copy of the application, including the Enumerator's mailing address, is available on <https://nppes.cms.hhs.gov>. You may also call the Enumerator, Fox Systems, for a copy. The phone number is 1-800-465-3203 or TTY 1-800-692-2326.
 - Through a third-party organization, after to whom you have given your permission, may submit an application in an electronic file. This could mean that a professional association or perhaps a health care provider who is your employer could submit an electronic file containing your information and the information of other health care providers.

Q: What is the NPPES?

- A. The National Plan and Provider Enumeration System (NPPES) has been developed by the Centers for Medicare and Medicaid Services to process applications and assign NPIs. The NPPES will also store information about enumerated providers and apply providers' updates.

Q: Will NPIs apply to paper claims as well as to electronic claims?

- A. The NPI regulation focuses on HIPAA compliant electronic transactions. Payers like Highmark have the option to require NPIs on paper claims. We are currently reviewing this issue.

Q: How will NPIs be used?

- A. The NPI must be used by providers in electronic HIPAA compliant transactions identified, including the 837 (claims submission), the 270/271 (eligibility), the 276/277 (claim status inquiry), and 278 (referral/authorization) to:

- to identify themselves in HIPAA-compliant health care transactions
- identify other health care providers in health care transactions

In addition, the NPI may be used by providers:

- to identify themselves on related correspondence
- to identify other health care providers on related correspondence
- on prescriptions (the NPI does not replace requirements for the Drug Enforcement Administration number or State license number)

The NPI may also be used by:

- A. health plans to process transactions and communications with providers
- B. health plans to coordinate benefits with other health plans

- C. electronic patient record files to identify treating providers in the medical record
- D. the Department of Health and Human Services to cross reference providers in fraud and abuse files

Q: What numbers will NPI replace?

- A. It will replace the Highmark provider identifier, UPIN, and all other payers' unique provider numbers.

Q: Will a provider's NPI ever change?

- A. In most cases, no. If a health care provider (for example, a physician) dies, his/her individual NPI will be deactivated. If a provider goes out of business, the individual NPI will also be deactivated. The deactivated NPI will never be issued to other health care providers. Movement of a provider from one geographical area of the country to another will not affect his/her NPI. However, if a provider is part of a group practice that bills using a Type 2 organizational number, that number will change if the provider leaves a group to join another group.

Q: Does the NPI replace the Tax Identification Number (TIN)?

- A. No. The NPI is not designed to replace the provider's TIN, nor is the NPI designed to correspond to the TIN.

Q: Is there any relationship between NPI and the Unique Physician Identification Number (UPIN)?

- A. The NPI will eventually replace the UPIN in the Medicare program.

Q: Where can I learn more about the NPI application process?

- A. Up-to-date information regarding the NPI is available on the NPPES web site at <https://nppes.cms.hhs.gov/NPPES>. You may also contact the enumerator by telephone at 1-800-465-3203.

Q. When does NPI go into effect?

- A. The deadline for compliance is May 23, 2007. This means that all providers that conduct HIPAA compliant transactions must have applied for and received an NPI by then (**and provided that information to payers such as Highmark**) and that all payers such as Highmark must be able to process solely on the basis of NPI by then. This means that post May 23, 2007, Highmark will no longer be able to ask a provider to submit the old Highmark identifier. Though the deadline is May 23, 2007, providers are already able to apply for and receive an NPI and Highmark will be using a dual strategy while transitioning to NPI based processing. This means that Highmark is accepting NPIs *and* Highmark Legacy Identifiers together on claims submissions currently (both numbers must appear). Highmark is urging all providers to apply for and receive NPIs as soon as possible **and to report their NPIs to Highmark as soon as possible**. Highmark believes that the earlier that providers apply for and receive an NPI, and the sooner that providers report their NPIs to

Highmark, the lower the risk that the transition in May 23, 2007 will result in any confusion or delay in payments.

Q. How will Highmark make the transition?

- A. Highmark is using a strategy called mapping to transition into the NPI “world.” Highmark will maintain a provider’s current legacy identifier within its systems. As a provider notifies Highmark of its NPI, the NPI will be mapped to the legacy number. Internal processing will be done based on the legacy number and all communications will be done on the basis of NPI. Please note, though Highmark will continue to maintain the legacy number (the old numbers that providers used to do business with Highmark, Highmark will be prohibited from using these numbers in communications with providers). The legacy numbers will be hidden and used solely in internal processing.

In instances where the NPI cannot be mapped to a unique Highmark legacy number, Highmark will use additional data elements to “map” the NPI to the appropriate internal identifier. The primary elements will be taxonomy and service location zip+4 code, and will most likely also include name and degree. It is therefore imperative that providers work with their representatives to ensure that all of these data elements are correctly captured in Highmark’s databases and that they are used correctly and consistently in transactions with Highmark.

