

# NPI Impact on Health Care Providers - Business Impact of the Implementation of the NPI on Health Care Providers

Eleventh Annual HIPAA Summit /  
Second HIT Summit  
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3.05 Shared HIT/HIPAA Issues

# NPI Impact on Health Care Providers

## Agenda

- Global Issues
  - Benefits
  - Business Issues
- Provider-Specific Business Issues
  - Organizational Providers
  - Individual Providers
- AMA and Forrester Study Results
- NUCC Update

# NPI Impact on Health Care Providers – Global Issues

- **Benefits**

- 100% Portability (within United States)
- Provides for a unique identifier for all health care providers
- Eliminates the occasional re-assignment of provider numbers en masse

# NPI Impact on Health Care Providers – Global Issues

- **Benefits (continued)**
  - Greater standardization of provider identifier X12N, CMS-1450, CMS-1500, ADA, and DDE transactions
  - Covered providers / Eligible providers who enumerate, supports a single contact point for NPI data
  - Potential simplification of COB

# NPI Impact on Health Care Providers – Global Issues

- **Benefits (continued)**
  - Potential simplification across disparate clinical and financial information systems – internal / external
  - Clinical, RHIO, and EHR data benefits from single identifier
  - Simplification of fraud and abuse, tracking of license revocation, and other criminal activities

# NPI Impact on Health Care Providers – Global Business Issues

- Relationship Changes
  - Legacy Identifiers
    - Linked to the enrollment in a health plan
    - Assigned by health plan
    - Frequently identified service or location of service via embedded intelligence
    - Limited to claim submission and adjudication process
    - One Provider : Numerous identifiers per plan

# NPI Impact on Health Care Providers – Global Business Issues

- Relationship Changes
  - National Provider Identifier
    - Assigned by single source at Federal level - NPPES Enumerator
    - Unique and assigned for life of provider
    - Permanent Professional Identity
    - Individual Providers : One NPI
    - Does not “auto-enroll” provider in plans
    - New: Covered Provider
    - Direct impact to other providers’ reimbursement
    - Covered Providers: Civil Monetary Penalties for non-compliance
    - May be used for any legal purpose

# NPI Impact on Health Care Providers – Global Business Issues

- Review of state laws
  - Identify any conflicts or supplemental requirements
- Taxonomy codes
  - Identify any new plan requirements
- State licensure issues
  - Determine if there are any NPI-related requirements by state boards



# NPI Impact on Health Care Providers – Global Business Issues

- Implementation Steps
  - Assemble implementation team
  - Identify affected operational areas
  - Develop project plan
  - Identify affected trading partners / business associates
  - Contract Review
  - Audit/Validate Provider Data (Internal)
  - Determine application strategy

# NPI Impact on Health Care Providers – Global Business Issues

- Implementation Steps - continued
  - Identify technology issues
    - Gap analyses – Comprehensive Reviews
      - NPI
      - Taxonomy
    - Reports
      - Internal
      - External
      - Historic Reporting Issues
    - Interfaces
    - Document Imaging / Archival Systems
    - Clinical Applications
    - Freestanding Databases

# NPI Impact on Health Care Providers – Global Business Issues

- Implementation Steps – continued
  - Determine Subpart Strategy (Organizational Providers only)
  - Determine taxonomy strategy
  - Determine NPI collection / validation strategy
  - Define disclosure / dissemination strategy
  - Decide education and communication plan
  - Determine testing and implementation strategies
    - Developed with each trading partner and business associate

# NPI Impact on Health Care Providers – Global Business Issues

- Implementation Steps – continued
  - Determine transition strategies
    - Developed with each trading partner and business associate
      - Compliance Date vs. Implementation Dates
    - Dual Identifier use in X12N transactions
  - Regional Initiatives
  - Continuity planning
    - Providers without NPIs in covered transactions
    - Referrals

# NPI Impact on Health Care Providers – Global Business Issues

- Access to Provider NPIs
  - Disclosure is key
  - Disclosure required for use in standard transactions
  - Dissemination
    - Many unknowns at this time
    - CMS committed to limiting NPPES access and protecting NPI
    - CMS will impose strict limitations for EFIOs regarding dissemination

