

National Provider Identifier

Do you need one?

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You may have heard the term National Provider Identifier (NPI) and wondered what it signified and whether it was something that you needed to pursue as a pharmacist. The answer is yes, you need to obtain an NPI for your pharmacy. In addition, pharmacists who intend to bill for medication therapy management services are also encouraged to apply for a personal NPI.

About a year ago, the Centers for Medicare & Medicaid Services (CMS) announced the adoption of the NPI as the standard unique health identifier for HIPAA-covered health care entities to use when filing and processing health care claims and other transactions. Such health care entities include health plans, health care clearinghouses and health care providers that conduct standard electronic transactions. Health care providers include physicians, dentists and pharmacists as well as organizations such as hospitals, nursing homes, pharmacies and group practices.

The final date of the effective rule was May 23, 2005. The rule states that the NPI will replace all “legacy” identifiers that are currently being used for billing by providers across the health care system. “Legacy” identifiers include Online Survey Certification and Reporting (OSCAR) system numbers, National Supplier Clearinghouse (NSC) numbers, Provider Identification Numbers (PINs) and Unique Physician Identification Numbers (UPINs) used by Medicare. The intention by CMS is that the NPI will reduce costs and improve efficiency in the nation’s health care system by eliminating the need for health care providers to maintain, keep track of and use multiple identification numbers to bill various health plans. It is the most recent step in implementation of

administrative simplification provisions of HIPAA.

The compliance date for health plans (excluding small health plans) is May 23, 2007. Small health plans will need to be compliant by May 23, 2008. Since pharmacies submit HIPAA compliant claims, pharmacies and pharmacists must obtain NPIs.

HOW DO I OBTAIN AN NPI?

Acceptance of NPI applications began May 23, 2005. HIPAA requires that all pharmacies be assigned an NPI by no later than May 23, 2007. The NPI will replace your pharmacy’s current NCPDP (National Council for Prescription Drug Programs) number for HIPAA transactions and will remain the same over time. CMS has contracted with Fox Systems, Inc. as the Enumerator who will be using the NPPES (National Plan and Provider Enumeration System) to enumerate and maintain information on all providers who apply for an NPI or submit changed information. NCPDP is the EFIO (Electronic File Submitter Organization) or

“bulk enumerator” for pharmacies for the NPI.

Translated, this means that you can either apply for the NPI for your pharmacy or pharmacies individually through NPPES, or with your authorization, NCPDP will electronically obtain your NPI(s) and maintain them in the federal data base as required by federal law. There is no cost for this service unless you need to enumerate a new pharmacy or a pharmacy that changes ownership (\$100). The NPPES does not have the capability to link a group of pharmacies together into a chain or other affiliations; therefore the recommendation by NCPDP is that pharmacies utilize the NCPDP enumeration service in order to allow a crosswalk to remain for future processing. In addition, NCPDP maintains the NCPDP Pharmacy Database, which is purchased by industry for uses including claims processing, product recalls, publications, network development and health plan directories. Pharmacists are urged to ensure that their pharmacy information is correct in the NCPDP database prior to application. Chain pharmacies with multiple stores can submit an Excel spreadsheet to NCPDP for ease of application and enumeration purposes. The spreadsheet will be available on the NCPDP website in early spring 2006. Please contact Jeannine Deese at jdeese@ncdpd.org, (480) 477-1000 ext. 116 for the spreadsheet as well as an authorization form that will need to be signed to authorize NCPDP to enumerate the pharmacies. The completed sheets

LEARN MORE ABOUT THE NATIONAL PROVIDER IDENTIFIER

<https://nppes.cms.hhs.gov>

http://www.ncdpd.org/frame_news_npi-info.htm

NPI FAQs: http://www.ncdpd.org/pdf/NPI_EFI_faqs_2005-12-01.pdf

The Impact of the NPI on the Pharmacy Services Sector of Using the NCPDP Standards (Workgroup for Electronic Data Interchange) (White Paper) http://www.ncdpd.org/pdf/NPI_NCPDP_impact_on_phcy_services_sector_NCPDP_white_papers_2005-12-19.pdf

CMS HIPAA Hotline 1-866-282-0659 (NPI legislation and regulation or other HIPAA-related matters)

To receive broadcast emails specific to NPI enumeration progress, notify kdeininger@ncdpd.org

customerservice@npienumerator.com (email)

should be faxed back to NCPDP at (480) 767-1043.

