



The Second Health Information Technology Summit

Shared HIT/HIPAA Issues: The National Provider Identifier and the Impact on Payers, Health Plans and Clearinghouses

Session 5.05

Tom Polhemus

Principal Operations Architect

Blue Cross and Blue Shield of Minnesota

an independent licensee of the Blue Cross and Blue Shield Association

September 9, 2005



Implementing the NPI - A Health Plan Perspective

Outline

- ◆ **Minnesota HIPAA Collaborative Overview**
- ◆ **NPI Implementation Approach**
 - **Business and Technical Assessment**
 - **Health Plan Organization For NPI**
 - **Understanding the Impact of Legacy ID vs NPI**
 - **Provider Communication Strategies**
 - **Transition Plans & Use of Dual IDs**
 - **Strategies for Non-Par and Out-of-Region Providers**
 - **NPI Considerations**



Minnesota HIPAA Collaborative Overview

Membership includes:

◆ 4 Large Providers

- Allina Hospitals and Clinics
- Fairview Health Services
- Mayo Foundation
- Park Nicollet Health Services

◆ 5 Large Health Plans

- Blue Cross and Blue Shield of Minnesota
- HealthPartners
- Medica
- PreferredOne
- Minnesota Department of Human Services (Medicaid)

- ◆ **Formed in early 2002 in response to HIPAA mandates for transactions, code sets, unique identifiers and other requirements**



Minnesota HIPAA Collaborative Overview

◆ Goals:

- ❖ Assist Minnesota healthcare organizations (providers, health plans, clearinghouses) to achieve timely and cost-effective implementation of the HIPAA transactions, code sets, and identifier standards
- ❖ Promote HIPAA transaction and NPI readiness
- ❖ Identify leading practices
- ❖ Recommend solutions through a public web site
- ❖ Offer an independent compliance testing solution to healthcare organizations doing business in Minnesota



Minnesota HIPAA Collaborative Overview

◆ Governance:

❖ Organization Structure

- **Steering Committee**
 - CIOs from founding members
 - Provides overall direction and guidance
 - Approves funding requests
- **Operations Committee**
 - Develops strategy and plans
 - Monitors workgroup efforts and progress
 - Approves all final deliverables
- **Workgroups**
 - Develops detail work plans and deliverables
 - Reports to Operations Committee



Minnesota HIPAA Collaborative Overview

Web-Site: www.mnhipaacollab.org

The screenshot shows a Microsoft Internet Explorer browser window displaying the Minnesota HIPAA Collaborative website. The browser's address bar shows the URL <http://www.mnhipaacollab.org/home.htm>. The website features a teal and blue color scheme with a map of Minnesota logo. The main heading reads "MEETING THE CHALLENGE... MN HIPAA COLLABORATIVE ...OF HIPAA TRANSITION". A navigation menu includes links for HOME, WORK GROUPS, TOOLS, FREE TESTING, FAQ, NEWS/EVENTS, and LINKS. The "Our Mission" section states that the collaborative was formed to help Minnesota providers and health plans achieve timely and cost-effective implementation of HIPAA transactions, codes, and identifier standards. The "Who We Are" section notes that the collaborative consists of Minnesota health plans and providers, independent and not associated with any professional organization. A list of founding members includes Allina Hospitals and Clinics, Blue Cross and Blue Shield of Minnesota, Fairview Health Services, HealthPartners, Mayo Foundation, Medica, Park Nicollet Health Services, and PreferredOne Administrative Services. The browser's taskbar at the bottom shows the Start button, several open applications including an email inbox and a PowerPoint presentation, and the system clock indicating 9:10 AM on 9/24/04.



NPI Implementation Approach

Business and Technical Assessment

◆ Step 1 - Understanding the business impacts

- ❖ Identify internal business areas, business partners and vendor organizations that may be impacted by NPI
- ❖ Meet with internal departments and external organizations to create awareness of the NPI
- ❖ Perform assessment of NPI impact to business processes, existing forms, external documents/reports and existing provider numbering schemas

◆ Step 2 - Understanding the systems impacts

- ❖ Identify technical and business owners of computer applications
- ❖ Inventory all systems, subsystems, databases, inbound and outbound files and other data repositories or sources which may contain provider IDs
- ❖ Scan and document all systems for occurrences of any data elements or fields which could represent provider IDs
- ❖ Research and document internal business rules associated with assignment of provider identifiers in databases and legacy applications



