

# ***NPI Compliance: Atypical Provider Enumeration***

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# Agenda

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- Session Introduction
- Background on Atypical Providers
- What We Know About Atypical Providers
- Why Enumerate Atypical Providers?
- Requirements for Enumeration
- Alternative Solutions
- Audience Questions

# ***Background and What We Know About Atypical Providers***

Linda McCardel  
Sr. Analyst  
Interactive Solutions Group MPHI  
[lmccarde@mphi.org](mailto:lmccarde@mphi.org)  
517.324.6032

## Who is eligible for an NPI?

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- NPI regulation published 1-23-04
  - Covered healthcare providers **must** obtain an NPI by compliance date and must use the NPI in covered transactions
  - A *covered health care provider* is a healthcare provider that meets the definition at paragraph (3) of the definition of covered entity at 45 CFR 160.103

## Who is eligible for an NPI?

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- From TCS Final Rule (45 CFR 160.103)
  - paragraph (3) of definition of covered entity
    - (3) A healthcare provider who transmits any health information in electronic form in connection with a transaction covered by this subchapter

## Who is eligible for an NPI?

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- From TCS Final Rule (45 CFR 160.103)
  - *Healthcare provider* means a provider of service as defined in section 1861(u) of the SSA, a provider of medical or other health services as defined in section 1861(s) of the SSA, **and** any other person or organization who furnishes, bills, or is paid for **healthcare** in the normal course of business.
- All healthcare providers are **eligible** to obtain NPI

## Who is eligible for an NPI?

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- Healthcare providers 1861(u)
  - Hospital, critical access hospital, skilled nursing facility, CORF, hospice, home health agency
- Healthcare services 1861(s)
  - Physician services, hospital services, drugs, psychologist services, home dialysis services & supplies, outpatient PT & OT, DME and medical supplies, ambulance, diagnostic services, medical screening tests, CNM & CRNA services, eyeglasses, prosthetic devices, certain shoes, etc.

## Who is eligible for an NPI?

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- From TCS Final Rule (160.103)
- *Health care* means care, services, or supplies related to the health of an individual. *Health care* includes, but is not limited to, the following:
  - (1) Preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status, of an individual or that affects the structure or function of the body; and
  - (2) Sale or dispensing of a drug, device, equipment, or other item in accordance with a prescription



# What is an “atypical provider”?

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- **Atypical** –
  - Not corresponding to the normal form or type; not typical
  - Not conforming to type; unusual or irregular
  - Deviating from what is usual or common or to be expected; often somewhat odd or strange
- **Not defined in the Final NPI Rule**
  - Not a healthcare care provider
  - Does not provide healthcare

# What is an “atypical provider”?

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- From the preamble to the Final Rule (3437)
  - Individual or organization that provides nontraditional services that are indirectly healthcare related
  - Must determine if the individual or organization provides any services that fall within definition of healthcare at 45CFR 160.103
  - If no, and does not provide other services or supplies that bring it within the definition of “healthcare provider” then not healthcare provider under HIPAA and not eligible for an NPI

# What is an “atypical provider”?

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- From Preamble to TCS Final Rule (50315)
  - Transactions for certain services that are not normally considered healthcare services, but which may be covered by some health plans would not be subject to the standards.
  - Atypical services that meet the definition of healthcare must be billed using the standards.
  - Health plans may require that atypical service providers use the standards for the plan’s own business purposes.

# Atypical Service Examples

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- From TCS Final Rule (50315) - not healthcare services
  - Nonemergency transportation
  - Physical alterations to living quarters for the purpose of accommodating disabilities
  - Vehicle modifications
  - Some Medicaid Home & Community Based services
- Case Management **is** healthcare service subject to the standards

# Atypical Service Examples

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- From NPI Final Rule (3437) – not healthcare services
  - Taxi services
  - Home and vehicle modifications
  - Insect control
  - Habilitation
  - Respite services

