



Chief Business Office

Enhancing Veteran Health Care with *innovative* business solutions

The National Provider Identifier (NPI)

David McDaniel

Mike Wierzbicki

HIPAA Summit 2005

Agenda

- NPI: 50,000 ft view
- Issues, Concerns, Challenges
- Implementation Strategies
- Accomplishments
- Next Steps

What is the NPI?

- The NPI is one of the HIPAA standard identifiers to be used in standard electronic health care transactions.
- It is a unique health care provider identifier consisting of 10 numeric positions, preceded with “80840,” per the National Committee for Information Technology Standards .284 standard, which identifies providers as part of the U.S health care system.

Important Dates

January 23, 2004 – Final Rule published

April, 2005 – CMS Pilot Testing for non-bulk enumeration to commence

- VA to participate

May 23, 2005 – Health care providers (HCPs) can begin applying for NPIs (no earlier), as made available by CMS

Important Dates (Continued)

August, 2005 – CMS to commence pilot testing for bulk enumeration

September, 2005 – CMS to accept bulk enumeration applications

Compliance dates:

- May 23, 2007 – all covered entities except for small health plans
- May 23, 2008 – small health plans
- By these dates, covered entities can **only** use the NPI to identify providers in standard transactions

Who Must Apply?

Covered Entities: HCPs who transmit health information in electronic form in connection with a transaction for which the Secretary has adopted a standard

- Examples:
 - Individual (i.e., physicians, dentists, nurses, chiropractors, others)
 - Institutional (i.e., hospitals, ambulatory care facilities, HMOs, group practices, others)

Who May Apply?

Non-covered entities

- Any provider that does not transmit data in electronic form
- Subparts of providers
 - Part of the legal entity (covered entity)
 - Legal entity is responsible for complying with HIPAA rules, determining its subparts' needs for NPI, and for ensuring that its subparts obtain necessary NPI and are in compliance
 - Examples: Hospital unit, member of chain (i.e., chain of nursing homes that each do its own billing)

National Plan and Provider Enumeration System (NPPES)– What is it?

Central electronic enumerating system, operating under Federal direction, that:

- Uniquely identifies and enumerates HCPs at the national level
- Stores the identifying and administrative information about those HCPs who are assigned NPIs

HHS will exercise overall responsibility for oversight and management of NPPES

Federal funds will support the enumeration process and the NPPES

Defining the Enumerator

- A single entity under HHS direction, chosen in Feb. 2005 – Fox Systems, Inc.
- Will use the NPPES to ensure unique ID of HCPs
- Will answer questions about applying for, and obtaining, NPIs
- Will collect information and maintain the NPPES database through HCP updates
- Will furnish information upon request and in accordance with established guidelines
- Will serve as a single point of contact for HCPs

How Does a Provider Apply?

Provider (covered or non-covered) completes the NPI application

- Files the application electronically or on paper
 - Electronic version will require SSN, but the paper version will not require SSN
- Application is processed by enumerator through the NPPES
 - Data editing
 - Data validation
 - Duplicate application detection

Provider receives notification of assigned NPI

Permissible Uses

- As a cross-reference in HCP fraud and abuse files
- To identify HCPs for debt collection
- By HCPs to identify themselves in non-standard health care electronic transactions
- By HCPs to identify other HCPs in either standard or non-standard health care electronic transactions

Permissible Uses (Continued)

- Health plans may use NPIs in their internal HCP files to process electronic transactions and communicate with other HCPs
- Health plans may communicate NPIs to other health plans for coordination of benefits
- May be used to identify HCPs in patient medical records
- NPPES data may be used to comply with HIPAA in routine uses, as published in the NPPES System of Records Notice

Effects on Health Care Providers

Covered HCPs must apply for NPIs

- Non-covered HCPs are “encouraged” to apply

Must furnish changes/updates in NPPES within 30 days

- Must use NPI application/update form

Must use NPIs to identify themselves on standard transactions when HCP identifiers are required

