



TO: All Independence Blue Cross and its Affiliates Contracting Ancillary Providers

FROM: Dave Lamb
Manager, Ancillary Services

DATE: May 18, 2006

SUBJECT: National Provider Identifier

We are writing to give you some background about a new national ID number, known as the National Provider Identifier (NPI). This bulletin provides instructions for reporting your NPIs to us for recording purposes by June 30, 2006. It also provides instructions for obtaining NPIs if you have not yet done so. Enclosed you will find Frequently Asked Questions and an Independence Blue Cross NPI submission form.

About the NPI

The NPI is a unique 10-digit identifier being issued to all health care providers by the Centers for Medicare & Medicaid Services (CMS) on a national level as mandated by the Federal Government via the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The NPI eliminates the need for multiple identifiers from different health plans. All covered entities under HIPAA must obtain an NPI.

We will require participating providers to use their NPI in all electronic and paper health care transactions effective May 23, 2007. In anticipation of this effective date, we are asking you to report your NPIs to us at this time so that we can record them in our processing systems.

Reporting Your NPI(s)

Once your organization has obtained an NPI, please complete the following four steps to report NPIs to Independence Blue Cross. *If you have not yet obtained an NPI, please refer to the following section, "How to Obtain an NPI," for instructions.*

1. Report your NPIs using the space provided on the enclosed submission form. The submission form includes information specific to your organization.
2. If applicable, please report the corresponding Primary Provider Taxonomy Code for your organization, as reported on your NPI application(s). The Provider Taxonomy Code, a 10-character alphanumeric identifier, indicates provider specialty and will assist us in verifying NPIs for claims payment processing. Information on provider taxonomy codes is available at www.wpc-edi.com/taxonomy.

We encourage you to share this information with appropriate members of your staff.

Independence Blue Cross offers products directly, through its subsidiaries Keystone Health Plan East and QCC Ins. Co., and with Pennsylvania Blue Shield. Independent Licensees of the Blue Cross and Blue Shield Association.

3. Attach copies of NPI confirmations issued by the National Provider Identifier Enumerator to your organization. The Enumerator is the agency that assigns NPIs. We will use your NPI confirmation for verification purposes.
4. **Return your completed submission form, along with copies of your organization's NPI confirmation(s) by June 30, 2006**, via fax to (215) 761-9155, or by mail to:
Independence Blue Cross
Ancillary Services - Attention Eileen Sinni
1901 Market Street- 35th Floor
Philadelphia, PA 19103

How to Obtain an NPI

Providers who have not yet obtained their NPI may apply for it in one of the following ways:

- Complete an easy, web-based application process online at <https://nppes.cms.hhs.gov>. This process takes approximately 20 minutes to complete.
- Download and complete a paper application from the same website, and mail it to the NPI Enumerator. You may also call the Enumerator call center at (800) 465-3203 to request a paper application.

Please Note: The most time-efficient method of obtaining an NPI is completing the web-based application process.

When filling out the NPI application, be sure that all provider information is correct.

Once an NPI application has been successfully processed, the applicant will receive an NPI confirmation notice, including a 10-digit NPI issued by the Enumerator. Web applicants will receive confirmation via e-mail; paper applicants will receive confirmation via standard mail.

What to Do In The Future

We will notify providers when they may begin submitting electronic and paper transactions with their NPIs prior to the May 23, 2007 compliance date. **Until you receive such notification from us, please continue submitting all electronic and paper transactions with your current provider identification numbers.**

We have enclosed Frequently Asked Questions addressing more details of the NPI. Also, look for upcoming communications providing additional information on the NPI.

We thank you for your assistance in this endeavor. If you have any questions regarding the NPI or the NPI application process, please contact your Senior Ancillary Contract Coordinator.

Enclosures

National Provider Identifier (NPI) - Frequently Asked Questions

1. What is a National Provider Identifier (NPI)?

- An NPI is a 10-digit, intelligence-free numeric identifier. *Intelligence-free* means that the numbers do not carry information about health care providers, such as the state in which they practice or their provider type or specialization.
- NPIs will replace health care provider identifiers that are currently being used for Health Insurance Portability and Accountability Act (HIPAA) standard transactions. Those numbers include payor-specific IDs and Medicare legacy IDs (e.g. UPIN, OSCAR, PIN, and National Supplier Clearinghouse or NSC).
- A provider's NPI will not change and will remain with the provider regardless of job or location change(s).