Q. What are some of the complications?

- A. The transition could potentially be very tricky. Providers have several options on how they will enumerate with NPIs. For example a group with 5 offices may get one Type 2 NPI or five (if it qualifies). If the group opts for one NPI, but currently has five separate Highmark identifiers, then there could be some confusion. As noted in the previous question, Highmark will attempt to map the NPI to the appropriate legacy number internally using taxonomy and zip code. In many cases this will be accomplished with relative ease, in some cases this will prove to be very difficult. This is why Highmark is urging, though it can not require, that providers try to keep the structure of their enumeration as consistent as possible with their existing Highmark structure. In other words if a group practice with five offices has five Legacy Highmark numbers, then that group should try to enumerate with five NPIs whenever possible. Doing so will avoid confusion and potential delay in payments.

Q. What does enumeration mean?

- A. Enumeration basically relates to the number of NPIs a provider has and the different “parts” of a provider that are associated with those NPIs. For example in the past a small hospital may have had three Highmark Legacy Numbers with a different number for the main hospital, an emergency room, and labor and delivery (its Highmark Legacy Enumeration). In the NPI world, the hospital may choose to enumerate in the same manner as it had before (three NPIs, one for each of the three parts mentioned above) or it may, under the regulations, choose to enumerate with a single NPI (one number for the whole hospital regardless of subpart).

Highmark is urging, though it cannot require, that providers try to match their existing structure as closely as possible in order to avoid confusion and reduce the risk of delays. In the event that a provider does not enumerate the same way, Highmark will attempt to map the new structure to the old one internally within Highmark using additional data-elements. That process of mapping has a small risk of error which may slow down transaction processing in a limited number of instances.

Q. Why does Highmark have to map NPIs to the old numbers?/Why can't it just process based on the NPI?

- A. The amount of time to transition to the NPI is limited, and while it seems like a simple task to simply use NPI for processing, the sheer number and complexity of the processes within Highmark make it impossible to process natively on NPIs within the time-frame provided by HHS. In addition, Highmark has entered into complex payment and process relationships with providers which are keyed to the Highmark Legacy numbers. Highmark must continue to maintain its Legacy numbers because not all providers will get NPIs (a very small number are exempt). Also, because not all providers' NPI enumeration structure will mirror that of their existing Highmark enumeration structure, Highmark will need to rely on the existing identifiers internally in order to ensure that current contractual obligations are met. Please note, though Highmark will maintain the legacy numbers internally, Highmark will be prohibited from using these numbers in communications with providers, thus diligence and forethought in enumerating with NPIs is imperative on the part of providers.

Q. I am a sole practitioner, do I need a Type 1 and Type 2 NPI?

- A. A sole practitioner receives only one Type I NPI. If a sole practitioner also has his/her practice set up under a tax identification number, they must evaluate how they are established as a legal entity. CMS provides the following guidelines when the sole practitioner has their business set up as a sole proprietorship, they do not consider a sole practitioner and sole proprietorship as separate entities:

"A sole proprietorship is a form of business in which one person owns all of the assets of the business and the sole proprietor is solely liable for all the debts of the business. In terms of NPI assignment, a sole proprietor would be an Entity Type 1 (Individual) and would be eligible for a single NPI. As an 'Individual', the sole proprietor cannot have a subpart and cannot designate subparts."

Additional information is available at <http://questions.cms.hhs.gov>.

However, if you are a solo practitioner registered with the IRS as a Professional Corporation or Limited Liability Company, you will need to get a Type 2 Organizational NPI so that Highmark can continue to pay your legal Tax Identification number.

Q. How will NPI affect my EOBs?

- A. A scenario helps explain this issue: In today's structure if you have 5 Highmark numbers, EOBs, Cap check, EFT transaction, etc., are sent in 5 different checks. In

tomorrow's post-NPI implementation world, a move to a single NPI instead of 5 will likely continue to yield 5 EOBs, however after May 23, 2007 all EOBs will be provided with only the NPI (all 5 EOBs will show the same NPI).

Q. Should hospital-owned psych, rehab, home health, hospice units etc. be enrolled as subparts of the hospital? If so, how is subpart linkage accomplished? As these are units with individual Legacy Numbers present, should we obtain an NPI for each unit?

A. If these subparts currently have separate Highmark numbers for billing and identification purposes, then Highmark recommends, though we can not require, that you request a separate NPI for each of those subparts. This will create the lowest level of disruption and reduce any chance of delay in payment. Linkage can be accomplished internally and by the provider using their TIN.

Any concerns should be raised with your provider representative. He/She can assist you in better understanding the issues involved and in working with you to ensure that the transition to NPI has no adverse impact to your facility.

