



National Provider Identifier Whitepaper

Beginning May 23, 2007 health care providers can submit electronic transactions using only their National Provider Identifier (NPI) as their standard unique identifier. This will replace a variety of current identifiers that include state license numbers; Social Security Numbers and health plan assigned identifiers. Tax Identification Numbers and Drug Enforcement Numbers can continue to be used for IRS reporting and prescribing controlled substances, but not for identification. Until health plans are prepared to accept the NPI without legacy identifiers, clearinghouses must be prepared to map an NPI to the appropriate legacy identifier for each health plan.

The NPI is uniquely assigned to health care individuals and organizations and contains no intelligence about the provider. Consequently, health plans must receive enough information to associate the NPI with existing provider contracts to determine appropriate payments. Since it is unlikely that all providers and health plans will have implemented systems changes to accommodate the NPI by May 23, 2007, clearinghouses must be capable of providing legacy identifiers to avoid payment disruptions.

Adopting the dual use approach developed by the Workgroup for Electronic Data Interchange (WEDI), most clearinghouses are currently accepting electronic transactions with the NPI and will map the NPI to legacy identifiers for health plans until they are prepared to accept the NPI. This allows both the providers and health plans to comply with the NPI regulations.

Many Cooperative Exchange clearinghouses support a crosswalk methodology that uses the NPI, as well as other provider identifiers, to determine the appropriate legacy identifiers for each health plan. Validation of the mappings is ongoing to ensure that accurate information is maintained and communicated. When necessary, corrections are made and communicated among the members of the Cooperative Exchange.

Background

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandated that the Secretary of Health and Human Services adopt a standard unique health identifier for health care providers. On January 23, 2004, the Secretary published a Final Rule that adopted the National Provider Identifier (NPI) as this identifier.

All HIPAA covered healthcare providers, whether they are individuals or organizations, must obtain an NPI for use to identify themselves in HIPAA standard transactions. Once enumerated, a provider's NPI will not change. The NPI remains with the provider regardless of job or location changes.

HIPAA covered entities such as providers completing electronic transactions, healthcare clearinghouses, and large health plans, must use only the NPI to identify covered healthcare providers in standard transactions by May 23, 2007. Small health plans must use only the NPI by May 23, 2008.



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Enumeration Process

Health care providers are assigned an NPI upon successful completion of either a paper or website application form. Once a provider has been assigned an NPI, the provider must furnish updates to its data within 30 days of any changes.

The National Plan and Provider Enumeration System (NPPES) process the applications and updates, ensure the uniqueness of the provider, and generate the NPIs. It will also produce reports and information based on requests from the health care industry.

A contracted entity, known as the enumerator, operates the NPPES. The enumerator receives applications and updates from providers. The enumerator assists providers in completing applications, in furnishing updates, and is responsible for resolving problems and answering questions. The enumerator notifies the providers of their NPI. The enumerator also processes requests for, and disseminates information containing providers' NPI.

The NPPES also supports Electronic File Interchange Organizations (EFIO) that can request bulk enumeration for consenting providers. An EFIO represents the provider for the NPI application, updates and communications with the NPPES. Some clearinghouses also serve as the EFIO for their client providers.

Although the regulations regarding dissemination of NPI information have not yet been released, some clearinghouses have been harvesting NPIs from the electronic transactions they process to develop crosswalks to legacy identifiers. When the dissemination policy is released, the information provided will be used to verify these crosswalks.

Currently, approximately 70% of the estimated 2,000,000 providers eligible for an NPI have been enumerated, so health plans can expect to begin receiving NPIs on many of their electronic transactions after May 23, 2007. It is unlikely that all providers will be enumerated by the compliance date, however, so health plans may choose to rely on clearinghouses to crosswalk NPIs to legacy identifiers until all providers have an NPI. This will allow a date certain for acceptance and avoid supporting both NPIs and legacy identifiers indefinitely.

NPI Characteristics

The NPI is a ten digit numeric identifier where the first digit is 1-4 and the tenth digit is a check digit calculated using the Luhn formula for the modulus 10 "double-add-double" algorithm. These characteristics permit an NPI to be distinguished from most legacy identifiers with a relatively high degree of certainty. Before acceptance as valid, any NPI must meet these three criteria.

If harvested from a HIPAA compliant transaction, the NPI must be designated with the XX qualifier and meet the above criteria. NPIs from print image transactions must be from the designated form location and also meet the above criteria. When NPPES information becomes available, NPIs should be verified with at least two robust data elements.



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Crosswalk to Legacy Identifiers

Mapping the NPI to and from legacy identifiers is not trivial. The crosswalk must be multi-dimensional and permit:

- One NPI to many legacy identifiers;
- Multiple NPIs to one legacy identifier; and,
- Multiple NPIs to multiple legacy identifiers.

The basis for the NPI crosswalk is a data repository populated with verified transaction information that can be used for provider matching. Multiple search criteria must be supported to permit rapid selection of the provider identifiers required for a unique match.

Populating and maintaining this provider database requires sophisticated methodologies to update information when appropriate, but not exchange bad information for good. This is accomplished by assigning a certainty factor to critical data elements so incorrect transaction data doesn't automatically update source data.

Considerable data scrubbing is also required to maintain consistency and eliminate duplication. The Cooperative Exchange clearinghouses are committed to working to provide their customers with the most comprehensive NPI crosswalk services available. Working with those members of the Cooperative Exchange that perform this crosswalk activity, provides assurances that any health plan can meet the NPI compliance date and continue to receive the provider identifiers necessary for efficient transaction processing.

The Cooperative Exchange Recommendations

1. Encourage providers to get their NPIs and provide all their legacy identifiers to the NPPES. This may include serving as an EFIO to secure NPIs for clients.
2. That clearinghouses accept transactions with an NPI and use the information provided to develop an NPI crosswalk to legacy identifiers.
3. Validate NPIs with the NPPES data, when available, and resolve any differences.
4. Request that the NPPES provide all data fields available in HIPAA transactions to facilitate the development and validation of NPI crosswalks.
5. Urge health plans to use NPI crosswalks to map to legacy identifiers rather than forcing providers to apply for multiple NPIs to replicate current identifiers.
6. Collaborate with WEDI and other organizations to help ensure a smooth NPI transition.



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The Cooperative Exchange

The Cooperative Exchange was established to expand electronic healthcare transactions among participants in the health care industry. The goals are to:

- Allow payers to establish a connection with one or more Cooperative Exchange members in order to gain access to an expanded provider base. This allows a payer to maximize its resources, while providing broader availability of its transactions
- Increase competition
- Shorten the timeline within which all healthcare participants can realize an ROI on HIPAA initiatives

The Cooperative Exchange provides open access for member organizations in order to promote electronic transactions for the healthcare industry by ensuring optimal quality, value and functionality.

Members of the Cooperative Exchange include:

Affiliated Computer Services (ACS)
Affiliated Network Services, LLC (ANS)
Availity, L.L.C.
Claimsnet.com
Electronic Network Systems, Inc
Gateway EDI, Inc
HDM Corporation
Legacy Systems
The SSI Group, Inc
THIN, Inc

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