NPI Implementation Approach

Business and Technical Assessment

- ◆ **Step 2 - Understanding the systems impacts** (*continued*)
 - ❖ Develop NPI strategy for collection, validation, storage and cross-walk
 - Determine location for the source of record
 - Carefully consider the cross-walk design
 - Understand interface requirements to other business applications
 - Consider data access and information flows to corporate data environment
 - ❖ Assess impact to existing HIPAA transaction maps and develop NPI transition strategies
 - ❖ Assess impact to other enterprise business related strategies and projects
 - ❖ Develop system upgrade/conversion plans for systems supported by outside vendors



NPI Implementation Approach

Business and Technical Assessment

◆ Step 3 - Coordinating with the provider community

- ❖ Develop and implement a provider NPI communication plan which creates awareness, identifies NPI transition processes/schedules and sets expectations proactively
- ❖ Meet with providers with complex contracting arrangements to determine sub-parting strategies that will meet both provider and health plan needs
 - health plans may need to change their contract structures and payment schedules to accommodate new provider structuring
- ❖ Sequencing and coordinating with clearinghouses and direct connect providers can avoid a conversion crisis in 2007



NPI Implementation Approach

Business and Technical Assessment

◆ Step 4 - Implementing the use of the NPI

- ❖ Establishing a crosswalk for legacy ID/NPI relationships in advance of accepting NPIs on transactions may avoid processing errors
- ❖ Health plans should consider adoption of the dual identifier strategy as defined in the WEDI SNIP white paper
 - Allows Health Plans to validate the NPI against existing legacy IDs
 - Allows Health Plans and providers to validate that claims are being paid properly using legacy IDs or the new NPIs
- ❖ Health plans need to develop strategies in the following areas:
 - Collection and crosswalk of NPIs for non-par and out-of-region providers
 - Dealing with providers who are not eligible to receive an NPI
 - Transition date for cut over to NPI only on transactions (if prior to 5/23/07)
 - Contingency plans in the event a provider has not completed the NPI enumeration and notification process by the deadline



NPI Implementation Approach

Health Plan Organization For NPI

◆ Keys to Success

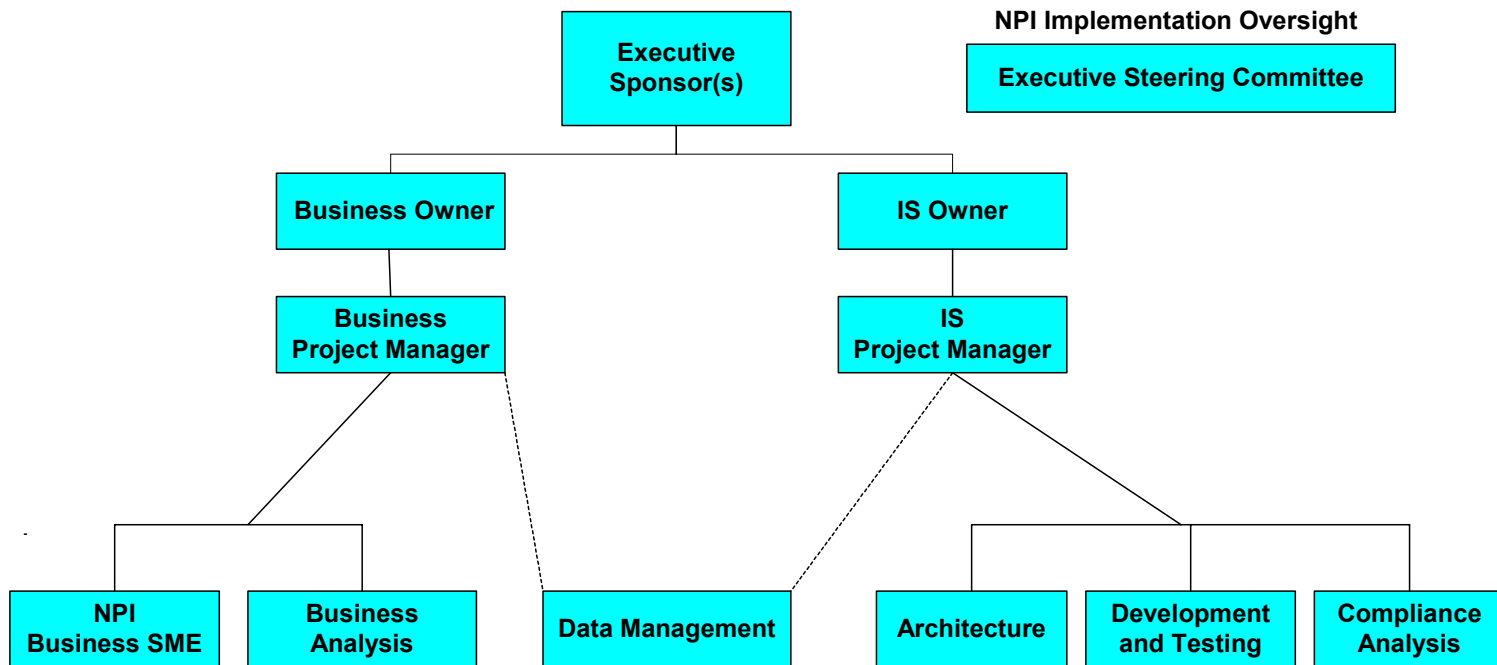
- ❖ Senior management sponsorship and understanding regarding the interim and long term impacts and changes required for NPI
- ❖ Centralized management and controls either by a designated HIPAA Program Director Office or under the governance of a HIPAA Compliance Officer
- ❖ Project management discipline to oversee all the phases of work to assure work is completed on time and funding is managed appropriately
- ❖ The right resources with the right skills at the right time are essential
- ❖ Business ownership and decision-making (this is not an IT project)
- ❖ Planning and coordination with business partners and IT vendors
- ❖ Communication, communication, communication