- Required in all standard electronic HIPAA transactions

More Effects on Health Care Providers

Must disclose their NPIs to entities that need NPIs to identify HCPs in standard transactions

Must require business associates to use NPIs as required by those standard transactions

When NPIs are assigned to HCP subparts those NPIs must be used

Effects on Health Plans and Health Care Clearinghouses

- Must use NPI of any HCP, or subpart that has an NPI, to identify that HCP or subpart on appropriate standard transactions
- All health plans have 24 months from the effective date of the NPI Final Rule to implement the NPI
 - Small health plans have 36 months
- Able to obtain NPPES data

Industry Concerns

- NPI will replace all other HCP identifiers in standard HIPAA transactions
- NPPES likely will not have the information payers need to associate the NPIs with HCP identities
 - NPPES is not a credentialing system
- Maintaining association between the new identifier and HCP identity will be difficult
 - Mapping current HCP and NPI is not a part of NPPES
 - Mapping will vary from payer to payer

Why Does the NPI Affect VHA?

- Compliance (*in standard transactions, only NPI may be used to identify providers*) is required by May 23, 2007 for those entities covered by HIPAA. VHA, as a covered entity, is required by law to comply with the NPI Rule.
- By the compliance date, all VHA providers must be enumerated and VHA must use the NPI in all appropriate standard transactions.
- **Failure to comply with the NPI Rule will result in criminal or monetary sanctions and an inability to process payments for provided health care services.**

What is VHA doing about NPI?

- The VHA HIPAA PMO, within the Chief Business Office, has been identified as the business owner of NPI implementation. As such, the PMO is responsible for ensuring that all VHA entities meet compliance within the specified timeframe.
- VHA is acting as a standing member of the WEDI Strategic National Implementation Process (SNIP) NPI Policy Advisory Group (PAG).
- An NPI Workgroup has been established from major stakeholders, including the PMO and representatives from VHA provider and health plan business lines.

What is VHA doing about NPI?

Community and Partner Outreach

- Meetings with various health plans to discuss their needs
- Meeting with DoD to share implementation strategies
- Outreach to VHA dental and pharmacy communities
- Meeting with AHA to discuss industry-wide issues, concerns, and strategies
- Meeting with Indian Health Services
- Meeting with CMS & DoD to address questions regarding enumeration, EFI, testing & paper claims

What is VHA doing about NPI?

Policy Involvement

- Active member of X12 conferences (NPI and electronic standard transactions)
- WEDI NPI letter to HHS is distributed
- Active participant in the NPI WEDI Policy Advisory Group (PAG)
- Distributed CMS' RFP for Enumerator to NPI Workgroup for review

How can VHA implement the NPI?

Implementation of the NPI affects two distinct areas of VHA: provider components and payer components.

- The NPI Workgroup has broken into sub-workgroups to specifically address payer (health plan) issues and provider issues.
 - develop business processes and technical diagrams that outline issues and challenges; and
 - identify numerous areas of NPI impact within VHA.
- Decisions and actions, necessary for NPI implementation, have been formulated for each of these impact areas.
- Executive Decision Papers have been developed to inform various program offices of their roles and responsibilities.

Implementation: Impact Areas

- Business Processes
- Providers:
 - Individual
 - Institutional
- Payers:
 - Health Administration Center (HAC)
 - CHAMPVA
 - Spina Bifida Healthcare Benefits
 - Children of Women Vietnam Veterans
 - Fee-Basis Program
- Systems and Programs:
 - Integrated Billing (IB)
 - Patient Financial Services System (PFSS)
 - Veterans Health Information Systems and Technology Architecture (VistA)