2. Is a health care provider required to obtain an NPI?

Yes. Under the National Provider Identifier Regulation (published in the Federal Register on January 23, 2004), a health care provider who is a covered entity, as defined at 45 C.F.R. § 160.103, and who transmits any health information in connection with a standard transaction, is required to obtain an NPI.

3. Why do health care providers need National Provider Identifiers?

- HIPAA requires the adoption of a standard unique identifier for health care providers.
- NPI allows for simpler electronic transmission of HIPAA standard transactions, and more efficient coordination of benefits transactions.
- By May 23, 2007, the NPI will be the only health care provider identifier that can be used for identification purposes in standard transactions by covered entities. Covered entities include health plans, health care clearinghouses, and those health care providers who transmit any health information in electronic form in connection with a transaction for which the Secretary of Health and Human Services has adopted a standard.
- NPIs may also be used to identify health care providers on prescriptions, in internal files to link proprietary provider identification numbers and other information, in coordination of benefits between health plans, in patient medical record systems, in program integrity files, and in other ways.

4. How can health care providers obtain an NPI?

Providers who have not yet obtained their NPI may apply for it in one of the following ways:

- Through an easy, web-based application process that takes approximately 20 minutes to complete online at <https://nppes.cms.hhs.gov>.
- Through a paper application that is mailed to the National Provider Identifier Enumerator. Paper applications may be downloaded from <https://nppes.cms.hhs.gov>. You may also call the National Provider Identifier Enumerator call center at (800) 465-3203 to request a paper application.
- Through an electronic file submitted by an Organization (*see question 5 for the definition of an Organization*). You must have the permission of the health care provider to apply for an NPI by this method.

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5. How many NPIs do health care providers need?

- An individual is eligible for a single NPI. An Individual cannot have subparts and cannot designate subparts. In terms of NPI assignment, an Individual is an Entity Type 1 (Individual).
- A sole proprietor/sole proprietorship is eligible for a single NPI. A sole proprietor/sole proprietorship cannot have subparts and cannot designate subparts. In terms of NPI assignment, a sole proprietor/sole proprietorship is an Entity Type 1 (Individual).
- Organizations must also apply for a single NPI. In terms of NPI assignment, Organization health care providers who are covered entities under HIPAA must apply for NPIs as Entity Type 2 (Organization). Organization health care providers are corporations or partnerships or other types of businesses that are considered separate from an individual by the State in which they exist. Subparts of such Organization health care providers who apply for NPIs are also Entity Type 2 (Organization).

- A subpart must have its own NPI if it conducts any of the HIPAA standard transactions separately from the covered Organization health care provider of which it is a part. If your organization has subparts, please ensure that they obtain their own unique NPIs, or obtain the NPIs for them.

Example: A health care provider (a hospital) owns 10 home health agencies, all operating under the Tax Identification Number (TIN) of the hospital. Because the hospital and each of the 10 home health agencies is separately surveyed and enters into its own provider agreement with Medicare, a total of 11 unique NPIs should be obtained: one by the hospital, and one by each of the 10 home health agencies.

- For further clarification regarding Entity Types and Subparts, please visit the Centers for Medicare & Medicaid Services website at: <http://new.cms.hhs.gov/NationalProvIdentStand>, select the Medicare NPI Implementation link, and select the Medicare Subpart Expectations PDF.

6. What is my Primary Provider Taxonomy Code?

The Provider Taxonomy is an alphanumeric code, ten characters in length that allows a single provider (individual, group, or institution) to identify their specialty category. Information on provider taxonomy codes is available at www.wpc-edi.com/taxonomy.

7. How long will it take to receive an NPI?

The Centers for Medicare & Medicaid Services (CMS) cannot predict the amount of time it will take to obtain an NPI due to several factors. Such factors CMS considers include:

- Volume of applications being processed at a given time
- If the application is submitted electronically or on paper
- If the application is complete and free of errors. When gathering information for the application, be sure that all provider information, such as Social Security Number and Federal Employer Identification Number (FEIN), are correct.

CMS estimates that, in general, a health care provider who submits a properly completed electronic application could have an NPI within 10 days.

8. How can health care providers report NPIs to Independence Blue Cross (IBC)?

You should report your NPIs to IBC by completing and returning the IBC National Provider Identifier Submission Form.

9. Where can additional information on the National Provider Identifier be obtained?

The Centers for Medicare & Medicaid Services website is an excellent resource for detailed information on the National Provider Identifier. Visit the Centers for Medicare & Medicaid Services website at: <http://new.cms.hhs.gov/NationalProvIdentStand>.