NPI Implementation Approach

Health Plan Organization For NPI

A proposed internal organization chart





NPI Implementation Approach

Understanding the Impact of Legacy ID vs NPI

◆ Key NPI Business Impact Assessment Questions

- ❖ Does the health plan use “logic” imbedded in existing legacy IDs for claims processing, provider analytics, reporting, provider services or other functions?
- ❖ Does the health plan depend on Medicare, Medicaid, or other health plan IDs to process crossover claims?
- ❖ Are legacy provider IDs used for creating any “boutique” benefit plans for accounts/groups/purchasers?
- ❖ Does the health plan use a PBM vendor or process Rx claims directly?
- ❖ Does the health plan have affiliates using different claims adjudication or provider systems?



NPI Implementation Approach

Understanding the Impact of Legacy ID vs NPI

◆ Key NPI Business Impact Assessment Questions (*continued*)

- ❖ How will NPI affect provider contracting -- health plans may contract with providers at both an individual and an organization level? The following legacy-to-NPI correlations must be mapped:
 - one-to-one (i.e. one Type 1 NPI to a single practitioner legacy ID)
 - one-to-many (i.e. one Type 1 NPI to several legacy IDs for a single practitioner)
 - many-to-one (i.e. several legacy IDs to one Type 2 NPI - provider's choice)
 - many-to-many (i.e. several legacy IDs to several Type 2 NPIs that may not match existing contract structures)

- ❖ What business opportunities exist with the transition to NPIs?



NPI Implementation Approach

Understanding the Impact of Legacy ID vs NPI

◆ Key NPI Technical Strategies

- ❖ Applications, databases and interfaces must be analyzed to see if they currently accommodate a 10 digit provider ID
 - Each object must be assessed to determine if an additional element (NPI) is needed in order not to break an existing process
- ❖ Continuity and accuracy of auditing, reporting, analytics and other processing of provider data over an extended time period must be considered
- ❖ Existing provider databases, or a crosswalk, must correctly associate the NPI for all one-to-one, one-to-many, many-to-one and many-to-many scenarios
- ❖ New ways to validate the accuracy and integrity of new NPIs must be built (i.e. automated way to access NPES database to verify NPI against provider demographic or other information - data and method yet to be defined by CMS)



NPI Implementation Approach

Understanding the Impact of Legacy ID vs NPI

◆ Key NPI Technical Strategies *(continued)*

- ❖ Internal processing or storage of NPI data received from business partners (i.e. PBMs) must be reviewed for impact
- ❖ External processing or storage of NPI data sent to business partners (i.e. account/group/purchaser reporting, chronic disease management vendors, etc.) must be reviewed for impact
- ❖ Affected systems must be able to process with both NPI and legacy IDs, as some providers are not eligible to receive an NPI
- ❖ New web-based or other applications may need to be created to assist in the collection and validation of NPIs from the provider community



