

Executive Briefing

Medicare NPI - Still Working Through Issues

By David Moise, Decide Consulting

Summary

As the Centers for Medicare and Medicaid Services begin implementation of NPI for Medicare claims, healthcare clinics are being promised greater efficiency and expediting of their claims. There are issues on both sides of the fence that prohibit this from being a reality.

When the Health Insurance Portability and Accountability Act of 1996 (HIPAA) was passed, it mandated that a unique, shared identification number be issued to healthcare providers and healthcare entities. The Centers for Medicare and Medicaid Services (CMS) began issuing National Provider Identifier (NPI) numbers in October 2006.

There are several legacy healthcare identifiers. Some of them include:

- Online Survey Certification and Reporting (OSCAR)
- National Supplier Clearinghouse (NSC)
- Provider Identification Numbers (PINs)
- Unique Physician Identification Numbers (UPINs)

One of the main goals of the NPI implementation was to simplify the identifiers used in healthcare claims. It has the added benefit of identifying providers on prescriptions, internal files, patient medical record systems and any other standard transaction. In short, replace all of the other identifiers with a single permanent number. This number could follow a provider regardless of job or geographical changes.

CMS's original date to force implementation was May 23, 2007. It subsequently extended that until May 23, 2008. Even with the extension, it seems CMS is vague about the penalties that may, or may not, be assessed for non-compliance.

NPI is a good idea and, in the long run, it is good for everyone. Any clinic, or software provider that services them, would rather use one number than navigate the maze of multiple numbers and trying to determine when to use what.

Let us not assume that just because there is only one number everyone is ready to gather around the NPI campfire singing Kum-Ba-Yah.

Not all of the other numbers are being replaced - NPI has just become one more field on the claim. Every number that was already there is often still required to be there for payment. While many of these numbers will eventually become obsolete, what motivations do the payors have to change? Changing the systems to only accommodate NPI is an expensive proposition on both sides. Most Payers have instituted some form of "cross-walking" to link the existing legacy id to the new NPI. Until this cross-walk process is completed the use of the old Id numbers will continue.

Providers are not using their NPI as envisioned - Practice Management software and clearinghouses report that their user communities are requesting features to allow creating of claims using different NPI numbers for each location. In some instances different NPI numbers for each department within a location. This has been approved by HRSA by viewing the different locations and departments as “subparts” of the primary entity. Many clinics are also requesting ways to bill for providers who are not credentialed with a payer by using another provider’s information, including the other provider NPI. In short, doctor A is using the NPI of doctor B. The software vendors see this, but they are not exactly the NPI police and are doing what they can to service their clients.

Clearinghouses strip off / add on --Many clinics are seeing their claims go out the door with the NPI on them. Once the file gets to the clearinghouse, it may be removed. Clearinghouses that are behind schedule in implementing NPI are creating a house of cards for their clients. Many might be able to replace this with actual NPI functionality, but this becomes a dangerous game, especially when the clinic is thinking they have implemented NPI.

Eventually NPI issues will be resolved and claims will process in a more efficient and expedited manner. Until we cross that bridge, healthcare clinics and private practices that accept Medicare will experience some payment and claim processing delays.

About the Author

David Moise is the founder and president of Decide Consulting. Started in 2002, Decide Consulting has been servicing multiple healthcare companies since then. Healthcare has continued pressing needs to expand access and care and still control costs. Decide Consulting understands that increased efficiency is the answer. For more information on Decide Consulting, please visit <http://www.decideconsulting.com>