CMS Goes Ahead With National Provider Identifier

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Contributing Writer

WASHINGTON — Medicare has stopped accepting claims that contain outdated provider identifying numbers, even if the claims also include a National Provider Identifier, despite concerns voiced by physician groups that many are still not ready.

The original deadline for switching to exclusive use of the National Provider Identifier (NPI) was May 23, 2007, but the Centers for Medicare and Medicaid Services gave the medical community another year to prepare. According to the agency's statistics, nearly 99% of claims were already being submitted with an NPI. However, a much lower number, about 37%, were being submitted without a legacy number as well.

Just days before the deadline, members of Medicare's Practicing Physicians Advisory Council voiced their own concerns and tribulations in working toward compliance with the NPI requirements.

"The potential of claims not being paid looms large," said Dr. Arthur Snow, a PPAC member and family physician from Shawnee Mission, Kans.

Previous deadlines, such as the March 1 requirement to use an NPI for all primary provider fields, have already created payment backlogs, said several PPAC members, who complained their staffs have spent hours digging up NPI numbers manually because their software has not been updated to meet the new requirements.

"We went through about 2 months of rejections and the same situation you heard about before where our cash flow went down to zilch. It's been a major, major headache in our office and they're still trying to get those numbers," said PPAC member Dr. Jeffrey Ross, a physician and podiatrist from Houston.

The physicians made several recommendations to CMS staff, such as delaying the move to NPI-only or, at the very least, closely monitoring implementation for potential problems.

The American Medical Association, the Medical Group Management Association, and the American Hospital Association delivered a similar message a couple of days later in a letter to Health and Human Services Secretary Mike Leavitt.

"Although we and our members have worked diligently and invested significant time and resources to comply with the NPI deadline, the health care industry is not well served by terminating the 1 year NPI contingency time frame at this time. Doing so will only make what has been a complex undertaking, an exceedingly disruptive transition," the groups wrote.

The letter cites an analysis by Emdeon Business Services, the nation's largest medical claims clearinghouse, suggesting that as of the end of April, 10% of claims were being submitted without an NPI and close to 70% were carrying a legacy number for a secondary provider, potentially affecting billions of dollars' worth of claims.

Although it is still too early to know whether the NPI-only policy will lead to delays in reimbursement, there have been few complaints to Medicare so far, according to a Medicare official.

Preliminary trends suggest that most of the claims being rejected for having legacy identifiers have the outdated numbers for secondary providers. Medicare has been advising physicians to either contact secondary providers for their NPI numbers or to get them off the Web-based registry for the identifiers. ■

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