

# UNDERSTANDING THE NPI



HIPAA has affected nearly everyone in health care since its 1996 inception. One of the latest requirements is the introduction of a National Provider Identifier (NPI).

Delta Dental is committed to helping you understand the NPI process and benefit from the new system. Here's some basic information to help you understand the regulation and its requirements.

## Who Needs an NPI?

If you answer "yes" to any one of the following questions, you are considered a "covered entity" under the NPI standard and are *required by federal law* to obtain an NPI.

- Have you submitted claims electronically?
- Have you submitted claims attachments electronically?
- Have you used the Internet to verify eligibility or check on the status of a claim?

If you answered "no" to all of the above, you should still consider obtaining an NPI. Why?

- One simple identifier eliminates the need to maintain and match identification numbers to specific payers for transactions.
- The NPI allows professionals to relocate practices or change specialties without requiring new identifiers from multiple payers.
- Standardized identifiers will help reduce costs and simplify health care transactions throughout the system.
- The NPI will contribute to more efficient coordination of benefits.
- Some, although not all, health plans may choose to require NPIs on all transactions.

## About the NPI

- Replaces other identifying numbers currently used in electronic transactions, such as the Medicaid, Blue Cross and Blue Shield, UPIN, CHAMPUS and other certain "legacy" numbers.
- Does not completely replace social security numbers, DEA numbers, taxpayer ID numbers, taxonomy (specialty) numbers or state license numbers, since these are used for purposes other than general identification.
- Issued by the government through a contractor, which is responsible for processing applications and assigning numbers.
- All individual health care providers (including dentists) and organizations such as clinics and group practices are eligible to obtain an NPI.

- Only "covered entities" as defined under HIPAA are required to obtain one (see "Who Needs an NPI?").
- Acquiring an NPI does not make you a covered entity.
- 10-digit numbers that are unique to each health care provider or organization.
- Random numbers that contain no coded information about the provider or organization.
- Permanent identifiers that do not change over time or expire.

## The Application Process

Applying for your NPI is free and takes about 20 minutes to complete.

1. Visit <https://nppes.cms.hhs.gov>
2. Complete the application and follow instructions to submit either online or by mail. Faxes are not accepted.
3. After confirmation of the receipt of your application, you should receive your NPI via e-mail within one to five business days if you submitted the application online. Mailed applications may require up to 20 days to process.

## What Should I Do With My NPI?

- Each health care payer will notify you when they are ready to begin accepting NPIs in place of other identifiers on transactions. Watch for notification from Delta Dental.
- Health care professionals who are considered "covered entities" are required to begin using NPIs on electronic transactions no later than May 23, 2007.
- Health care payers and clearinghouses are required to accept NPIs on transactions no later than May 23, 2007.
- If any of the data related to your NPI changes, you are responsible for submitting these updates to the NPS within 30 days of the changes. Examples include name or address changes.

You may receive notices about the NPI from other dental plans with which you do business, but you need apply only once for an NPI. The same NPI is used for every dental plan, however you must notify each dental plan of your NPI separately.

## Want to Learn More?

- <https://nppes.cms.hhs.gov>
- <http://www.cms.hhs.gov/NationalProvIdentStand/>