Implementation: More Impact Areas

- Systems and Programs (*continued*):
 - VetPro
 - Health Systems Design and Development (HSD&D)
- Groups and Organizations:
 - Chief Business Office (CBO)
 - VA National Partnership Council (NPC)
 - Patient Care Services (PCS)
 - Human Resources Management (OHRM)
 - Office of Academic Affiliations (OAA)
 - Austin Automation Center (AAC)
 - Health Systems Implementation, Training and Enterprise Support (HSITES)
 - Office of Acquisitions and Materials Management (OA&MM)
 - Office of General Counsel (OGC)
 - Financial Service Center (FSC)
 - Employee Education System (EES)

VHA Implementation Issues

- Who is responsible for enumerating the approximated 55,000 practitioners in the VetPro system that are not VA employees?
- Which VHA occupation codes have to use NPI?
- Bulk enumerating individual and institutional providers
 - Will CMS' system be able to handle VHA's bulk load?
- How far down in VA's organization do we enumerate?
 - Facility level versus outpatient clinic versus service provided level

VHA Implementation Issues

- How can we easily incorporate taxonomy codes as part of our NPI applications?
- A document that maps Tax IDs to common sites for institutional provider enumeration preparation must be developed.
- How does VHA integrate NPI into existing applications?
- A framework for accepting NPIs from providers (May 2005 timeframe) must be developed.

VHA and NPI: Course of Action

Education:

- An education and awareness program being developed for key stakeholders including senior leadership, medical center management, Patient Care Services, providers, credentialers, Revenue, Contracting, and business office personnel, etc.
- Information for providers about the NPI will be rolled out with VHA to:
 - Senior Leadership
 - Mid-management
 - Medical Center Directors
 - Chief Medical Officers
 - Providers
 - Business office personnel