NPI Implementation Approach

Provider Communication Strategies

◆ Provider Communications

- ❖ Health plans must take the lead in communicating with their providers
- ❖ Provider bulletins, newsletters, web sites, etc. can increase awareness of the necessity to apply for an NPI and the health plan's timeframe for accepting NPIs and ultimately using the NPI
- ❖ CMS has issued a "Dear Doctor" letter, however, health plans need to help educate providers on the implications of their sub-parting, timing of application for NPIs and how to notify the health plan with their NPIs
- ❖ Collaborative communications with other local health plans and government agencies can help in sending a common message
- ❖ Providing links to the NPPES, WEDI and other HIPAA information sources and tools can assist providers in their analysis and enumeration process
- ❖ If health plans are using the dual ID transition approach, it is important to communicate specific dates and parameters around the submission of both legacy and NPI identifiers in standard transactions



NPI Implementation Approach

Transition Plans and Use of Dual IDs

◆ Use of Dual IDs

- ❖ Health plans will likely continue to process claims and pay based on the existing legacy IDs for the next year, but can begin to create and validate the appropriate relationship between existing IDs and the provider's NPIs before switching to NPI only transactions
- ❖ It is critical to determine if both health plan and provider systems can accommodate dual IDs in the standard transactions
- ❖ If a provider or a health plan system can not accommodate dual IDs within the standard transactions and back end processes, risks are higher and contingency plans must be well documented
- ❖ Providers and health plans need to agree on reasonable deadlines for the various tasks/milestones because of the internal effort and remediation work that all parties must do



NPI Implementation Approach

Transition Plans and Use of Dual IDs

◆ Use of Dual Ids *(continued)*

- ❖ Vendor & clearinghouse commitment to dual ID approach and schedules is absolutely necessary in order to make the process work
- ❖ Using dual IDs can minimize the requirements of two testing and implementation phases (if all parties agree to a common cut over date)
- ❖ Coordination between health plan, provider, or clearinghouse trading partners to convert to NPI-only use is essential
- ❖ The following is a timeline of tasks and milestones developed by the MN HIPAA Collaborative members to try and coordinate the transition to the use of the NPI