# NPI Impact on Health Care Providers – Organizational Providers

- Educate Administration / Senior Leadership
- Business Processes
  - Revenue Cycle Departments
  - Managed Care
  - Medical Staff Credentialing
  - Provider Enrollment
  - Medical Records
  - Practice Management
  - Decision Support / Reimbursement Analysis
  - Business Development

# NPI Impact on Health Care Providers – Organizational Providers

- Subparts

- Not a contractual issue; identifies the provider of service, not the service
- Separately identifiable component of the larger organization
- NOT a location identifier
- Granularity Issue
  - Go Fish
- Communication and Negotiation
  - Transaction-based Solutions

# NPI Impact on Health Care Providers – Organizational Providers

- Requirements for Organizational Providers
  - Obtain an NPI for itself and/or subpart(s)
  - Use NPI to identify itself on standard transactions where required
  - Disclose its NPI when requested to any entity *needing the NPI for a standard transaction*
  - Report updates to NPS within 30 days of change
  - Require Business Associates to use all NPIs appropriately
  - Comply with requirements for subparts
  - Secure NPIs from any entity when needed for a transaction



# NPI Impact on Health Care Providers – Organizational Providers

- Pharmacy Service Providers
  - Pharmacies and Pharmacists will need to apply if covered health care provider
  - The NCPDP transaction does not support dual identifiers. A plunge implementation strategy will have to be adopted for all pharmacies
  - NCPDP will apply to be an EFIO
  - NCPDP maintains information such as payment centers and pharmacy parent organizations as well as network affiliations in their database; the NPPES does not

# NPI Impact on Health Care Providers – Organizational Providers

- Pharmacy Service Providers – con't
  - Disclosure - Highest Risk with Enormous Volume
- Long Term Care
  - Effective October 1, 2005, the NPI may be used on the Minimum Data Set (MDS) to identify the facility

# NPI Impact on Health Care Providers – Organizational Providers

- Ambulance Services
  - Enumeration will depend upon
    - Operational structure
      - Freestanding
      - Municipality
      - County
    - How services are billed
      - Ambulance Service
      - Provider
      - Plan Requirements (may change with NPI)

# NPI Impact on Health Care Providers – Covered Entities

- The Application Gap
  - Must not overlook or under estimate impact
  - NPI component of HIPAA TCS Rule
  - All health care providers are eligible; not all are required
  - Federal enforcement limited
  - Situational requirements
  - Approaches being taken

# NPI Impact on Health Care Providers – Individual Providers

- Business Processes
  - Front Desk
  - Scheduling / Registration
  - Billing / Appeals
  - Enrollment

# NPI Impact on Health Care Providers – Individual Providers

- Requirements

- Obtain an NPI for self
- Use NPI to identify itself in required transactions
- Disclose its NPI when requested to any entity needing the NPI for a standard transaction
- Report updates to NPS within 30 days of change (Example: Address Change)
- Require Business Associates to use all NPIs appropriately
- Secure NPIs from any entity when needed for a standard transaction (Example: Referring Providers)

# NPI Impact on Health Care Providers – Individual Providers - Concerns

- Security hazards – some physicians fear their personal data could be subject to identity theft, fraud or other abuse
- Access to database data – businesses desiring to market products and services to physicians
- Access to NPPES – balanced access for providers and payers to obtain necessary data for referring/ordering physicians, etc.

# NPI Impact on Health Care Providers

## Individual Providers - Concerns

- Some physicians have had trouble with the Internet-based interface when applying for NPI
- Some physicians don't want to use an NPI and believe that new numbers will cause confusion and bureaucratic hassles rather than reduce them
- Some physicians have threatened to retire rather than place their personal information at risk



# NPI Impact on Health Care Providers

## Individual Providers - Concerns

- Many providers have never heard about NPI
- Although only HIPAA mandates use of NPIs in electronic transactions:
  - NPI recommended for use in e-prescribing
  - Clinical Systems
  - Will payers require NPIs on paper claim forms? Probably.

