

***NOTE: This National Provider Identifier (NPI) reference document was originally posted within the NPI Educational Resources section of our Provider Web site in August 2006.**

At the time of publication, this “NPI 101” material was accurate and up-to-date in accordance with the Centers for Medicare and Medicaid (CMS) requirements. This document does not reflect any of the impacts or date changes related to the contingency period declared by CMS.

For [Basic Information About NPI](#) and other NPI-related topics, including our [Transition Period Overview & Provider Requirements](#), please refer to our [Provider FAQs](#).

Provider Community – NPI 101

As we are aware, the National Provider Identifier (NPI) is a standard unique identifier for health care providers, mandated by the Health Insurance Portability and Accountability Act (HIPAA), which will be assigned by Fox Systems, the National Plan and Provider Enumeration System (NPPES). The NPI Final Rule, issued January 2004, adopted NPI as the standard identifier which will replace all other provider numbers or provider designations given by private or public health care plans in use today in HIPAA standard transactions. NPI will replace Medicare legacy IDs (UPIN, OSCAR, PIN and the National Supplier Clearinghouse or NSC number), CHAMPUS, BlueCross BlueShield billing numbers, Medicaid provider numbers, and any other plan specific number.

HCSC's* approach is to implement NPI in two (2) phases, with the first phase beginning in the fourth quarter of 2006. At that time, HCSC will be able to accept electronic claims transactions from providers with their NPI number coupled with their respective BCBS provider number. During this phase, sometimes labeled as the “dual identifier” phase, HCSC will be able to accept NPI and a BCBS provider number, but **not NPI only**. During the second phase, which will take effect on May 23, 2007, HCSC will only accept NPI as the provider identifier on all standard electronic transactions. **Note: Health Care Service Corporation (HCSC) includes Blue Cross and Blue Shield of Illinois, Blue Cross and Blue Shield of New Mexico, Blue Cross and Blue Shield of Oklahoma, and Blue Cross and Blue Shield of Texas.*

In an effort to meet all requirements, from HIPAA NPI compliance as well as other requirements associated with this significant change, HCSC is engaged in a cross-divisional multi-state initiative to modify impacted Information technology (IT) systems, and operation and business processes. Our enterprisewide approach is built on a two-tiered foundation of compliance coupled with being an education source for our providers, employees, vendors, business associates, and other medical delivery system stakeholders.

We believe that consistent, timely and ongoing communication as well as a collaborative approach will facilitate HCSC, provider, vendor and other medical delivery system stakeholder commitment to fulfill this mandatory regulatory requirement, and maintain our ability to provide cost effective, timely and high quality service to our customers / members.

Who can apply for an NPI?

All health care providers (e.g., physicians, hospitals and others) who meet the definition of “health care provider,” as defined at 45 CFR § 160.103 are eligible for NPIs. Health care providers are individuals or organizations that render health care, and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business. All health care providers who are HIPAA-covered entities, regardless if they are individuals or organizations, must obtain and identify themselves with their NPI in HIPAA standard transactions.

Who is considered to be a covered health care provider?

As defined by the Final Rule, a covered health care provider is someone who transmits any health information in electronic format in connection with a transaction for which the Secretary of Health and Human Services (HHS) has adopted a standard. This requirement covers those health care providers who use a business associate to transmit a standard transaction. For more detailed assistance to determine who is a covered entity, go to <http://www.cms.hhs.gov/HIPAAGenInfo/Downloads/CoveredEntitycharts.pdf>.

When and what are the compliance deadlines?

HIPAA covered entities such as health care providers who conduct HIPAA standard transactions, health care clearinghouses must use only NPI to identify HIPAA-covered health care providers in standard transactions by May 23, 2007. Small health plans (less than \$5 million Annual Receipts) must use only NPI by May 23, 2008.

How do individual and organizational providers obtain an NPI?

