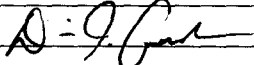




# Bureau of TennCare

## Policy Manual

Policy No: PRO 07-001 (rev 1)	
Subject: MCC and Provider Compliance with NPI Requirement	
Approval: 	Date: 6/8/2009

### PURPOSE:

The purpose of this policy is to identify the Bureau of TennCare's compliance expectations that shall guide the Managed Care Contractors (MCCs) and all TennCare healthcare providers on the TennCare requirements regarding the National Provider Identifier (NPI).

### BACKGROUND:

The *Health Insurance Portability and Accountability Act of 1996 (HIPAA)* mandated the adoption of standard unique identifiers for health care providers, as well as the adoption of standard unique identifiers for health plans. The purpose of these provisions is to improve the efficiency and effectiveness of the electronic transmission of health information. The Centers for Medicare & Medicaid Services (CMS) has developed the **National Plan and Provider Enumeration System (NPPES)** to assign these unique identifiers.

### POLICY:

TennCare requires all eligible TennCare providers to obtain an NPI for purposes including, but not limited to, provider identification in any and all standard electronic and paper transactions<sup>1</sup> conducted with TennCare and its Managed Care Contractors (MCCs). TennCare now requires a NPI for the billing provider and rendering/servicing provider on all claims received from a healthcare provider. The Bureau also requires the inclusion of a NPI for all other providers (e.g. referring, operating, etc.) on all claims from a healthcare provider.<sup>2</sup> TennCare requires that all eligible providers obtain and register their NPI with TennCare and any contracted MCCs prior to submission of

claims on or after the compliance date in order to receive reimbursement for covered services. TennCare no longer accepts the legacy identification numbers for healthcare providers and now denies the claim if the NPI does not appear on the claim.

**PROCEDURE:**

1. All healthcare and atypical providers must be enrolled with TennCare to obtain payment for services rendered.
2. Healthcare providers new to TennCare must complete enrollment with TennCare and must supply their NPI verification information to TennCare at the time of enrollment.
3. Enrolled healthcare providers will be required to submit the NPI verification documentation received from NPPES to TennCare and any MCC they are contracted with to provide covered services. This information will be included in the provider file and will be used for claims processing.
4. If an enrolled Provider changes any personal or professional information including name, location, taxonomy, etc., these changes must be reported to NPPES and TennCare within thirty (30) days of the change.
5. MCCs will be required by contract to receive the NPPES verification form and store that form for a period of seven (7) years, subject to audit from TennCare.
6. MCCs will be required by contract to receive the Excel spreadsheet, or equivalent, resulting from bulk enumeration and keep that form for a period of seven (7) years, subject to audit from TennCare.
7. TennCare shall require the utilization of the check digit logic for validation of the NPI number<sup>3</sup>. MCCs will be required by contract to use Luhn check sum logic to validate all NPIs received, entered or transmitted by their systems, subject to audit by TennCare.
8. TennCare shall require that all electronic and paper claims include an NPI and, taxonomy code where appropriate as well as any other appropriate identifying information for all referenced providers. Providers and MCCs must adhere to claim content requirements as specified in relevant transaction implementation guides, companion guides or provider billing manuals as currently published or subsequently revised.
9. TennCare shall require that complete and accurate information be submitted for all providers, billing and pay to addresses, and service locations associated with a claim.
10. TennCare and its contracted MCCs will reject or deny any healthcare claims that do not contain required provider identification information for adjudication<sup>4</sup>.
11. Because eligible healthcare providers will have an NPI, they shall bill using that NPI for any atypical services rendered, even if such billing for such services might not otherwise require or allow use of NPI by an atypical provider.

12. If the healthcare provider uses one or more business associates to conduct standard transactions on its behalf, it must require its business associate(s) to use its NPI and other NPIs appropriately as required by the transactions that the business associate(s) conducts on its behalf.<sup>5</sup>

For further information regarding the TennCare NPI policies and/or the compliance standards expected for MCCs and Providers, please go to the TennCare website at <http://state.tn.us/tenncare>.

## **DEFINITIONS:**

**Atypical Provider:** An “Atypical,” or “non-traditional,” provider furnishes services that can be indirectly healthcare related, such as taxi, home and vehicle modifications, insect control, habilitation and respite services. Many of these services do not qualify as healthcare; therefore, the provider would not be eligible to receive an NPI.

**Healthcare Provider:** Individuals or organizations who provide care, services or supplies related to the health of an individual. Examples include, but are not limited to, preventive, diagnostic, therapeutic, rehabilitative, maintenance, or palliative care, and counseling, assessment or procedure with respect to the physical or mental condition or functional status of an individual that affects the structure or function of the body. The provision of care also includes the dispensing of a drug, device or equipment or other item in accordance with a prescription.<sup>6</sup>

**Managed Care Contractor (MCC):** Managed Care Contractors are collectively grouped and include Managed Care Organizations, Pharmacy Benefit Management Organizations, Behavioral Health Organizations and Dental Benefit Management Organizations. Collectively the acronym “MCCs” will appear throughout the policies.

**National Provider Identifier (NPI):** The National Provider Identifier is a 10-position numeric identifier, with a check digit in the 10<sup>th</sup> position, and no intelligence about the health care provider in the number.

## **OFFICES OF PRIMARY RESPONSIBILITY:**

**Information Systems**

**Provider Services**

**Contract Compliance Unit**

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<sup>1</sup> 45 CFR § 162.410 Implementation specifications: Healthcare providers. January 23, 2004.

45 CFR § 162.923 Requirements for covered entities

<sup>2</sup> The original requirement date for use of NPIs was May 23, 2007 (45 CFR §162.404). As the result of a delay in the implementation of the NPI requirement by CMS, the Bureau invoked its approved contingency plan with the dates as stated herein.

<sup>3</sup> 45 CFR § 162.406 Standard unique health identifier for healthcare providers January 23, 2004

<sup>4</sup> 45 CFR § 162.412 Implementation specifications: Health Plans. January 23, 2004.

<sup>5</sup> 45 CFR § 162.410(a)(5) Implementation specifications: Health care providers.

<sup>6</sup> 45 CFR §§ 162.402 and 160.103 Definitions of Healthcare providers