TO: All Providers Participating in MassHealth

FROM: Beth Waldman, Medicaid Director

RE: National Provider Identifiers

Introduction

The Centers for Medicare and Medicaid Services (CMS), under the United States Department of Health and Human Services (HHS), has mandated under the HIPAA Administrative Simplification Act of 1996, a provision for a standard National Provider Identifier (NPI).

What Is an NPI?

An NPI is a unique health provider identifier issued centrally in accordance with regulations published in the Federal Register. NPIs will be assigned to healthcare providers, including individual practitioners and organizations. NPIs will:

- simplify the administrative processing of health-care information and improve the efficiency and effectiveness of standard electronic transactions.
- replace all other electronic billing provider numbers and be required to receive payment for services performed.
- not replace providers' federal DEA, tax ID, or EIN numbers.

Additional important information:

- The National Plan and Provider Enumeration System (NPPES), which issues NPIs, is not a credentialing system, nor will it guarantee that a provider has a professional license.
- There is no cost associated with applying for or obtaining an NPI.
- All providers and organizations that provide medical services are eligible for an NPI and all covered entities must have one.
- Providers that furnish non-traditional services that are indirectly related to health care may not be eligible for an NPI.

Compliance Dates

HIPAA regulations require large health plans to begin using NPIs by May 23, 2007. Small health plans must begin using NPIs by May 23, 2008. Upon implementation, this change will immediately affect those who bill electronically.

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Providers began applying for NPIs through the NPPES on May 23, 2005.

Providers will eventually have the following three options for applying for an NPI:

- using a paper application or via fax;
- using a Web-based application; or
- using electronic file interchange (bulk enumeration).

CMS plans to stagger rollout of the application process as follows.

- The Web-based application process is already available to providers as of May 23, 2005. The Web address is https://nppes.cms.hhs.gov.
- Paper applications will be accepted starting July 1, 2005. A copy of the application, including the enumerator's mailing address, will be available at https://nppes.cms.hhs.gov. You may also call the enumerator for a copy. The phone number is 1-800-465-3203 (TTY: 1-800-692-2326 for people with partial or total hearing loss).
- Bulk enumeration will be available in the fall of 2005.

Additional HIPAA information can be found at www.cms.hhs.gov/hipaa/hipaa2

There are several steps providers can take now to ensure that they are ready when they must have an NPI. These include the following.

- Review internal systems to determine how an NPI will be stored. Contact vendors, billing intermediaries, and internal areas affected by the NPI to determine readiness to accept and test usage of an NPI.
- Focus internally on detailed analysis of the impact NPI will have to your business operations and system technology.
- Contact health plans for information about testing and compliance, as each health plan will be structuring testing and implementation processes and timeframes differently.
- Decide who in your organization will be applying for an NPI on the providers’ behalf if the provider plans to be part of a bulk-enumeration process through a larger group, and provide authorization to that person or entity.
- Determine the subpart assignments. Subparts are components of a larger organization (like a hospital) that are eligible for their own NPI numbers based on criteria found in the NPI final rule.

We are currently assessing the operational impact of this change and are performing our internal analysis. In the interim, please:

- do not include an NPI on any transactions submitted to MassHealth until further notice; and
- continue to include MassHealth-proprietary provider identifiers on all transactions submitted for processing.

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<tr>
<th><strong>MassHealth-Specific Information (cont.)</strong></th>
<th>Additional information will be posted on our Web site at <a href="http://www.mass.gov/masshealth">www.mass.gov/masshealth</a> as it becomes available. Plans for testing and implementation will also be communicated via provider bulletins and other methods, once plans are finalized.</th>
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<tr>
<td><strong>Review the Entire Rule</strong></td>
<td>You can read or download the entire NPI rule by visiting the CMS Web site at <a href="http://www.cms.hhs.gov/hipaa/hipaa2/regulations">www.cms.hhs.gov/hipaa/hipaa2/regulations</a>.</td>
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<td><strong>Questions</strong></td>
<td>If you have any questions, please contact HIPAA Support at 1-888-848-5068 through June 30, 2005. After June 30, 2005, call 1-800-841-2900 or send an e-mail to <a href="mailto:hipaasupport@mahealth.net">hipaasupport@mahealth.net</a>.</td>
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