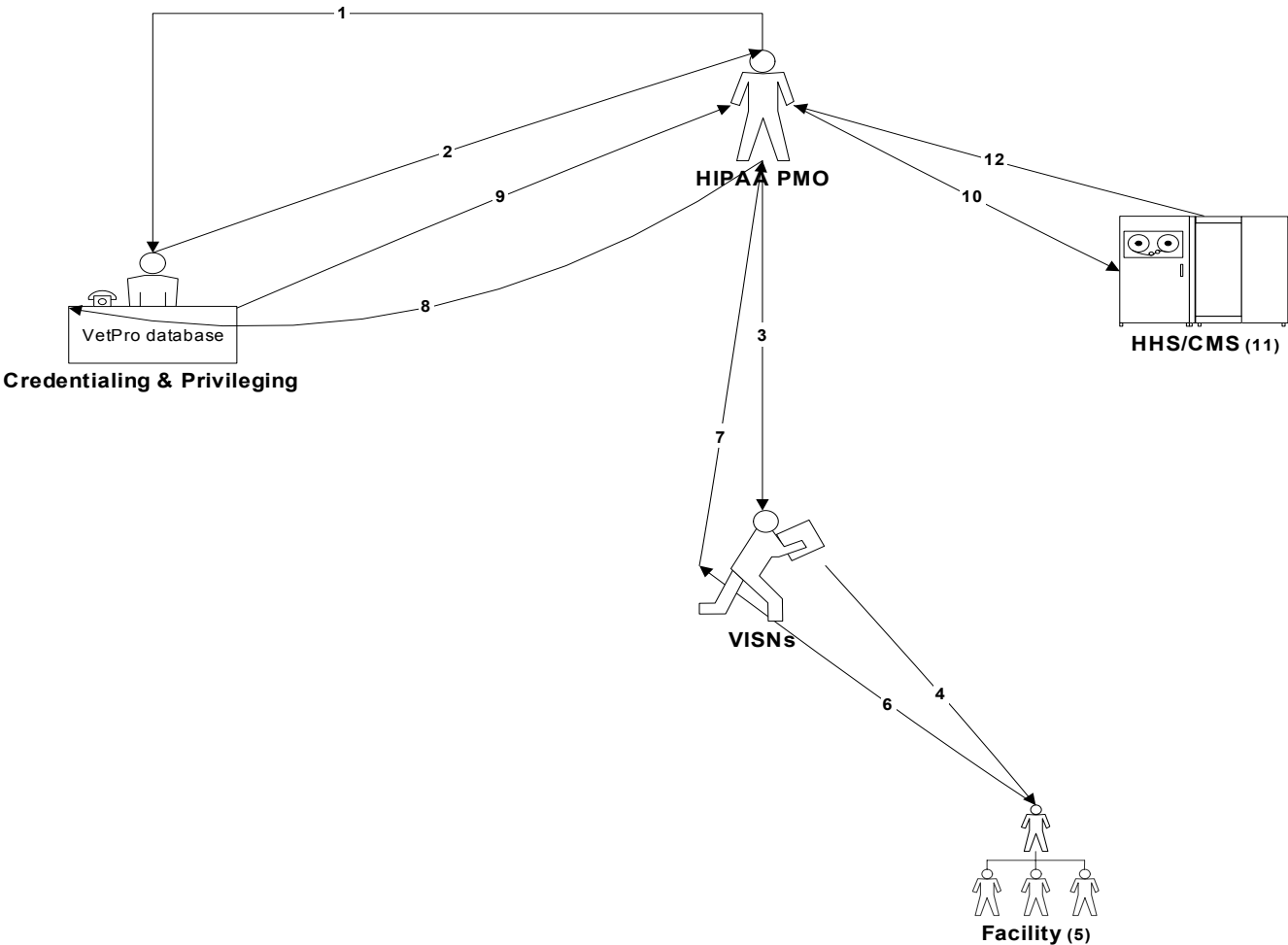
VHA and NPI: Course of Action

Enumeration:

- Address business processes:
 - Individual providers (see detail, next slide)
 - Institutional providers
 - Chief Business Office will apply for NPIs for VHA's institutional providers

VHA and NPI: Course of Action

Individual Provider Enumeration:



VHA and NPI: Course of Action

Individual Provider Timeline

- Present to May - Education/ Determine way to Include Taxonomy Codes into NPI applications
- May 15 – Systems of Record Notice
- June 15 – VetPro Data Pass to CBO
- July 1 – Pass to VISNs/VAMCs
- July 15 – VISNs to VAMCs
- August 15 – VAMCs to VISNs
- August 30 – VISNs to CBOs
- September 15 – Bulk Enumeration

VHA and NPI: Course of Action

Maintenance:

- Make NPI application part of the credentialing process for providers who are joining VHA
- Work with unions and business partners to notify them of new NPI enumeration requirements; mandate to obtain and maintain an NPI while in VHA's employ

NPI Usage:

- Adapting billing software in order to facilitate the use of NPI in EDI transactions
- Adding the NPI to vendor files for claims

SUMMARY

- The NPI will give each provider a single unique ID, across all health plans, to be used on standard health care transactions.
- In order for the NPI to be implemented within VA and VHA, a number of steps must be taken. The HIPAA PMO is responsible for ensuring VHA compliance with the NPI Rule.
- Providers, payers, computer systems, numerous VA offices, and various organizations affiliated with VHA will be affected by the implementation of the NPI.
- VHA must use the NPI in standard electronic transactions no later than May 23, 2007.
- Failure to abide by the rules set forth in the HIPAA NPI Final Rule will lead to various sanctions for illegal behavior.

Contact Information

David McDaniel HIPAA Program Officer	<u>david.mcdaniel@va.gov</u>	202-254-0337
Barbara Mayerick Director	<u>barbara.mayerick@va.gov</u>	202-254-0339
Michael Wierzbicki Standard Identifiers	<u>mike.wierzbicki@va.gov</u>	202-254-0346
Barry Dickman Special Projects	<u>barry.dickman@va.gov</u>	202-254-0387
VHA HIPAA PMO	<u>hipaa.pmo@va.gov</u> <u>http://vaww1.va.gov/cbo/hipaa.html</u>	202-254-0385