

National Provider Identifier FAQ's

What is the NPI?

Part of the Health Insurance Portability and Accountability Act (HIPAA), the National Provider Identifier (NPI) regulation establishes one unique identifier for each health care provider. Issued on January 23, 2004, the NPI regulation seeks to eliminate multiple identifiers currently in use.

What is the purpose of NPI?

The NPI is a single identification number that will be assigned by the federal government to health care providers. The NPI will be used to identify physicians, hospitals, and other medical professionals. It is intended to improve the efficiency of the health care system and help to reduce fraud and abuse.

What are the advantages of using the NPI?

Using the NPI should result in several advantages, including:

- One unique provider identifier for all health plans to utilize
- A permanent provider identifier that will not change in the event of practice relocation or changes in specialty
- A more efficient coordination of benefits
- An easier process for all health plans to track transactions and avoid duplication

Who is required to apply for an NPI?

All health care providers are eligible to receive an NPI. Only "Covered Entities" are required to obtain an NPI.

The broad definition of health care "provider" in the regulation encompasses all who provide health care services: individuals, including dentists, physicians and all other practitioners, as well as organizations, such as hospitals, pharmacies, clinics and medical supply companies.

How do I apply?

According the Centers for Medicare and Medicaid Services (CMS), you are able to apply for your NPI using one of the following ways:

o You may apply through an easy web-based application process. The web address is <u>https://nppes.cms.hhs.gov</u>. Click on National Provider Identifier (NPI) and it will open the on-line application process. Click apply online for an NPI.

o You may prepare a paper application and send it to the entity that will be assigning the NPI (the Enumerator) on behalf of CMS, beginning July 1, 2005. A copy of the application, including the Enumerator's mailing address, will be available on <u>https://nppes.cms.hhs.gov</u>. Click on National Provider Identifier (NPI) and select NPI application under the heading of Additional Resources. You may also call the Enumerator for a copy. The phone number is 1-800-465-3203 or TTY 1-800-692-2326.



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Here for you

It is estimated that applicants will receive their NPI within 10 days after a properly completed application is received. Once you have been assigned an NPI, you must furnish updates to its data within 30 days of any changes.

You may received notices about the NPI from other health plans with which you do business, but remember, you need apply only once for an NPI. The same NPI is used for every health plan; however, you must notify each health plan of your NPI separately.

What is a "Provider Taxonomy Code"?

When you apply for your NPI, you will be asked to provide "your 10-digit taxonomy code". These codes are not "assigned" to health care providers; rather, health care providers select the taxonomy code(s) that most closely represents their education, license or certification. For health care providers, it is essentially an identifier that corresponds closely to area of specialty. In lieu of a taxonomy code, you may provide a written description of your specialty in the space provided on the electronic or paper application, and you will be assigned the closest appropriate code.

When is the deadline for application?

All HIPAA "Covered Entities" must use NPIs on all HIPAA-governed transactions by May 23, 2007. To assure a smooth transition, all providers are urged to apply for their NPI well in advance of the compliance date.

How will the NPI affect other numbers I've used in the past?

The NPI will replace other identifying numbers currently used in electronic transactions, such as the Medi-Cal, Blue Cross, Blue Shield, UPIN, CHAMPUS and certain other legacy numbers. The NPI will not replace the Social Security number, DEA number, Taxpayer Identification number, taxonomy number or state license number, since these are used for purposes other than general identification. Taxpayer ID numbers or Social Security numbers must still be provided for 1099 purposes, but the NPI will replace all other identification numbers on the claim.

How is my NPI determined?

The NPI is a random ten-digit number (nine digits plus a check digit to detect keying errors) that never expires. It contains no inherent information about the provider, such as state of residence or license number. NPIs are issued by the National Plan and Provider Enumeration System (NPPES). The federal government is also responsible for assisting providers in completing the application and resolving problems associated with an NPI.

What do I do with my NPI once I have it?

Once you receive your NPI, please send a copy of your documentation indicating your NPI number to SFHP so that we can input it into our system. However, please do not begin using it on claims and other transactions until you receive notification from SFHP that we are accepting the NPI. Please contact clearinghouses and other plans with which you do business for instructions about their transition plans for use of the NPI.



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Where can I go for additional help or information?

To access current information, please visit the federal government's website, which includes links to a question and answer database, at: <u>http://www.cms.hhs.gov/hipaa/hipaa2</u>