# NPI Impact on Health Care Providers

## Known Barriers - Industry

- Education and Awareness
  - WEDI White Papers
  - WEDI NPI Outreach Initiative (NPOI)
  - CMS Website and NPI Viewlet
  - NPPES Website
  - Lack of information from constituent organizations
- Complex Adjudication Systems / Practices and Dependencies on Existing Practices

# NPI Impact on Health Care Providers

## Known Barriers - Industry

- Limitations in Rule and Enforcement
  - Application Gap
- Compliance Date Blinders
- Perception that the NPI's use is limited to billing
- Time to Market Vendor Responses

# NPI Impact on Health Care Providers

## Impact Analysis

- There are no silver bullets
- Strategies are business need driven
  - Your Organization
  - Trading Partners
  - Business Associates
- Communication and Negotiation
- NPI is an industry issue
  - Reinforces need for Provider / Health Plan collaboration

# NPI Impact on Health Care Providers - Current Electronic Environment

The following survey information is from an AMA and Forrester study entitled “Physicians’ Use of Information Technology”

# NPI Impact on Health Care Providers – Physicians' Electronic Claims Activity

- 88% of claims are submitted electronically
- 47% submit claims directly to payers
- 41% submit claims through a clearinghouse
- 19% send claims to a billing service
- 6% do not submit claims (patient submits claims)

# NPI Impact on Health Care Providers – Attachments for Physicians' Claims

- 76% of physicians report that payers require attachments
- 20% of their claims require attachments
- 47% of attachments are “snail” mailed
- 23% of attachments are faxed
- 6% of attachments are sent electronically
- 5% of attachments are sent by messenger
- 2% of attachments are scanned images

# NPI Impact on Health Care Providers – Implementation of e-Prescribing

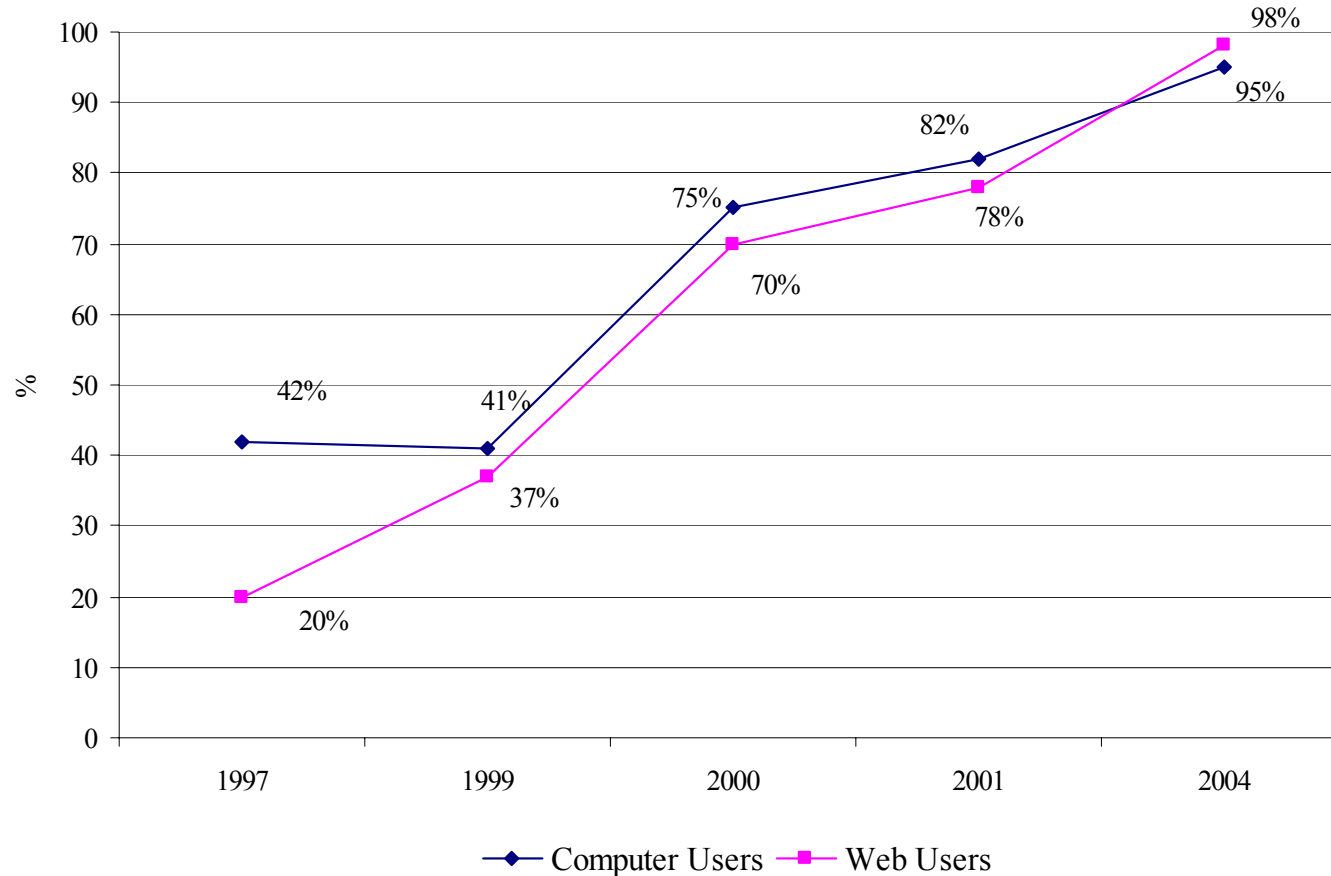
- 8.6% reported that their practice has implemented an electronic prescribing system, but only on a limited scale.
- 11.7% reported that they have implemented an electronic prescribing system throughout the practice.



