Compulink
Practice Management Software
2645 Townsgate Road, Suite 200 ~ Westlake Village, CA 91361
Phone: (800) 888-8075 ~ Fax: (805) 497-4983

Testing NPI ONLY Electronic Claims with Health Insurance Payers

(For clients on Version 9.0)

Last revised: 4/21/2008

As we approach the May 23, 2008 deadline for implementing NPI (National Provider Identifier) ONLY, health insurance payers are currently allowing claims to be submitted two ways: 1) Dual Use: submit the NPI numbers plus the legacy identifier (provider number); or 2) NPI ONLY: submit just the NPI numbers. Effective March 1, 2008, CMS (Center for Medicare and Medicaid Services) began requiring that all claims contain the appropriate NPI numbers in the claim files or those claims will be rejected. Legacy identifiers were still allowed to be submitted on the claim. Effective May 23, 2008, CMS will require that you submit the NPI ONLY with no legacy identifiers, and any claims containing a legacy identifier will be rejected.

To ensure a smooth transition to NPI ONLY, health insurance payers are requesting that you, the provider, send test files of NPI ONLY electronic claims to make sure test claims are processed without rejections to allow you to take corrective action as necessary before the 5/23/08 deadline. Compulink is STRONGLY encouraging you to consider testing NPI ONLY. It is your responsibility to contact the health insurance payers with which you do business to find out if they require such testing and to learn their specific testing requirements. The purpose of this document is to guide you through this process and to instruct you on how to test NPI ONLY using the Compulink Advantage software.

With whom must you test?

You should consider testing with all the health insurance payers with whom you do business, including: your local Blue Cross/Blue Shield, Medicaid, Medicare, Medicare DME, Railroad Medicare, and Commercial insurance payers. This list is included as an example but there may be additional payers not included in this list with whom you should test as well. It is your decision who to test with based on your business needs. Please also consider the following in making your decision:

- Direct submission products. If you are actively using one or more of our **direct submission products** (e.g. to Medicare, to BC/BS, to Medicaid, etc.) to submit directly to a payer, you must test if the payer requires it.

- Emdeon clearinghouse (formerly known as NEIC, WebMD, Envoy). For any payers to whom you are actively submitting through the **Emdeon clearinghouse**, please review the following:

- Testing. The Emdeon clearinghouse can accept and pass NPI ONLY claims for all payers that have notified Emdeon that they can accept NPI ONLY claims. For these payers, Emdeon has relaxed the previous requirements for the legacy provider identifiers to allow NPI ONLY claims to be sent.
  - If you are planning to test one or more payers through Emdeon, be aware that for many payers, Emdeon still has edits in place (as agreed with the payer) requiring that a legacy identifier be submitted, and this will effectively prevent such testing. You can submit a small number of claims (e.g. 5 claims) to see if such an edit is in place before proceeding with your test with that payer. Emdeon continues to contact these payers to encourage them to begin accepting NPI ONLY claims ahead of the May 23, 2008 deadline.
  - Please be aware that when payers receive dual use claims, you may receive "informational" edit errors on reports coming back from them warning that while dual use is acceptable at present it will result in rejections as of a specified date. Such informational edit errors are likely to continue occurring up to the payer's NPI ONLY required date as that is when Emdeon is likely to begin stripping legacy identifiers.

- Stripping of legacy identifiers

  Background. Since March 2006, Emdeon has been advising providers to send both NPI and legacy provider identifiers on all claim transactions and Emdeon will manage the transmission of provider identifier data content based on the payer's requirements at any stage along the NPI readiness continuum. During this transition timeframe, payers have notified Emdeon as they continue to upgrade their systems to accommodate the NPI and many are still in various phases of the transition towards full NPI compliance. Various responses received from payers by Emdeon include:
  - They are not yet ready to accept the NPI and therefore still require only legacy identifiers.
  - They are ready to receive the NPI, but still also require the legacy identifier (dual use).
  - They are ready to accept NPI only, but will still accept both the NPI and legacy identifiers.
  - They require only the NPI for primary provider identifier (e.g. Billing and Rendering), but will accept the NPI or the legacy identifier for the secondary providers on the claim (e.g. Referring and Ordering).
  - They require only the NPI for all provider identifiers on the claim.