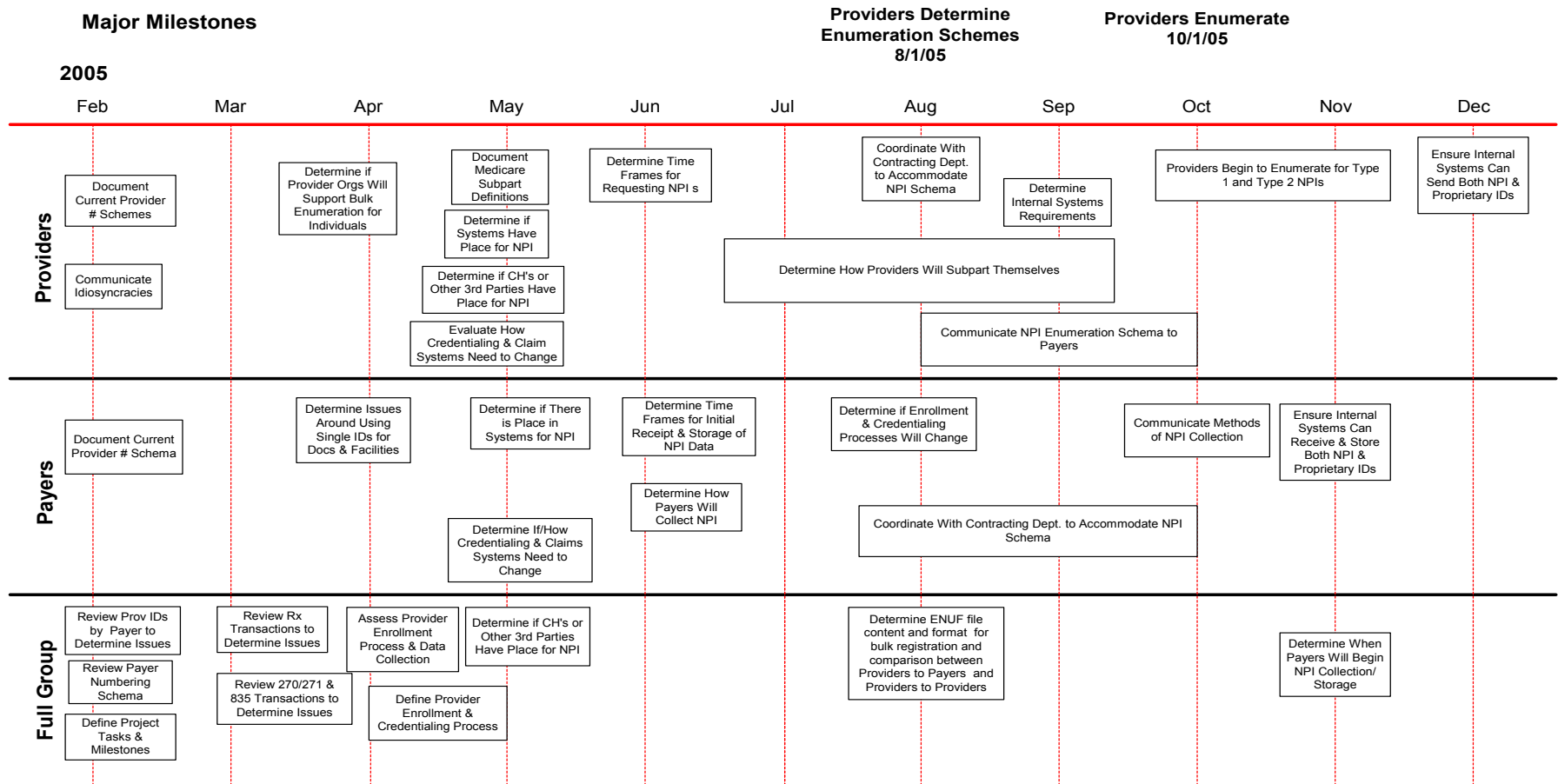


NPI Implementation Approach

Transition Plans and Use of Dual IDs

MN HIPAA Collaborative NPI Workgroup - NPI Impact Assessment & Planning

August 8, 2005





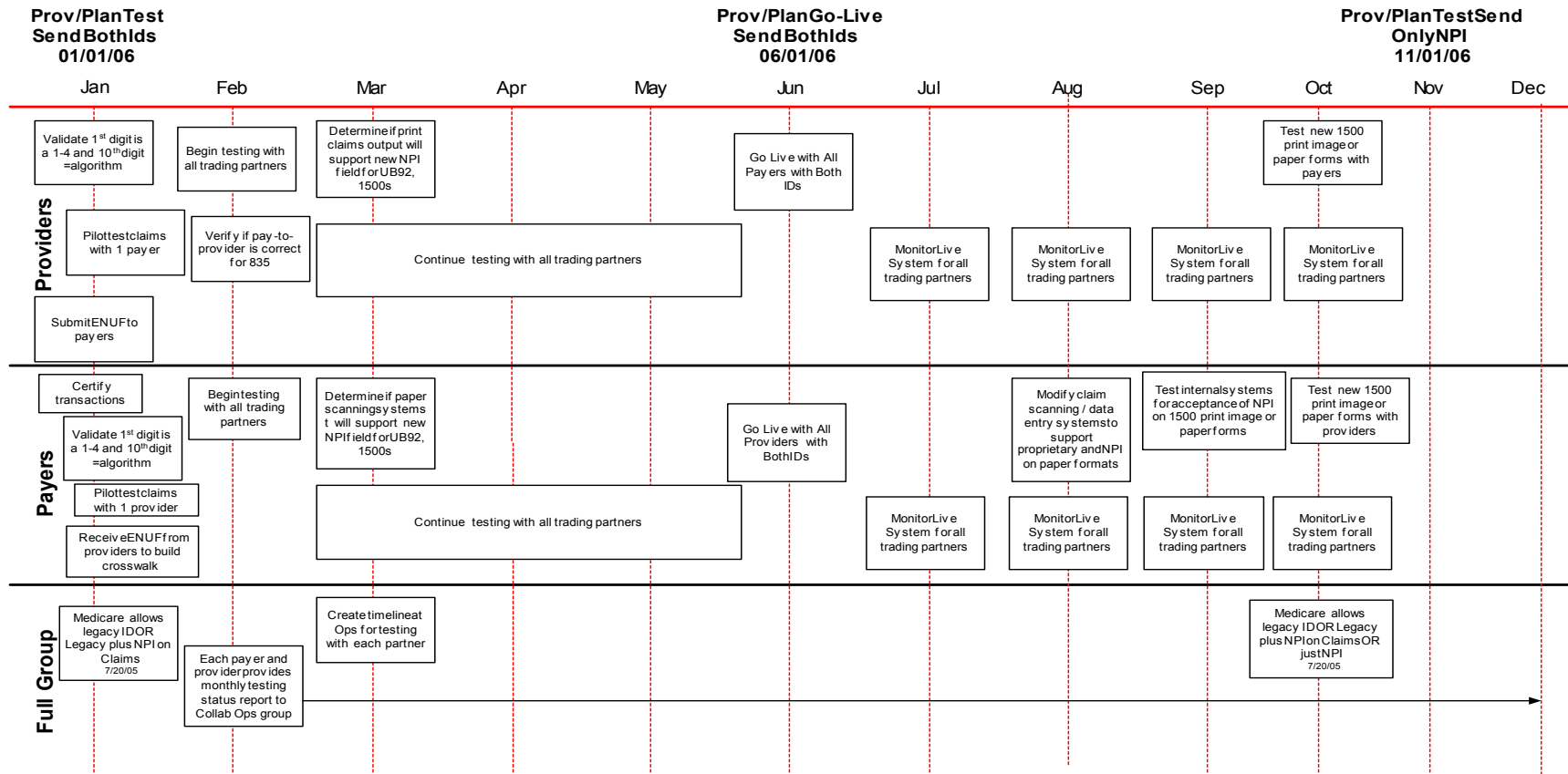
NPI Implementation Approach

Transition Plans and Use of Dual IDs

MN HIPAA Collaborative NPI Workgroup - NPI Impact Assessment & Planning - 2006

August 8, 2005

Major Milestones





NPI Implementation Approach

Strategies for Non-Par and Out-of-Region Providers

◆ Non-Par & Out-of-Region Providers

❖ NPI collection strategies:

- Create a web-based application for providers to notify NPI assignments to the health plan, and communicate that the service is available
- Send letters requesting the provider's NPI information
- National organizations that hold provider data such as CAQH, AMA, AHA, ADA, BCBSA, etc. could play a role in providing quality NPI and associated data on a national or regional scope

❖ NPES

- Probably cannot rely on NPES as the primary source to obtain NPI data on large quantities of providers to facilitate accurate matches
- Good secondary source for validation of information submitted by providers to a health plan, or to validate new NPIs submitted on claims



NPI Implementation Approach

Strategies for Non-Par and Out-of-Region Providers

◆ Non-Eligible Providers

- ❖ Health plans need to determine a strategy (i.e. continue to use existing proprietary numbers, or establish a shared process for new numbers)
 - Recommend collaboration with other health plans in the region for a ‘community’ based approach
- ❖ Strategy options:
