

HIPAA SUMMIT

**Shared HIT/HIPAA Issues:
The National Provider
Identifier – Organizational
and Subpart Enumeration
Strategies**

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Objectives

- What is a Subpart? An Overview
- WEDI NPI PAG Recommendations & CMS Responses
- Business & Implementation Issues
- Enumeration Recommendations & Examples

What Is a Subpart? An Overview

- Final Rule References

- “The subparts are simply parts of the legal entity. The legal entity—the covered entity—is ultimately responsible for complying with the HIPAA rules and for ensuring that its subparts and/or health care components are in compliance. The organization health care provider, of which the subpart is a part, is responsible for ensuring that the subpart complies with the implementation specifications in this final rule. The organization health care provider is responsible for determining if its subpart or subparts must be assigned NPIs, as discussed above in this section of the preamble. The organization health care provider is also responsible for applying for NPIs for its subparts or for instructing its subparts to apply for NPIs themselves. (That is, it is not necessary that an application for an NPI be made by the organization health care provider on behalf of its subpart.)”
P. 3439 42 CFR Part 162 Preamble, Federal Register
January 23, 2004

What Is a Subpart?

An Overview (2)

- Final Rule References
 - “(g) Assign an NPI to a subpart of a health care provider on request if the identifying data for the subpart are unique.” P. 3469 42 CFR Part § 162.408, Federal Register January 23, 2004
 - “(1) Obtain, by application if necessary, an NPI from the National Provider System (NPS) for itself or for any subpart of the covered entity that would be a covered health care provider if it were a separate legal entity. A covered entity may obtain an NPI for any other subpart that qualifies for the assignment of an NPI.” P. 3469 42 CFR Part § 162.410, Federal Register January 23, 2004

What Is a Subpart?

An Overview (3)

- Covered Entity Subparts
 - Legal entity subpart
 - Non-legal entity subpart

What Is a Subpart?

An Overview (4)

- Required Subparts
 - Components conducting transactions
 - Federal Program Requirements
 - Medicare
 - DoD
 - Indian Health
 - State Medicaid Programs

WEDI NPI PAG Recommendations

- **Recommendation 10.1:**

- WEDI recommends to CMS and the industry that providers determine their subparts as required by applicable Federal regulation and also determine any further subparts that the Final Rule permits. Each provider should then uniformly bill all payers using its chosen level of granularity. For example, if a provider organization bills Medicare end stage renal dialysis (ESRD) services using a subpart NPI, then that provider organization should bill its ESRD services to all its non-Medicare payers using the subpart NPI. Conversely, the organization would not submit Medicare ESRD bills using a subpart NPI, but non-Medicare ESRD bills using the parent organization NPI.

WEDI NPI PAG Recommendations (2)

- **CMS Comment to Recommendation**

- 10.1:**

- The recommendation to bill all health plans uniformly goes beyond the scope of the NPI Final Rule. A covered organization health care provider may decide to designate subparts along the lines of organizations that are required to have Medicare billing numbers, enabling the subparts to have NPIs. Those NPIs would be used to bill Medicare once the NPI is implemented. Using the same level of granularity to bill other health plans could create problems for the other health plans, which they would have to resolve in their NPI implementation activities..

WEDI NPI PAG Recommendations (3)

- **Recommendation 10.2:**
 - WEDI recommends that CMS' Office of HIPAA Standards (OHS) create and maintain a single source document which consolidates all current federal requirements pursuant to which covered entities must obtain subpart NPIs.

WEDI NPI PAG Recommendations (4)

- **CMS Comment to Recommendation 10.2:**

- Federal regulations concerning Medicare billing numbers and Medicare enrollment are the responsibility of CMS' Office of Financial Management (OFM). On December 23, 2004, CMS' OFM forwarded a listing of organizational entities that are required by regulation to have Medicare billing numbers. CMS does not know of similar regulatory requirements within other Federal health programs (such as the Department of Defense, the Department of Veterans Affairs, or the Indian Health Service). CMS has furnished the WEDI SNIP NPI Subworkgroup on Subparts with the names of contacts in those health programs.

Business & Implementation Issues

- Crosswalking identifiers
- Enumeration Granularity
 - Final Rule allows providers the choice
 - COB issues if providers use diff schema for diff payers
 - Scope Issue?

Business & Implementation Issues (2)

- Transaction Issues
 - Contracting impacts
 - Derivation logic
- Communication
 - Between providers, payers and vendors
- Enumeration via Medicare program application

Recommendations & Examples

- Enumeration Strategies
 - Federal Regulations
 - Covered Providers
 - Provider Choice (fewer is better)
 - Remittance Delivery Information

Recommendations & Examples (2)

- Implementation Recommendations
 - Providers need to determine their overall enumeration schema
 - Communicate schema to all trading partners
 - Same Granularity level for all
 - Conduct transactions using uniform representation
 - Supports COB
 - Achieves administrative simplification

Recommendations & Examples (3)

- **Institutional Entities**

- 1 Institutional Business Grouping (A1)
- Hospitals – 1 subpart for each area listed under the General Hospital (M1-4)
- One of the hospitals has the following units/departments:
 - Acute Care (M5)
 - Psychiatric (M6)
 - Critical Access (M7)
 - Rehab Unit (M8)
 - Speech Pathology (M9)
 - Occupational Therapy (M10)
 - Alcohol & Substance Abuse (M11)
 - Renal Dialysis (M12)
 - Skilled Nursing Facility (M13)
 - Nursing Facility (M14)
 - Mammography (M15)
 - Home Health Agency Sub Unit (M16)

