

Principles, Assumptions, Milestones and Conditions  
For Adoption and Implementation of a  
National Provider Identifier Contingency Plan



*Partnering for Electronic Delivery  
of Information in Healthcare*

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**Principles and Assumptions:**

1. Any contingency plan must include the definition of milestones and conditions that organizations need to follow and meet in order to ensure a progressive transition to full implementation.
2. Full compliance with NPI entails not just compliance with claim submission and claim payment, but all transactions and all electronic methods for conducting such transactions (batch, web-based, etc).
3. Without providers obtaining their NPIs, compliance across the industry will not be able to be achieved.
4. A period of time is needed between the date when providers are required to have their NPIs and the date when the industry as a whole is required to fully comply, in order to allow dissemination, crosswalk build-up, testing and production.
5. The dissemination of NPPES data (not just the publication of a Data Dissemination Notice) is a required condition for the industry to be able to achieve compliance.
6. Providers need to communicate their NPIs to payers and other trading partners; payers and other trading partners need to utilize the standard mechanisms recommended by WEDI to allow providers to communicate their NPIs to them.
7. Vendors need to provide their NPI-ready products with sufficient time for installation, testing, debugging and moving to production.
8. Any transitional solution must take into account the fact that pharmacy transactions cannot handle the submission of two identifiers in the same transaction (dual-use strategy).

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9. Any transitional solution must take into account the fact that some vendors upon whom providers rely cannot handle the submission of two identifiers in the same transaction (dual-use strategy).
10. “Primary Identifiers” are used to identify Billing and Rendering Providers. For covered health care providers, the NPI will be the “Primary Identifier”. “Secondary Identifiers” (Legacy IDs) may need to be used to identify Prescribing, Referring, Ordering, Attending, Operating, and Service Facility Location providers during a contingency period. A Tax ID may need to be used as “Primary Identifier” if the Billing Provider does not have access to the NPI of the other provider.
11. There will always be a need for transactions to allow to report ONLY legacy IDs as “Primary Identifier” for providers that 1) may not be covered by HIPAA requirements (thus, not required to obtain a NPI); or 2) may not be “health care providers” and would not be eligible to obtain an NPI (e.g., atypical service providers).
12. Small health plans should have until May 23, 2008 or the end of a contingency plan, whichever is later to complete their full transition.
13. CMS/Medicare will continue to issue new UPIN numbers and maintain access by the industry to UPIN directories for at least 9 months from the “Start Date” of a contingency plan (see below for definition of “Start Date”).
14. Given the current state of readiness, there will be major disruptions in cash flow if a contingency plan is not adopted and implemented.

**Milestones and Conditions**

- The “**Start Date**” for purposes of any contingency plan should be set as **May 23, 2007** or **the date NPPES data is accessible by the industry, whichever is later.**
- By May 23, 2007
  - Providers would still be required to obtain their NPI
  - Providers need to communicate their NPIs to their trading partners
  - Payers and clearinghouses would be required to be ready to receive and/or send transactions with NPIs and Legacy IDs
  - Providers, payers and clearinghouses begin to test transactions with NPI and Legacy IDs.

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- What it means:
  - Legacy ID only transactions can be sent/received (primary and secondary identifiers)
  - NPI+Legacy can be sent/received (primary and secondary identifiers)
    - Except pharmacy transactions
  - NPI only transactions can be sent/received
- Between May 23, 2007 and 6 months after the “Start Date”
  - Providers, payers and clearinghouses are permitted to receive and/or send transactions with or without the NPI. During this period, all entities are expected to begin (or continue) and complete their testing of NPI transactions and NPI-capable systems
  - What it means:
    - Legacy ID only transactions can be sent/received (primary and secondary identifiers)
    - NPI+Legacy can be sent/received (primary and secondary identifiers)
      - Except pharmacy transactions
    - NPI only transactions can be sent/received
- Between 6 and 12 months after “Start Date”
  - Providers, payers and clearinghouses will be required to send and/or receive transactions that contain the NPI. Providers, payers and clearinghouses will be able to also submit or receive the legacy ID, but this must always be sent ALONG WITH the corresponding NPI (see exceptions below).
  - What it means:
    - Legacy ID only transactions NOT PERMITTED
      - Except pharmacy transactions
      - Except if the secondary health care provider is not required under HIPAA to obtain/use an NPI
      - Except if the provider is not a health care provider under HIPAA, and is not eligible to obtain an NPI
    - NPI REQUIRED to be on all transactions
      - Except pharmacy transactions

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- Except if the secondary health care provider is not required under HIPAA to obtain/use an NPI
  - Except if the provider is not a health care provider under HIPAA, and is not eligible to obtain an NPI
  - NPI+Legacy transactions are PERMITTED (primary and secondary identifiers)
    - Except pharmacy transactions
  - NPI only transactions are PERMITTED
- 12 months from “Start Date”
- Providers, payers and clearinghouses, including small health plans, are required to complete their full transition to the NPI and be in full compliance with the NPI requirements.
  - What it means:
    - Legacy IDs NOT PERMITTED at all (Legacy ID only transactions and NPI+Legacy transactions NOT PERMITTED)
      - Except if the secondary health care provider is not required under HIPAA to obtain/use an NPI
      - Except if the provider is not a health care provider under HIPAA, and is not eligible to obtain an NPI
    - NPI only transactions REQUIRED
      - Except if the secondary health care provider is not required under HIPAA to obtain/use an NPI
      - Except if the provider is not a health care provider under HIPAA, and is not eligible to obtain an NPI