When applying for your NPI, CMS (Centers for Medicare and Medicaid Services) urges providers to include all of their provider identification numbers, not only for Medicare but for all payors. If reporting a Medicaid number, providers are urged to include the associated State name. This information is critical for payors in the development of crosswalks to aid in the transition to the NPI.¹

Providers should apply now for an NPI. Health care providers who participate in a group practice, or are organizational providers, should coordinate with their organization to determine the appropriate time for NPI application.

Health care providers can apply for NPIs in three ways:

- By using the web-based process made available since May 23, 2005, at <https://nppes.cms.hhs.gov/NPPES/StaticForward.do?forward=static.instructions>
- By filling out a paper NPI Application/Update form (CMS-10114) and mailing it to the Enumerator. (This process became available beginning July 1, 2005.) To obtain a paper application, please contact the NPI Enumerator at 1-800-465-3203, or TTY 1-800-692-2326.
- Via an Electronic File Interchange Organization (EFIO) to bulk enumerate physicians who have given an entity authorization to electronically submit applications to NPPES on their behalf. For additional information on bulk enumeration, go to: http://www.cms.hhs.gov/NationalProvIdentStand/downloads/npi_fs_efi_032106.pdf

What is HCSC’s NPI Implementation Plan? When will HCSC commence with accepting NPI on electronic transactions?

HCSC’s approach to NPI adoption will occur in two stages. The first stage, which will take effect in the fourth quarter of 2006, HCSC will commence acceptance of NPI coupled with the BCBS provider number on electronic claim transactions only. Claims submitted to the plan with only the NPI will be denied and returned to the provider for resubmission.

During the second phase, which takes effect on May 23, 2007, HCSC will accept NPI only on all standard electronic transactions as identified in the table below:

Transaction	Transaction Description
834	Member Enrollment / Disenrollment
835	Remittance Advice
837	Claim / Encounter
270 / 271	Eligibility Inquiry and Response
276 / 277	Claim Status Inquiry and Response
278	Referral Certification and Pre-Authorization

¹ www.cms.hhs.gov/nationalprovidentstand/

We will provide more detailed information regarding effective dates, formatting, processing, testing and time frames throughout our implementation period.

When can I submit NPI on all standard electronic transactions?

May 23, 2007.

What Is Medicare’s NPI Implementation Plan?

Medicare has published its NPI Implementation Plan on the CMS Web site which can be accessed by going to the following link:

http://www.cms.hhs.gov/NationalProvIdentStand/06_implementation.asp#TopOfPage

Medicare's implementation² involving acceptance and processing of transactions with the NPI will occur in separate stages, as shown in the table below.

Medicare’s published timeline is as follows:

Timeframe	NPI Use
May 23, 2005 - January 2, 2006:	Providers should submit Medicare claims using only their existing Medicare numbers. They should not use their NPI numbers during this time period. CMS claims processing systems will reject, as unprocessable, any claim that includes an NPI during this phase.
January 3, 2006 - October 1, 2006:	<p>Medicare systems will accept claims with an NPI, but an existing Medicare number must also be on the claim. Note that CMS claims processing systems will reject, as unprocessable, any claim that includes only an NPI.</p> <p>Medicare will be capable of sending the NPI as primary provider identifier and the Medicare number as a secondary identifier in outbound claims, claim status response, and eligibility benefit response electronic transactions.</p>
October 2, 2006 - May 22, 2007:	<p>CMS systems will accept existing Medicare billing numbers and/or an NPI on claims. If there is any issue with the provider’s NPI and no Medicare number is submitted, the provider may not be paid for the claim.</p> <p>Therefore, Medicare strongly recommends that providers, clearinghouses, and billing services continue to submit the Medicare number as a secondary identifier.</p> <p>Medicare will be capable of sending the NPI as primary provider identifier and the Medicare number as a secondary identifier in outbound claim, claim status response, remittance advice (electronic but not paper), and eligibility response electronic transactions.</p>
May 23, 2007 – Forward:	CMS systems will only accept NPI numbers. Small health plans have an additional year to be NPI compliant.

² http://www.cms.hhs.gov/NationalProvIdentStand/06_implementation.asp#TopOfPage