  Recommendation. Rather than place the burden on you, the provider, to know where each payer stands regarding NPI readiness on any given day and expect you to keep your Bill ID tables in synch, Emdeon, as your clearinghouse partner, has assumed that responsibility. As such, Emdeon has continued to recommend that during the contingency period leading up to the NPI compliance date, May 23rd, 2008, providers send <u>both</u> NPI and legacy identifier data content on <u>ALL claims</u> to <u>ALL payers</u> for all providers identified in a claim. If both the NPI and legacy identifiers are sent on claims, Emdeon will manage the transmission of provider identifier data content based on the payers' requirements.

<u>Consequences of not testing</u>

Failure to test with payers that require it can result in:

- Denials and rejections after the NPI ONLY deadline due to the NPI number not being linked correctly in the payer's system (crosswalk issues) or due to other issues.

- Interruption of your cash flow.
  (NOTE: Compulink can accept no responsibility for problems caused by your failure to test! While we will, of course, assist you with rectifying any problems that arise, it is best to be proactive and test NPI ONLY in advance rather than having to be reactive and address NPI ONLY issues after they have had a negative impact on your practice.)
- Issues with timely filing of electronic claims.

Prerequisites to testing

- Must have reviewed this document.
- Must have already updated to Version 9.0 of Compulink Advantage software. In order to submit NPI ONLY through the Compulink Advantage software you must be on Version 9.0. To learn more about the Version 9.0 update process:
  - Please visit our web site, www.compulink-software.com, and under Quick Links, click on: *9.0 Version required for NPI Only May Deadline*.
  - Attend the mandatory *9.0 Overview* WebEx class. Register on our web site here: Services>Training>Internet Based Training. See above Quick Link for other related WebEx classes.
- Must have already set up NPI numbers in your Advantage software. For assistance with this, attend the *9.0 NPI Overview* WebEx class. Register on our web site as mentioned above.
- Recommended: Attend our *9.0 Testing NPI ONLY* class. This class covers the material presented in this document and is strongly recommended.

NOTE: The above WebEx classes are also offered as prerecorded sessions that you can view any time! On our Internet Based Training page, look for "**NEW!! Click here for Eyecare and Eyemd Advantage Pre-recorded Sessions"**

Please take advantage of these materials we are making available to guide you. Those who call Compulink Support without first doing so will be directed back to the "how to" documentation and accompanying classes for further information.

The NPI ONLY Testing Process

As the biller for your practice, it is your responsibility to test NPI ONLY with your insurance payers. Here is the process Compulink recommends you follow for each payer with whom you are testing:

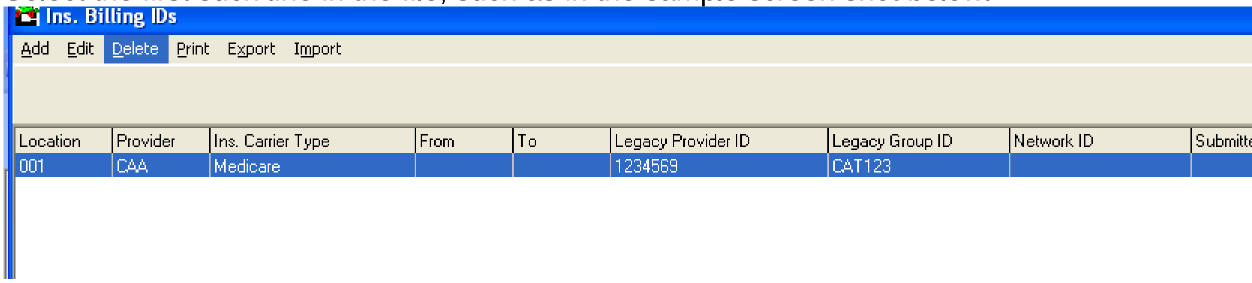
1. Obtain/confirm testing requirements. Contact the payer to inquire if testing is required for NPI ONLY. Bulletins and mailings you've received are always a good place to start looking for this information, as is the payer's web site. Alternately, you may call the payer's EDI Help Desk.