# NPI Impact on Health Care Providers – Implementation of e-Prescribing

- 14.2% reported that they have not implemented an electronic prescribing system, but have investigated and tested some systems.
- 62.5% reported that they have not investigated an electronic prescribing system for their practice.

# NPI Impact on Health Care Providers – Physician Computer/Web Usage



# NPI Impact on Health Care Providers – The NPI and the 1500 Paper Claim Form

- HIPAA does not require the NPI on the 1500 paper claim form
- Claims are scanned into payers' systems and the data on paper claims should be consistent with the data in electronic claims
- The current 1500 is not designed to carry the NPI
- The current form has not been updated for 15 years

# NPI Impact on Health Care Providers – The NPI and the 1500 Paper Claim Form

- NUCC recommends use of NPI on paper form
- NUCC Members:
  - American Medical Association
  - American Association for Homecare
  - State Medical Association
  - American Academy of Physicians Assistants
  - Centers for Medicare and Medicaid Services -- Medicare
  - Centers for Medicare and Medicaid Services -- Medicaid
  - Medical Group Management Association
  - National Association of State Medicaid Directors

# •NPI Impact on Health Care Providers – The NPI and the 1500 Paper Claim Form

- NUCC – continued
  - Blue Cross and Blue Shield Association
  - Alliance for Managed Care
  - National Uniform Billing Committee
  - America's Health Insurance Plans
  - Dental Content Committee
  - ANSI ASC X12N
  - Health Level Seven
  - Public Health Data Standards Consortium – state perspective
  - Public Health Data Standards Consortium – federal perspective

# NPI Impact on Health Care Providers

## The NPI and the 1500 Paper Claim Form

- The NUCCC proposed some changes to the 1500 paper claim form to accommodate the NPI
- Survey and comment period was conducted
- The majority of the respondents agreed with the proposed changes

# NPI Impact on Health Care Providers

## Survey Responses - Providers

- Cleveland Clinic Foundation
- Mayo Clinic
- Allina Hospitals and Clinics
- Children's Hospitals and Clinics
- Fairview Hospital and Health Care Services
- Hennepin County Medical Center
- Hennepin Faculty Associates
- Park Nicollet Health Services
- North Side Medical Clinic
- Bayhealth Medical Center
- Carolina Regional Cancer Center
- River Crest Hospital
- Susquehanna Health System
- HealthEast Care System
- St. Mary's/Duluth Clinic Health System
- University of Minnesota Physicians
- University of Minnesota School of Dentistry
- Universal Health Services
- UHS of Pennsylvania, Inc.
- Osceola County EMS
- Talbott Recovery Campus
- MediServ, Inc.

