



National Provider Identifier-August 2005

The Health Insurance Portability and Accountability Act-Administrative Simplification (HIPAA-AS) mandates standards for business-to-business electronic data interchange and code sets, establishes uniform health care identifiers and seeks protection for the privacy and security of patient data. The National Provider Identifier (NPI) is mandated as part of the HIPAA uniform health care identifier provisions.

Q: What is a National Provider Identifier - NPI?

A: The NPI is a unique all numeric 10 digit number that is assigned by Centers for Medicare & Medicaid Services (CMS) to all covered providers of health care who transmit health information electronically. Note: The State of Minnesota will require NPI for both electronic transactions and paper forms. The NPI replaces Medicare, Medicaid and proprietary health plan identifiers. It does not replace Tax ID or DEA numbers.

Q: What is the purpose of the NPI?

A: The NPI is intended to improve the efficiency and effectiveness of the health care system by reducing the number of identifiers associated with any specific provider or provider facility. Implementation will simplify provider identification and billing processes across multiple payers, including government programs.

Q: What is the benefit of an NPI to providers?

A: Providers will no longer have to keep track of multiple numbers to identify themselves in transactions with health plans.

Q: What will the NPI replace?

A: The NPI will replace these current identifiers.

- ◆ Medicare ID and individual provider ID (UPIN today)
- ◆ Medicaid ID and individual provider ID
- ◆ All proprietary health plan identifiers

The NPI will not replace:

- ◆ Tax Identification Number (TIN)
- ◆ Drug Enforcement Agency (DEA) number

Q: How long will an NPI last?

A: It is expected that the NPI will last indefinitely; it will not change over time, unless the provider is subject to having the NPI revoked or requests a new NPI as a result of fraud or identity theft.



MEETING THE CHALLENGE...
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...OF HIPAA TRANSITION

Q: What is a Covered Entity?

A: Under HIPAA, a covered entity is a health plan, a health care clearinghouse, or a health care provider who transmits any health information in electronic form in connection with a HIPAA transaction.

Q: Who is required to apply for NPIs?

A: All entities that meet the definition of "health care provider" are eligible for NPIs. Providers who are covered entities are required to obtain and use NPIs. Providers who are not covered entities may also apply for NPIs.

Q: What types of providers will receive an NPI?

A: There are two types of provider groups who will receive NPIs.

1. Individual : Examples are physicians, physician assistants, nurse practitioners, chiropractors, behavioral health providers, etc (individuals are assigned one NPI)
2. Organizations: Examples are hospitals, clinics, labs, etc. (while individuals have only one NPI, organizations may have multiple NPIs- one for each "subpart" (i.e. urgent care, lab, pharmacy, etc)

Q: What does the State of Minnesota require?

A: The State of Minnesota requires all MN providers to obtain an NPI for use on the CMS1500 and UB92 forms as the new forms are phased in.

Q: Will an NPI be required for each individual provider within a clinic, hospital or other health care facility?

A: Yes. Each and every individual who is considered a health care provider must receive his or her own personal NPI, regardless of how many different facilities they render services in. They are required to use that single identifier as the rendering provider on all claims. A sole proprietor would have the option of using just one NPI to represent him or her as an individual and as the solo practice, or choose to have two different NPIs – one for the individual and one for the solo practice.

Q: What should health care organizations do to prepare for NPI?

A: Health care organizations should:

- Become informed about the NPI and its implementation
- Identify processes/systems that are affected by provider identifiers
- Contact software vendors to confirm system capabilities to accommodate NPIs
- Develop implementation plans
- Educate staff



MEETING THE CHALLENGE...
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Q: What is the implementation date for NPI?

A: As of May 23, 2007 NPIs must be used by providers and payers as the sole means to identify provider covered entities in HIPAA transactions.

Q: When can providers begin applying for NPI?

A: Providers can apply for an NPI now.

Q: What is the National Plan and Provider Enumeration System – NPPES?

A: NPPES is the name for the enumerating system used by CMS that assigns a unique identifier to each Plan and Provider entity. NPPES validates application data to ensure it is accurate, and that the requestor is authorized to receive an NPI.

Q: How do providers obtain an NPI?

A: Your employer or billing office may be planning to obtain an NPI for you. First check to see if that is the case. CMS offers multiple methods to obtain NPIs.

1. Beginning in Fall 2005, with your permission, an organization may submit your 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.
2. You may apply through an easy web-based application process. The web address is <https://nppes.cms.hhs.gov>
3. You may call 1-800-465-3203 or TTY 1-800-692-2326 for a paper application.

Q: What is the penalty for not using the NPI by the May 23, 2007 deadline?

A: HIPAA mandates include a number of penalties for those that fail to comply with the standards within the legislated timeframes. The civil monetary penalty for violating transaction standards is up to \$100 per person per violation and up to \$25,000 per person per violation of a single standard for a calendar year.

Q: Where can I get more information related to NPI?

A: You can obtain information about the NPI at www.cms.hhs.gov/hipaa/hipaa2. This site contains Frequently Asked Questions and other information related to the NPI and other HIPAA standards.