2. Notify payer of test file submission. You may need to contact the payer's EDI Help Desk before sending an NPI ONLY test file if so stated in their instructions. If the payer has specific instructions for submitting NPI ONLY test files that you think may need to be addressed, please forward documentation to Compulink's EDI Department for further assistance.

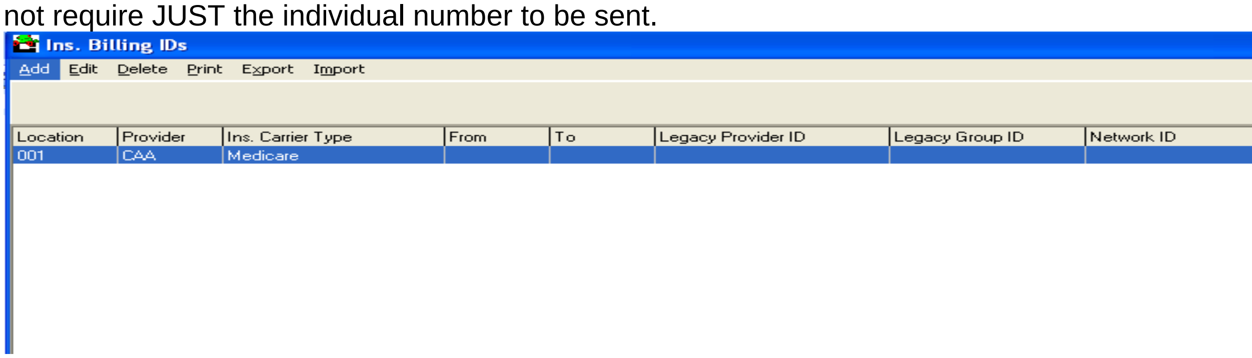
3. Print a copy of your complete Bill ID table before making the changes discussed below so you have a "before" version that includes your Legacy Provider IDs and Legacy Group IDs available to refer to later.

4. In order to submit an NPI ONLY test file using the Advantage Software Version 9.0:

   - Go to Utilities>Tables>General> Insurance>Billing ID’s.
   - Determine which Location/Provider/Ins. Carrier Type lines are relevant for the claims that you will be submitting in your NPI ONLY test file to this payer.
   - Select the first such line in the file, such as in the sample screen shot below.



   - Edit and remove the Legacy Provider ID and Legacy Group ID from this line and save the entry. Your line will now resemble the sample screen shot below. Note: The “Use Provider NPI” field is strictly for billing claims to the payer as an individual. Please leave this field empty if you bill as a group and the payer does not require JUST the individual number to be sent.



   - Repeat the above steps for the remaining relevant lines in the file.

5. Create a small claim file to submit for testing. (Unless otherwise directed (e.g. by a payer’s testing instructions), this should be about 10 claims.) If you have multiple providers in your practice, we recommend you include claims for all the providers for which you will need to send NPI ONLY claims.

6. While you’re waiting to hear back from the payer about whether your test was successful:
   - Go back to your Billing ID table and re-enter all the Legacy Provider IDs and Legacy Group IDs you removed for testing this payer in Step 4.
   - Continue sending your live claims to the payer as you were before you started testing so your billing does not get behind and so there is a minimal impact on your cash flow.

7. Watch the reports you receive back from this payer until you see the status of your test claims. If you have questions during this stage of testing, please contact the payer. If your claims were approved, great! Continue on to the next step. If your claims were rejected, you must determine why, make appropriate corrections and repeat the testing process discussed in Steps 4-7.
   NOTE: BE CAREFUL HERE. This is the MOST important step in the testing process and it is completely up to you to follow-through on. For example, if you miss an error on

a report and then start billing hundreds of claims that are rejected you could find yourself in a cash flow crunch.