# NPI Impact on Health Care Providers

## Survey Responses - Providers

- Partners in Primary Care
- Digestive Health Management
- Richmond Radiologists, Inc.
- Radiology Associates of San Antonio, PA
- South Texas Radiology Group, PA
- Radiology Associates of Muncie, Inc.
- Metropolitan Pain Management Consultants, Inc.
- Endocrinology Associates of Houston
- Happyland Pediatrics
- 10 Solo Practitioners
- Athens Regional Home Infusion
- Infusion Partners
- Greenwood Genetic Center
- Fond du Lac Human Services Division
- Jefferson County Human Services
- Rehab Alliance Physical Therapy and Fitness
- Therapy in Motion
- Archibold High Tech Services, Inc.
- EyeMart Express
- Laboratory Corporation of America



# NPI Impact on Health Care Providers

## Survey Responses – Health Plans

- CMS
- Noridian Administrative Services, LLC – Medicare Part A
- Wisconsin Physician Services – Medicare Part B
- Virginia Medicaid
- State of Idaho – Medicaid
- California Medicaid
- Electronic Data Systems
- Department of Health and Hospitals
- Department of Health and Social Services
- Department of Veterans Affairs-HAC
- UnitedHealth Group
- Highmark, Inc.
- Blue Cross Blue Shield of Alabama
- Blue Cross Blue Shield of Florida
- Blue Cross Blue Shield of Minnesota
- Delta Dental Plan of Minnesota
- HealthPartners
- Medica Health Plan
- Preferred One
- UCare Minnesota
- Metropolitan Health Plan
- ACS Benefit Services, Inc
- The Regence Group
- Sagamore Health Network
- Wisconsin Physician Services Insurance Corporation
- Excellus Health Plan

# NPI Impact on Health Care Providers

## Survey Responses - Vendors

- McKesson
- Siemens Medical Solutions Health Services Corporation
- Misys Healthcare Systems
- Medata, Inc.
- MEDTRON Software
- PDS
- E-Z BIS, Inc.
- Accu-Med Services
- Medispec Management Services, Inc.
- Allwin Data
- Per-se Technologies, Inc.
- Clinix MIS
- Anexix, Inc.
- Physician's Computer Company
- Electronic Data Systems
- Tele Comm Computer Systems, Inc.
- QuadraMed
- Specialized Clinical Services

# NPI Impact on Health Care Providers

## Survey Responses - Others

- CHAMPUS/TRICARE
- American Urological Association
- American College of Physicians
- American Association of Oral and Maxillofacial Surgeons
- American Psychological Association
- National Association of Social Workers
- American Health Information Management Association
- American Association of Healthcare Administrative Management
- Ingenix
- Connolly Strategies & Initiatives
- NextGen Health Information System
- Saltzer Medical Group
- Minnesota Hospital Association
- Minnesota Medical Association
- Minnesota Medical Group Management Association
- Minnesota Pharmacists Association
- Minnesota Dental Association
- Minnesota Department of Health
- Minnesota Department of Human Services
- Minnesota Department of Labor and Industry
- Minnesota Uniform Billing Committee
- Midwest Center for HIPAA Education
- HCPCS Committee
- Health Care Payer and Provider Advisory Council

# NPI Impact on Health Care Providers

## Survey – Some Provider Issues Identified

- Managed care contracts could be an issue
- Possibly having to maintain use of old provider numbers from health plans as well as use of newer NPI and the “mapping” of this information will create a hardship
- New software update
- The proposed changes are an unnecessary burden to providers, billers, and payers of medical services
- Major expense in either buying a new computer system or we would have to manually type every claim