 - Use existing IDs and make non-eligible providers manage multiple IDs (i.e. “business as usual”) - no administrative simplification
 - Develop and implement an enumeration process at a community level
 - In Minnesota, the state’s Administrative Uniformity Committee is investigating having MN Medicaid act as a state-wide “enumerator” for non-eligible providers with a new 8 digit numeric ID that would be used by all Health Plans in the state
- ❖ NPPES
 - CMS has said they are unable to “enumerate” non-eligible provider types (i.e. taxi services, interpreters, alternative medicine providers, etc), so a national solution is not evident



NPI Implementation Approach

NPI Considerations

◆ Items for All Trading Partners to Think About

- ❖ Examine the current provider contracting arrangements and determine NPI implications
- ❖ Consider strategies for sub-parting, including implications of Medicare and other government program billing requirements
- ❖ Determine system capabilities to support the dual ID implementation strategy, and if not feasible, plan your cut over very carefully
- ❖ Check with health plans you do business with for timelines, guidance, or other information regarding their implementation plans
- ❖ Proactively contact all parties involved in the use, storage, transmission and receipt of the NPI to ensure all participants in the process are prepared
- ❖ Have a back up plan in case something goes wrong or doesn't work (i.e. claims don't get paid because the health plan doesn't recognize your NPI)



Implementing the NPI - A Health Plan Perspective

Contact Information

Tom Polhemus

Blue Cross and Blue Shield of Minnesota

Office & Fax 651-662-8122

email - Thomas_Polhemus@bluecrossmn.com