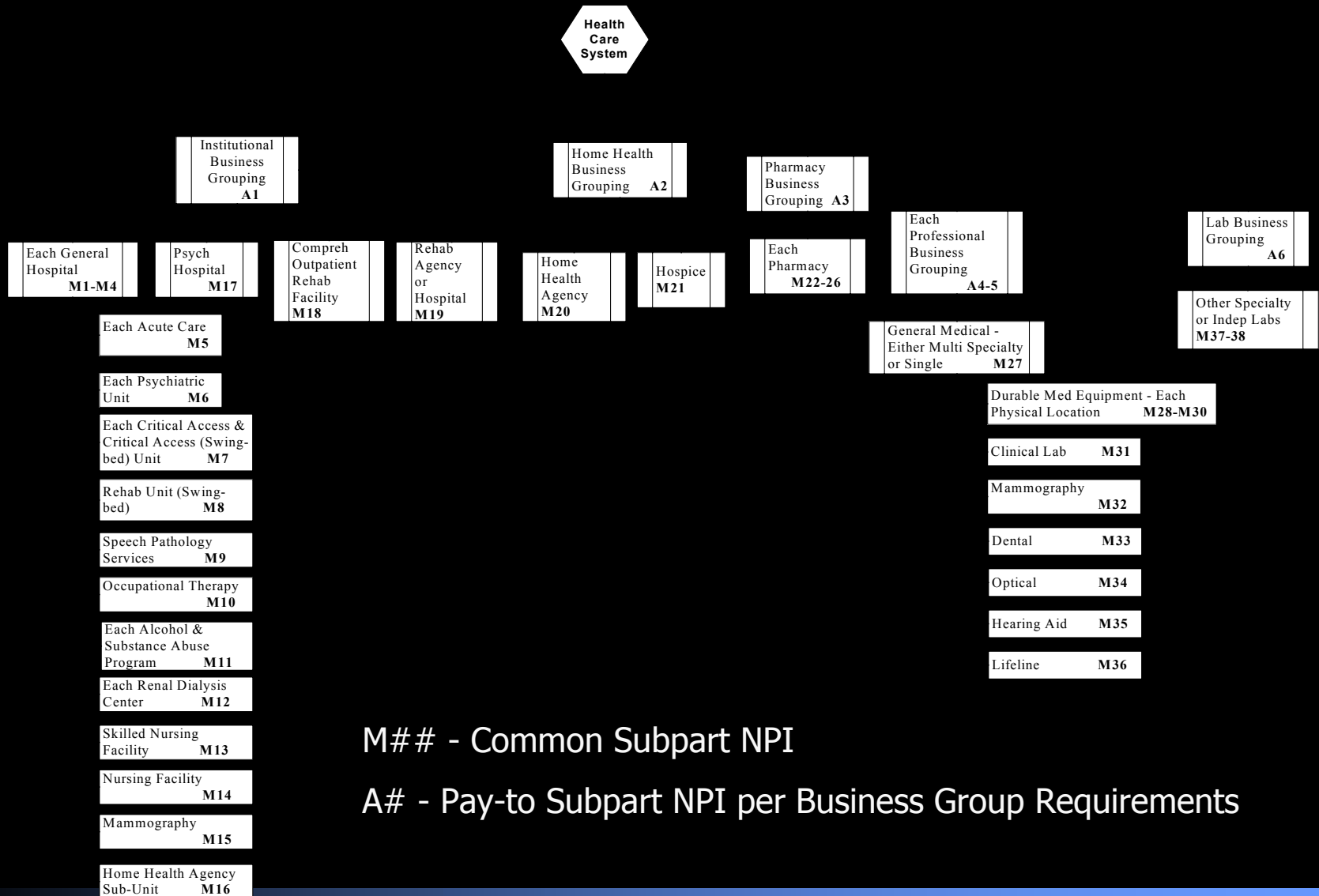
Recommendations & Examples (4)

- Institutional Entities
 - 1 Psych Hospital (M17)
 - 1 Comprehensive Rehabilitation Facility (M18)
 - 1 Rehab Agency/Hospital (M19)
- **Home Health Business Grouping (A2)**
- **1 Home Health Agency (M17)**
- **1 Hospice (M18)**
- **Other Healthcare Entities:**
 - 1 Pharmacy Business Grouping (A3)
 - 5 Pharmacies (M22-26)

Recommendations & Examples (5)

- Professional Entities:
 - 2 Professional Business Groupings (A4-5)
 - 3 General Medical Clinics – The 3 clinics share 1 Tax ID and determine beyond the 1 Subpart NPI, there is no need to enumerate each individual clinic. (M27)
 - DME for each clinic would get a NPI for each physical location. (M28-30)
 - One of the clinics has the following units/departments:
 - Clinical Lab (M31)
 - Mammography (M32)
 - Dental (M33)
 - Optical (M34)
 - Hearing Aid (M35)
 - Lifeline (M36)
 - 1 Lab Business Grouping (A6)
 - Labs (M37-40)

Recommendations & Examples (6)



M## - Common Subpart NPI

A# - Pay-to Subpart NPI per Business Group Requirements

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