# NPI Impact on Health Care Providers

## The NPI on the 1500 Paper Claim Form

- NUCC approved the claim form for use in 2007
- Next step – OMB to review and approve for CMS

1500

## HEALTH INSURANCE CLAIM FORM

APPROVED BY NATIONAL UNIFORM CLAIM COMMITTEE 08/05

PICA

PICA

1. MEDICARE <input type="checkbox"/> MEDICAID <input type="checkbox"/> TRICARE <input type="checkbox"/> CHAMPVA <input type="checkbox"/> GROUP <input type="checkbox"/> FECA <input type="checkbox"/> OTHER <input type="checkbox"/> (Medicare #) (Medicaid #) (Sponsor's SSN) (Member ID#) (SSN or ID) (BUK LUNG SSN) (ID)		1a. INSURED'S I.D. NUMBER (For Program in Item 1)	
2. PATIENT'S NAME (Last Name, First Name, Middle Initial)		3. PATIENT'S BIRTH DATE MM DD YY SEX M <input type="checkbox"/> F <input type="checkbox"/>	
5. PATIENT'S ADDRESS (No., Street)		6. PATIENT RELATIONSHIP TO INSURED Self <input type="checkbox"/> Spouse <input type="checkbox"/> Child <input type="checkbox"/> Other <input type="checkbox"/>	
CITY	STATE	CITY	STATE
ZIP CODE	TELEPHONE (Include Area Code) ( )	ZIP CODE	TELEPHONE (Include Area Code) ( )
9. OTHER INSURED'S NAME (Last Name, First Name, Middle Initial)		10. IS PATIENT'S CONDITION RELATED TO:	
a. OTHER INSURED'S POLICY OR GROUP NUMBER		a. EMPLOYMENT? (Current or Previous) <input type="checkbox"/> YES <input type="checkbox"/> NO	
b. OTHER INSURED'S DATE OF BIRTH MM DD YY SEX M <input type="checkbox"/> F <input type="checkbox"/>		b. AUTO ACCIDENT? <input type="checkbox"/> YES <input type="checkbox"/> NO PLACE (State) _____	
c. EMPLOYER'S NAME OR SCHOOL NAME		c. OTHER ACCIDENT? <input type="checkbox"/> YES <input type="checkbox"/> NO	
d. INSURANCE PLAN NAME OR PROGRAM NAME		10d. RESERVED FOR LOCAL USE	
11. INSURED'S POLICY GROUP OR FECA NUMBER a. INSURED'S DATE OF BIRTH MM DD YY SEX M <input type="checkbox"/> F <input type="checkbox"/>			
b. EMPLOYER'S NAME OR SCHOOL NAME			
c. INSURANCE PLAN NAME OR PROGRAM NAME			
d. IS THERE ANOTHER HEALTH BENEFIT PLAN? <input type="checkbox"/> YES <input type="checkbox"/> NO # yes, return to and complete item 9 a-d.			
12. PATIENT'S OR AUTHORIZED PERSON'S SIGNATURE I authorize the release of any medical or other information necessary to process this claim. I also request payment of government benefits either to myself or to the party who accepts assignment below. SIGNED _____ DATE _____		13. INSURED'S OR AUTHORIZED PERSON'S SIGNATURE I authorize payment of medical benefits to the undersigned physician or supplier for services described below. SIGNED _____	
14. DATE OF CURRENT ILLNESS (First symptom) OR INJURY (Accident) OR PREGNANCY (LMP) MM DD YY		15. IF PATIENT HAS HAD SAME OR SIMILAR ILLNESS. GIVE FIRST DATE MM DD YY	
17. NAME OF REFERRING PROVIDER OR OTHER SOURCE		16. DATES PATIENT UNABLE TO WORK IN CURRENT OCCUPATION FROM MM DD YY TO MM DD YY	
17a. _____		18. HOSPITALIZATION DATES RELATED TO CURRENT SERVICES FROM MM DD YY TO MM DD YY	
17b. NPI _____		20. OUTSIDE LAB? \$ CHARGES	
19. RESERVED FOR LOCAL USE			



# Thank You

Jean P. Narcisi

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