Ready or Not, NPI-Only Policy Is Implemented

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WASHINGTON — Medicare has stopped accepting claims that contain outdated NPI numbers for repeat colonoscopies submitted by physicians, even if the claims also include a National Provider Identifier, despite concerns voiced by physician groups that many of them 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 before the deadline, nearly 95% 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 concerns about working toward completion with the NPI requirements. “The potential of claims not being paid looms large,” said Dr. Arthur Strong, a podiatrist from Houston.

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 they have dedicated hours of staff time to digging up NPI numbers manually because their software has not been updated to meet the new requirements.

“It’s been a major, major headache,” said PPAC member Dr. Jeffrey Ross, a physician and podiatrist from Houston.

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

The American Medical Association, the Medical Group Management Association and the American Society for Gastrointestinal Endoscopy sent letters to Medicare Administrator Donald Shalala expressing serious concerns about the deadline.

The letters are being delivered in a similar message a couple of days later in a letter to Health and Human Services Secretary Michael 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 one-year NPI contingency time frame, [it] will only make what has been a complex undertaking, an exceedingly disruptive transition, the groups wrote.

The letter cited another recently by Emdeon Business Services, the nation’s largest medical claims clearinghouse, which suggests 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 impacting billions of dollars worth of claims for Emdeon alone.

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

Medicare has been advising physicians to either contact secondary providers for their NPI numbers or to get it off the Web-based registry for the identifiers. However, there have also been early reports of the network being overwhelmed by demand.

If neither approach works, physicians can put their own NPI in place of the secondary provider’s to avoid having the claim rejected, according to CMS guidance.

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