

Date: 10/04/07

Web Announcement 161

NPI NEWS: Issues Related to Clearinghouse and Billing Service Practices in Medicare Claims Processing

As part of the efforts to fully implement the National Provider Identifier (NPI), Medicare fiscal intermediaries, carriers and Medicare Administrative Contractors for Medicare Parts A and B (A/B MACs) have begun calling providers who are not sending their NPI on claims or are sending incorrect NPI information. The research has brought to the attention of the Centers for Medicare & Medicaid Services (CMS) that:

- Some clearinghouses may be stripping the NPI off the claim prior to its submission to Medicare for claims processing. Clearinghouses may be adding the NPI back onto the Remittance Advice, so that providers are unaware that NPIs are being removed prior to being sent forward.
- Some billing services (or “key” shops) are not putting the NPI on the claim, contrary to provider instructions.
- Some clearinghouses are not forwarding to providers the carrier NPI informational claim error messages designed to help the provider understand the problems Medicare is encountering in attempts to crosswalk the NPI to legacy identifiers.

Medicare contractors are turning on edits to begin validating the NPI/legacy pair against the Medicare NPI crosswalk. If the pair on the claim is not found on the crosswalk, the claim will reject. Stripping the NPI submitted by a provider from the claim adversely affects Medicare provider incentive cash flow, payers that receive crossover claims, and the efforts of Medicare to fully implement NPI.

If you are a clearinghouse or billing service that is stripping or not sending the NPI, Medicare would like to better understand the reasons behind this practice as well as the expected timeframe during which this will continue to occur. Therefore, CMS asks those willing to discuss this problem with CMS staff to please contact Aryeh Langer at Aryeh.langer@cms.hhs.gov or Nicole Cooney at Nicole.cooney@cms.hhs.gov before Wednesday, Oct. 10, 2007.

Getting an NPI is free - not having one can be costly.