NCPDP will continue to issue NCPDP identification numbers, as non-HIPAA covered transactions such as worker's compensation claims will likely continue to use these numbers. NCPDP numbers will continue to be utilized internally to maintain the NCPDP database and for cross referencing purposes.

AS A PHARMACY, YOU HAVE THREE OPTIONS FOR OBTAINING AN NPI:

Preparation of a paper application sent via mail or fax to NCPDP who will automatically assign your pharmacy an NPI.

The application and mailing address are available via www.ncdp.org/PDF/Provider_number_app.pdf and http://www.ncdp.org/frame_provider_update.htm. In order for NCPDP to enumerate your pharmacy or pharmacies, the authorization box at the bottom of the form must be checked and signed. An application form must be filed for each pharmacy. NCPDP recommends this option. As mentioned above, chain pharmacies may request an Excel spreadsheet form for ease of application and an authorization from jdeese@ncdp.org, (480) 477-1000 ext. 116.

Application to NPPES (CMS) via a web-based application process (<https://nppes.cms.hhs.gov>).

An application must be filed for each pharmacy. If this method is chosen, you must notify NCPDP of your assigned NPI and send NCPDP a copy of your assigned NPI (confirmation letter or email). In order to submit your information to NCPDP, you would fill out the update/application form located on www.ncdp.org/PDF/Provider_number_app.pdf, but would not check the authorization for enumeration box at the bottom of the form.

Application to NPPES (CMS) via a paper application that can be obtained via <https://nppes.cms.hhs.gov>.

You may also call the Enumerator for a copy. The phone number is (800) 465-3203 or TTY (800) 692-2326. An application must be filed for each pharmacy. If this method is chosen, you must notify NCPDP of your assigned

NPI and send NCPDP a copy of your assigned NPI (confirmation letter or email). In order to submit your information to NCPDP, you would fill out the update/application form located on www.ncdp.org/frame_news_npi-info.htm, but would not check the authorization for enumeration box at the bottom of the form.

As a pharmacist who currently provides or plans to provide and bill for pharmacy professional services, you are also encouraged to apply for a personal NPI. The process is simple and takes approximately 15-20 minutes to complete online. Creation of an account and password is required. Required information includes: name, date of birth, country of birth, state of birth, sex, mailing address, practice location address and phone number, provider type (most pharmacists will use the 183500000X taxonomy code), state license number and contact information. The website for application is available via <https://nppes.cms.hhs.gov>.

Having an NPI does not guarantee payment for pharmacy services; it will still be necessary to communicate with specific payors regarding reimbursement agreements. In some cases, it will be the pharmacy that will be paid for the pharmacist's professional services. In this case, the NPI of the pharmacy is the biller (NCPDP Service Provider ID on the Telecommunication Standard Version 5.1 Claim) and the NPI of the pharmacist is the rendering provider (Pharmacy Provider Segment on the Version 5.1 Claim).

WHAT IF I ALREADY HAVE AN NPI FOR MY PHARMACY?

If you already have an NPI, but want NCPDP to maintain data and updates in NPPES for you, fill out the NCPDP update form on the NCPDP website, providing your NPI and check the authorization box. If you choose to maintain your information yourself and communicate it to NPPES, but want to ensure that your information and NPI are correct in the NCPDP Pharmacy Database, fill out the update form, provide your NPI, but do not check the authorization box, and send or fax the form to NCPDP.

WHAT ARE CMS AND NCPDP PLANNING TO ENSURE A SMOOTH TRANSITION FOR USE OF THE NPI?

Only one pharmacy identifier can be included in a pharmacy claim; therefore, it will be important that pharmacies and payors are coordinated before May, 2007 to avoid rejected claims and disruption in payment. The current plan intends that pharmacies will be enumerated in the first half of 2006, internal testing will occur in the second half of 2006 with trading partner testing and implementation planned for early 2007 prior to the implementation deadline of May 23, 2007. Bulk enumeration by NCPDP is scheduled to begin in late spring or early summer 2006. ●

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National Council for Prescription Drug Programs. [NCPDP website] www.ncdp.org/frame_news_npi-info.htm. Accessed March 7, 2006.

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