8. Once you receive approval from the payer on your test claims, you may begin submitting NPI ONLY for all your claims to this payer. To do this, repeat the procedure outlined above in Step 4 to permanently update all lines for this Insurance Carrier Type in the Billing ID table. Alternately, unless you need to enter “Y” in the “Use Provider NPI” field (needed only if you are billing as an Individual), you can permanently delete these lines resulting in a more concise Billing ID table. Unless contradicted by the payer’s testing guidelines, a good rule of thumb is to start small and gradually increase the number of live claims you send to the payer until are going out NPI ONLY.

FAQs (Frequently Asked Questions)

Q: What is a National Provider Identifier (NPI) Number?
An NPI is a unique 10-digit, intelligence-free numeric identifier. Intelligence-free means that the numbers do not carry information about health care providers, such as the state in which they practice, their provider type, or their specialization.

NPI(s) will replace Health Care Provider Identifiers (legacy identifiers or numbers) that are currently being used for standard transactions under the Health Insurance Portability and Accountability Act (HIPAA). Those numbers include payer-specific IDs and Medicare legacy IDs (e.g. UPIN, OSCAR, PIN, and National Supplier Clearinghouse).

A provider's NPI will not change and will remain with the provider regardless of job or location change

To receive additional information on the National Provider Identifier (NPI) please visit http://www.cms.hhs.gov/

Q: How do I get an NPI Number?
A: You have two options through which to obtain your NPI number

- Through an easy, Web-based application process that takes approximately 20 minutes to complete online at https://nppes.cms.hhs.gov/NPPES/Welcome.do
- By calling the National Provider Identifier Enumerator call center at 1-800-465-3203 to request a paper application.

Q: Is Compulink able to submit NPI ONLY claims?
A: Compulink Advantage Software Version 9.0 is fully NPI ONLY Compliant.

Q: Where does the Location/Group NPI number go in the software?
A: The Group NPI number is entered in the Location table. In the Advantage Software, go to Utilities>Tables>General>Location, and enter the Group NPI for that location in the Group/Org NPI field.

The Location table also has a DME Group NPI field for multi-site practices with specific billing setups. This field is not commonly needed. If entered, the software will pull from DME Group NPI instead of from Group/Org NPI for Carrier Type “DME”. This field is used if you have a Medicare "Subpart" (like an internal optical shop using the same Tax ID as the clinic, or if you have satellite locations that only have their own NPI because of DME’s requirements) that does not need its own NPI for each of your Locations for any payer except Medicare DME.

Q: Where does the Individual Provider NPI number go in the software?
A: The Individual Provider NPI number is entered in the Provider table. In the Advantage Software, go to Utilities> Tables> General> Provider, and enter their Provider NPI for that provider. Note: Every provider must have their own Individual Provider NPI number.

Q: Do I need an NPI Number for the Referring Physician? If so, where does it go?
A: Yes, you must obtain NPI numbers for each of your Referral Sources, and you can use the NPPES web site mentioned above to search for these NPI numbers. To enter the Referring Physician NPI number, go to Utilities>Table>General>Referral Sources, and enter the NPI number in the NPI field for each Referring Physician.

Q: What do I do if I still need to submit legacy numbers on claims to an insurance payer?
A: If you still need to submit legacy numbers to an insurance payer, go to Utilities>Tables>General> Insurance>Billing ID's and verify that you have entered the correct Legacy Provider ID and Legacy Group ID on all lines for that Insurance Carrier Type.
Note: Only enter a Legacy Group ID in the table if you have an assigned legacy group number from the payer. If you are not sure if your legacy numbers (both for the individual providers and the group) are correct, please contact the insurance payer to verify this information.

Q: How do I know if I bill a payer as a Group or as an Individual?
A: If you do not know if you bill a particular payer as a group or as an individual, please contact the insurance payer to verify this information. Compulink is not responsible for and cannot provide you with this information.

