CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 1349	**Date: OCTOBER 5, 2007**
	Change Request 5728

SUBJECT: Medicare Fee For Service (FFS) National Provider Identifier (NPI) Final Implementation

I. SUMMARY OF CHANGES: Medicare FFS will not allow Medicare legacy numbers on electronic claims and other HIPAA transactions when CMS ends its NPI contingency.

NEW / REVISED MATERIAL
EFFECTIVE DATE: *No later than May 23, 2008
IMPLEMENTATION DATE: January 7, 2008 and April 7, 2008

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	Chapter / Section / Subsection / Title
N/A	

III. FUNDING:
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

IV. ATTACHMENTS:

One-Time Notification

**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-04	Transmittal: 1349	Date: October 4, 2007	Change Request: 5728

SUBJECT: Medicare Fee For Service (FFS) National Provider Identifier (NPI) Final Implementation

EFFECTIVE DATE: No later than May 23, 2008

IMPLEMENTATION DATE: January 7, 2008 and April 7, 2008

I. GENERAL INFORMATION

A. Background: The Health Insurance Portability and Accountability Act (HIPAA) of 1996 required issuance of a unique national provider identifier (NPI) to each physician, supplier, and other provider of health care who conducts HIPAA standard electronic transactions. CMS began to issue NPIs on May 23, 2005. CMS has been allowing transactions adopted under HIPAA to be submitted with a variety of identifiers. They are:

- NPI only
- Medicare legacy only
- NPI and legacy combination

On April 2, 2007, the Department of Health and Human Services (DHHS) provided guidance to covered entities regarding contingency planning for the implementation of the NPI. As long as a health plan is compliant, meaning they can accept and send NPIs on electronic transactions, they may establish contingency plans to facilitate the compliance of their trading partners. As a compliant health plan, Medicare fee for service (FFS) established a contingency plan on April 20, 2007, that followed this guidance. This CR directs contractors to begin rejecting HIPAA inbound claims if they contain legacy provider identifiers. Shared system analysis work will occur in the January 8, 2008 timeframe and the April 4, 2008 date is for the release, if the work can't be completed within the January 2008 release.

B. Policy: Medicare FFS requires transactions to contain an NPI; it also currently allows both NPI and legacy identifiers. When CMS ends its' contingency, the legacy number will NOT be permitted on any inbound electronic or outbound electronic transaction (there are exceptions to the 835 remittance). Contractors are to begin rejecting electronic claims, including direct data entry (DDE), that contain a legacy provider identifier for any primary provider. The NPI must be sent on the 837 coordination of benefits (COB) transaction. Legacy numbers are not allowed. Since the paper claims are not HIPAA transactions, these requirements do not apply to paper, however, providers should not send legacy on paper claims once CMS ends its' NPI contingency.

II. BUSINESS REQUIREMENTS TABLE

Use"Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)							
		A/B	DME	FI	CAR	DME	RHH	Shared-System Maintainers	OTHER

								FISS	MCS	VMS	CWF	
5728.1	Shared system maintainers shall provide user controlled logic to allow contractors to begin rejecting claims, based on date of receipt, that contain a Medicare legacy number for primary providers, when directed by CMS. Note: CR5674 will address secondary provider editing.							X	X	X		
5728.2	Contractors and their shared system maintainers shall reject and/or return to provider all inbound electronic 837 professional and 837 institutional, and NCPDP claims (refer to CR 5716), including direct data entry (DDE), if they contain a legacy identifier for a primary provider, when directed by CMS.	X	X	X	X		X	X	X	X		
5728.2.1	Fiscal Intermediaries (FIs) and their shared system maintainer shall edit the REF01data element for the value of either "1C" (Medicare Provider Number) or "1G" (UPIN) in the following loops of the 837 claim transaction: - 2010AA and 2010AB. If those values are present, the FIs and their shared system maintainer shall reject the claim.	X		X			X	X				
5728.2.2	Carriers and their shared system maintainers shall edit the REF01data element for the value of either "1C" (Medicare Provider Number) or "1G" (UPIN) in the following loops of the 837 claim transaction: - 2010AA, 2010AB, 2310B, 2330E (only the value "1C" applies to this loop), and 2420A. If those values are present, the carriers and their shared system maintainers shall reject the claim.	X	X		X				X	X		
5728.3	Contractors and their shared system maintainers shall not report Medicare legacy numbers on the outbound coordination of benefits (COB) transaction. Note: An exception is permitted for those claims that have not cleared the system by the date CMS ends its' NPI contingency. Those "pending" claims may contain legacy number, so the COB will also include the legacy number.	X	X	X	X		X	X	X	X		

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)										
		A/B MAC	DME MAC	FI	CARRIER	DMERC	RHHI	Shared-System Maintainers				OTHER
								FISS	MCS	VMS	CWF	
5728.4	A provider education article related to this instruction will be available at www.cms.hhs.gov/MLNMattersArticles shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X	X	X	X	X	X					

IV. SUPPORTING INFORMATION – N/A

V. CONTACTS

Pre-Implementation Contact(s): Joy Glass, (410) 786-6125

Post-Implementation Contact(s): Joy Glass, (410) 786-6125

VI. FUNDING

A. ***For Fiscal Intermediaries and Carriers*****:**
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. ***For Medicare Administrative Contractors (MAC)*****:**

The contractor is hereby advised that this constitutes technical direction as defined in your contract. We do not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts specified in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the

Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.