# Atypical Provider Examples

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- How to evaluate an atypical provider
  - Must evaluate both the service and the entity providing the service
  - Within definition of healthcare provider?
  - Does the organization or entity furnish, bill or provide healthcare (as defined in 160.103) in the normal course of business?
  - If the provider is not a healthcare provider and is not providing a healthcare service then not eligible for an NPI

# Atypical Provider Examples

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- CMS identified provider taxonomy codes that don't appear to be healthcare providers
  - Individuals
    - Contractor (home modifications) 171W00000X
    - Funeral Director 176P00000X
    - Driver 172A00000X
    - Lodging 177F00000X
    - Specialist/Graphics designer 174M00000X
    - Veterinarian 174M00000X

# Atypical Provider Examples

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- CMS identified provider taxonomy codes that don't appear to be healthcare providers
  - Non Individuals
    - Bus 347B00000X
    - Non-emergency medical transport (VAN) 343900000X
    - Private vehicle 347C00000X
    - Taxi 344600000X
    - Train 347D00000X
    - Transportation Broker 347E00000X



## **WEDI SNIP White Paper**

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- **NMEH & WEDI SNIP evaluated list of entities for atypical status**
  - Custodial care facility
  - Adult day care provider
  - School based service providers
  - Personal Emergency Response System company
  - Assisted Living Facility
  - Massage therapist

# WEDI SNIP White Paper

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- Purpose of list
  - Education
  - Document types of atypical providers
  - Relate to provider taxonomy codes
  - Gain industry consensus & agreement on certain types of providers and need for NPI

# WEDI SNIP White Paper

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- WEDI SNIP NPI workgroup white paper on atypical providers
  - Includes list of provider examples
  - Describes the services they deliver
  - Identify the current enumeration practices
  - Relate atypical providers to taxonomy codes
  - Review alternative approaches to enumeration

# What We Know

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- How are these providers enumerated now?
  - Health plans assign legacy provider ID numbers the same as for any other provider.
  - Some atypical providers are not paid directly rather receive reimbursement through an organization.
  - Some are identified by SSN/EIN and receive a check via a nonstandard billing/payment or voucher process.

# What We Know

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- How **will** these providers be enumerated?
  - Some may obtain an NPI
    - No process in NPPES to “deny” non healthcare taxonomies
    - Applying for NPI attests that they are healthcare provider
  - Enumerate on national basis, regionally, or at health plan level
  - Retain legacy ID
  - Assign new number
    - Prefix 9 digit legacy with zero
    - Prefix 9 digit legacy with alpha character
    - Other

# What We Know

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- Information request to WEDI SNIP NPI SWG and NMEH
  - Atypical providers predominantly in Medicaid but in commercial sector also
    - Non emergency transportation
    - Personal care workers
    - Non medical living facilities
    - Respite providers
    - Medicaid waiver programs
    - Adult day care

# What We Know

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- **Provider taxonomy codes**
  - A valid taxonomy code does not indicate a healthcare provider
  - Absence of a taxonomy does not indicate atypical provider
- **Atypical providers not likely to apply for NPI**
- **Non health care services not subject to HIPAA standards, however plans may require standard transactions be used**

# ***Why Enumerate Atypical Providers?***

Andrea S. Danes  
Director, Business Development  
FOX systems, Inc.

[Andrea.Danes@FOXsys.com](mailto:Andrea.Danes@FOXsys.com)

217.698.8171



# Atypical Providers: Profile

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- Still tasked with diverse enumeration rules and regulations for each payer
- Vital service providers
  - Home health aides
  - Housekeeping
- Least equipped to handle complexity
  - Minimal administrative support
  - Smaller operation
  - Less staff

# Health Plan Considerations

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- Back end reporting and outbound transactions
  - May require NPI
  - May choose to send NPI/legacy
  - May have only legacy
- Dual processing logic for legacy and NPI
- Format differences
  - Particularly problematic if legacy ID is 10-digit numeric