Q: How do I submit Individual Provider NPI ONLY claims to a payer?
A: To submit Individual Provider NPI ONLY claims to a particular payer:

- Add an Insurance Carrier Type for the payer to whom you must submit individually, if one does not exist already.
- Go to Utilities>Tables>General> Insurance>Billing ID's.
- If no lines already exist in the Billing ID table for this Insurance Carrier Type, add new lines as necessary specifying appropriate Location/Provider ID/Ins. Carrier Type. Enter "Y" in the "Use Provider NPI" field on these lines. That's all.
- If lines already exist in the Billing ID table for this Insurance Carrier Type: 1) Enter "Y" in the "Use Provider NPI" field.; 2) Clear the Legacy Provider ID and Legacy Group ID fields if they contain any information. Otherwise you will not be submitting NPI ONLY to this payer.

Q: What is a Provider Taxonomy number? Where do I enter it in the software?
A: The Provider Taxonomy number is a 10-character alphanumeric code that identifies each provider's specialty. You can find a list of taxonomy codes here: http://www.wpc-edi.com/taxonomy. To enter a taxonomy code, go to Utility>Tables>General>Provider, and enter the Taxonomy number in the Taxonomy field.

Q: Why am I receiving "informational" messages from payers on my electronic claim reports?
A; Payers have put "informational" edits in place to let you know that you are still submitting legacy numbers in your claim file. This does not mean that your claim file was rejected. If you receive such messages on the electronic claims reports they send back to you, this is an indication you should be testing NPI ONLY with this payer as discussed earlier in this document.
Warning: You will continue to receive informational edits on reports up until May 23, 2008 or earlier if payer has an earlier NPI ONLY deadline. After the deadline, these messages will become rejections.

Q: What is a "crosswalk"?

A: Most insurance payers' systems are driven by legacy identifiers and will continue to be in the future even after NPI ONLY is required because it's not feasible to change these large systems. To accommodate NPI, a "crosswalk" step has often been added so that the NPI numbers on an incoming claim can be looked up and translated to the legacy identifiers before processing of that claim continues.

Q: What do I do if I receive an error message like "NPI does not match the crosswalk"?

A: For Medicare and Medicaid, visit the NPPES (federal NPI enumerator's) site, https://nppes.cms.hhs.gov/NPPES/Welcome.do, to verify that all your individual legacy provider and legacy group numbers are properly linked to the corresponding individual and location/group NPI numbers. If you make corrections, you must wait 3-4 days for them to be downloaded to your payer before resubmitting.

If: a) you find the information is already linked correctly in the NPPES system; or b) for payers other than Medicare and Medicaid that use their own crosswalk system, you must contact the specific payer's provider enrollment department to verify/correct this information.

Q: What is the importance of my providers' Tax ID or Social Security numbers for NPI ONLY claims?

A: Once you start sending NPI ONLY claims, it is vital that the Tax ID number or Social Security number (depending on how enrolled) on the claim match exactly the number linked to your group and/or individual NPI numbers in the payer's crosswalk or you will receive errors like "NPI does not match the crosswalk". Following are common scenarios that can cause such errors:

- Provider starts billing as an individual using the SS# and enrolls with payer specifying SS#. Later, provider obtains a Tax ID for individual use and enters it in the Advantage software. Crosswalk errors result when submitting to payer expecting SS#.
- Provider starts billing as an individual using the SS# and enrolls with payer specifying SS#. Later, provider joins a group with a group Tax ID, and enters this Tax ID in the Advantage software. Crosswalk errors result when submitting to payer expecting SS#.
- Provider is part of a group practice and is enrolled with payer under group Tax ID. Provider subsequently leaves practice and starts billing as an individual using SS#. Crosswalk errors result when submitting to payer expecting group Tax ID.

If you are enrolled one way (e.g. using SS#) with some payers and another way (e.g. using Tax ID) with other payers, you will need choose one of these ways and contact the other payers to change your enrollment so you are enrolled with all payers in one consistent manner.

If a provider is billing using their Social Security number, enter only the *SS#* field on the Provider table in the Advantage software. The *Federal ID* field should be left blank or it will override the *SS#*. If a provider is billing using a Tax ID, both the *Federal ID* and *SS#* fields may be entered.

For further information, see entry above for "*What do I do if I receive an error message like "NPI does not match the crosswalk"?*"