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NPI Implementation Statement

Tuesday, February 28, 2006

The National Provider Identifier (NPI) will be the only provider identifier allowed in HIPAA electronic standard transactions conducted between covered entities on or after May 23, 2007 by virtue of HIPAA Regulations. US Able Administrators as the business associate of covered entities will meet applicable regulatory requirements by their compliance date.

Since May 23, 2005, healthcare providers have been able to apply for and be assigned an NPI, and many providers within Arkansas have already received their NPI. In order for us to identify a provider by their NPI, we must have a record of their NPI on file. Our Provider Network Operations department will begin actively accumulating the necessary information from providers on March 1, 2006.

CMS is the largest payer in the country and many Arkansas providers are also Medicare providers. We are aware that the conversion to using the NPI may be a burden to the provider community. To help minimize that burden, we will attempt to parallel CMS's transition plan. CMS is strongly encouraging providers to apply for an NPI for each legacy number an organization now uses. We too encourage organizational providers to apply for an NPI for each provider number they currently use. Individual providers and sole-proprietorships are only allowed one NPI. CMS plans to begin their transition period on October 2, 2006. For those providers that have properly registered their NPI with us, we will also begin communicating with them on October 2, 2006, using their NPI.

Up until the compliance date of May 23, 2007 we will accept and process electronic claims transactions that contain the NPI as long as the current provider number is also included. After the compliance date, only the NPI will be required.

The current CMS 1500 and UB-92 paper claim forms were not designed to accommodate the NPI. New paper claim forms have been approved that will accommodate the NPI. The NUCC has proposed that the new professional paper claims forms be used exclusively after February 1, 2007; with a transition period beginning on October 1, 2006. The NUBC has proposed the UB-04 Institutional paper claim form be used exclusively after May 22, 2007; with a transition period beginning on March 1, 2007. It is anticipated that we will accommodate the proposed schedules for these new paper claim forms and require the NPI on those claims.

If you need any additional information, please contact Cindy Fleming by email at crfleming@arkbluecross.com, or by phone at 501-378-3722.