## **Non-standard Enumeration Issues**

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- Variance in which plans/states consider a provider atypical vs. health care (e.g. Assisted Living Services)
- Different definition of service providers and services related to benefits allowed
- Organization providing both medical and non-medical services means duplicate billing rules
- Where is the system logic to determine which identifier is appropriate?
  - May be well into adjudication system removing the opportunity for initial entry or exit validation

# Crossing the Border

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- Multi-state service providers
- Complex billing requirements
- Diverse state requirements
  - Definition of atypical providers
  - NPI compliance strategy
- Opportunity for duplicate billing

## **Coordination of Benefits**

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- Lack of standardization
- No automatic crossover process
- Costly for provider and health plan
- Inability to determine duplicative billing
- Fraud and abuse management
- Patient frustration

# ***Requirements for Enumeration and Alternative Solutions***

Peter T. Barry  
President  
The Peter T. Barry Company  
[peterbarry@aol.com](mailto:peterbarry@aol.com)  
414.732.5000

# API Basic Requirements and Desired Features

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- Unique
- Universal, not payer-specific, use the same API regardless of payer, support cross-overs and COB
- No duplicates
- Number Maintained, status becomes inactive if no longer used
- Database maintained and accurate

# API Basic Requirements and Desired Features (continued)

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- Continuity with legacy identifiers
- Enable same logic for number and database as NPI
- Technically desirable if looks like NPI, avoid identifiers of different characteristics, of different editing requirements, of different reporting



# API Enumeration and Database Maintenance

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- Need some form of bulk enumeration
- Need some method to ensure database is kept accurate and up-to-date
- Need trained persons to assist atypical providers or to apply and maintain for them
- Need means to communicate API to the atypical provider
- Need enumeration and maintenance security

# API Database Usage & Sharing

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- Need ability for a payer to access the API database:
  - Search and inquiry by a person (DDE)
  - Computer-to-computer inquiry
- Need ability for a payer to keep its files in sync with API database
- Need ability for payer to advise API database of active or inactive status

# API Database Usage & Sharing (continued)

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- Payer needs ability to integrate data from NPI and API systems to avoid having two systems; systems should only have to look at one internal directory.

# Issues

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- Would same provider need NPI when performing as a health care provider but need API when performing as an atypical provider? Could not this provider use only one identifier?

# Alternatives!

## **1. Use current payer-assigned ID**

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- Means the atypical provider must obtain a different ID from every payer
- Means the atypical provider must juggle using a different identifier for every payer.
- Means claim submitter referring to an atypical provider must juggle different IDs for every payer
- Means the identifier does not cross-over from payer to payer
- Means payers do not have an external database for the identifiers

# Alternatives!

## 2. Payer-assigned 10-char ID

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Some suggest each payer assign 10-digit ID to be technically similar to NPI.

- Problems same as continuing legacy:
  - Atypical provider must obtain an ID from every payer, must juggle different IDs for every payer.
  - Claim submitters referring to an atypical provider must juggle different IDs for every payer
  - No ability for cross-over or COB
  - Payers have no external database for IDs

# Alternatives!

## 3. Regional Coordination of APIs

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The alternative is to set up cooperative, regional enumeration of atypical providers

- That would solve a lot of the problems
- But not all. It doesn't help at the region boundaries.
- And it would require all the infrastructure that a national program would require.
- So what why not national?

# Alternatives!

## 4. National Enumeration of APIs

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A National API program meets the objectives.

- It's unique, universal, same number sent to any payer, duplicate prevention
- Supports cross-overs and COB
- Same look and feel as NPI; use same logic.
- Ability to integrate the NPI and API databases
- Single API infrastructure to develop & operate
- Infrastructure must be separate from NPPES



## **4. National Enumeration of APIs**

### **Basic Considerations**

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Should atypical providers be responsible for their own enumeration or should payers apply on their behalf?

Application methods:

- Bulk enumeration from existing files
- Web-based application
- Telephone application (like IRS for EIN)

## **4. National Enumeration of APIs Basic Considerations (Continued)**

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How to fund the initiative? There not much in the typical state's budget.

How soon must it be operative?

# ***Audience Questions***

Thank you!!