Q. How should we treat hospital-employed physicians? For example if a hospital employs a significant number of physicians, both in traditional hospital departments such as ER and also in physician practices then how is the NPI application completed for a physician employed by a hospital? Do we complete only the Individual sections of the NPI application for the physician, and the linkage is the IRS Individual Taxpayer ID # being the hospital's EIN?

A. As the NPI Final Rule and subsequent FAQs issued by CMS clarify that NPIs are to be used to identify health care providers on standard electronic transactions, it is recommended that practitioners within the control of the facility who will need identified on transactions as e.g. Attending Physicians, Operating Physicians, apply for and use their individual NPIs.

The NPPES will not link internally the practitioners or organizational subparts to each other. CMS and the Enumerator have issued instructions that accompany the NPI application and address what section(s) are required and what data is to be submitted for each application type.

Q. Once NPIs are obtained, who communicates to the various payers the NPIs? How do providers obtain the NPIs of other providers for referral purposes, etc?

A. The NPI Final Rule requires providers to disclose their NPI when requested to do so to any entity that needs their NPI in order to identify the covered health care provider on standard electronic transactions.

Providers should directly notify their payers of their NPIs as soon as they have received them. Providers, including Highmark, may require a specific process for providers to follow when submitting their NPI. It is critical that providers follow this

process so that Highmark can ensure a smooth transition to NPI based processing. Important concerns that payers have in receiving provider NPIs in a particular manner include, ensuring that NPIs can be properly mapped to legacy numbers, ensuring historical accuracy, and reducing error rates which can slow processing.

As of this time no official guidelines have been issued with regards to publishing NPIs in directories etc. in order to facilitate referrals etc.: however, Highmark anticipates that it will publish NPIs in both paper and electronic directories.

Q. How will NPI affect the payment of our claims? What is the best way to enroll the physicians, and other non-physician practitioners, and the groups that they are part of?

A. Highmark is working very hard to ensure that NPI has **zero** impact on the payment of claims. However, this depends in large part on the ability of Highmark to map NPIs to current Highmark numbers. Wherever such mapping is successful, there should be no impact. However, there will be situations where such mapping is difficult or impossible. In those instances, Highmark will work very hard with Providers to minimize impacts (which may include a delay in processing). The most efficient approach to minimizing impacts is to ensure that your new NPI enumeration maps on a 1 to 1 basis with your current Highmark enumeration, though Highmark cannot and will not require this, and to ensure that your NPIs are communicated quickly and efficiently to Highmark.

Q. I have already applied for an NPI and have received it. At that time, I asked the NPI Enumerator if I should have only 1 NPI for my hospital and I was told “yes”. My question now after talking with others is “should I have 2 NPI numbers because I am an acute care hospital with a psych unit? Right now I have a separate provider number for my psych unit, so for the future with NPI should I have 2 NPIs?

A. The Enumerator will be able to provide you with information on what is legally required. We recommend that you work with your Highmark provider representative to develop a strategy that will serve your business interests best. Based on your question, it would appear that there would be significant advantage for your facility to have separate NPIs for the acute and psych unit (although it is difficult to make a definitive statement without a full understanding of the situation). Such a structure will better allow payers to map to the existing identifiers, and reduce any disruption in payments, inquiries etc. Most likely, such an NPI structure will also provide you with better reporting/revenue stream identification, for your strategic business and operational needs.

Q. I am a DME provider with multiple locations, can I get a single NPI for each location or do I have to have a separate NPI for each site.

A. Federal legislation requires DME suppliers to apply for an NPI for each site.

Q. Do laboratory service providers with multiple sites have to have an NPI for each site and or draw location or is a single NPI enough.

A. Neither CMS nor Federal Regulation requires that labs with multiple sites are required to enumerate a separate NPI for each site. A lab may choose to do so, if it establishes each locations (site) as a subpart. Laboratories should bear in mind however, that if the individual sites have separate tax ids, that they would then be required to receive a separate NPI (since regulations require a separate NPI for each tax ID).

Q. How will NPI affect QualityBLUE?

A. Highmark is working to ensure that QualityBLUE payments will not be affected. Highmark is configuring its information systems and processes to mitigate any potential QualityBLUE impacts.

Q. If I inform Highmark of my NPI do I have to begin using it on all claims, inquiries and correspondence?

A. Informing Highmark of your NPI enumeration does not obligate you to begin using your NPIs immediately. Highmark recognizes that providers may not be ready use their NPIs (whether because of people, processes, vendors or systems). Highmark urges that providers convey their NPI information as soon as possible regardless of readiness to use NPIs, and also, that providers begin dual submission as soon as possible.

Q. What if I have received NPIs for some of my providers/parts of my organization but not all?

A. Highmark urges that you send in information as soon as it is available. You do not have to provide all NPIs for your organization at once.