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MEDICAL ASSISTANCE LETTER (MAL) 512

To: Rural Health Centers
Directors, County Departments of Job and Family Services
Medical Assistance Coordinators

From: Barbara E. Riley, Director

Re: **Information about the National Provider Identifier (NPI)**

In accordance with federal regulations (45 CFR § 160.103 and 45 CFR § 162.404), health care providers that conduct business in an electronic format (i.e., submit EDI claims, receive electronic remittance advices and/or communicate electronically with trading partners and payers) will be required to obtain a unique, ten-digit National Provider Identifier (NPI) from the National Plan and Provider Enumeration System (NPPES). The deadline for providers to begin using their NPI to bill and receive payments electronically from Medicare and Medicaid is May 23, 2007. This MAL provides direction to Rural Health Centers (RHCs) on how to enumerate through NPPES to ensure successful Medicaid billing and reimbursement in Ohio using the NPI.

RHCs need to enumerate through NPPES prior to the May 23, 2007 deadline. To obtain a National Provider Identifier, RHCs should contact NPPES directly at <http://nppes.cms.hhs.gov> or by phone at **1-800-465-3203** (1-800-692-2326 (TTY)). Providers can apply for an NPI electronically or by paper.

I. Background: NPI Enumeration to Support Medicaid Reimbursement

Provider Type 05 - Prospective Payment RHC Claims

Currently, RHCs bill and receive payment based on a prospective payment established by the Department. The advent of the NPI enumeration process will not change this payment method, and new RHCs will continue to be assigned a seven-digit Medicaid provider number upon enrollment. In the future, ODJFS will refer to the Medicaid provider number as the legacy number. To maintain this method of reimbursement, each RHC must have and use a NPI number.

Provider Type 50 – Fee-for-Service Clinic Claims

Currently, RHCs use a second Medicaid provider number to bill for non-PPS covered services. They bill as a type 50 fee-for-service clinic when they bill for the following:

- 1.) Disability Medical Assistance claims;
- 2.) Medicare crossover claims not paid through the automatic crossover process; and,
- 3.) Inpatient hospital surgery, visits, or consultation claims.

It will be necessary for each RHC to separately apply for and receive a second NPI number to continue to bill and be reimbursed for non-PPS services.

II. NPI Details

As described above, RHC sites that have two Medicaid provider numbers will need to acquire two NPI numbers. One NPI number will be used to submit type 05 RHC PPS claims; the other NPI number will be used to submit type 50 fee-for-service clinic claims.

RHC sites can receive two different NPI numbers by submitting **two different applications** to NPPES using a different taxonomy code in each application. The taxonomy codes to use are:

261QR1300X for RHC (type 05) claims; and,

261QP2300X for fee-for-service (type 50) claims. (This taxonomy refers to a primary care clinic.)

RHCS should use these codes when completing Section D of the NPI applications when asked for the “provider taxonomy code.”

The requirement for an NPI number applies both to an existing RHC and to any RHC enrolling for the first time. The Department has updated the Medicaid provider application to capture the ten-digit NPI number from new RHCs enrolling for the first time. The NPI number should be submitted on page two of the provider application.

The NPI number should be used as soon as it is received. When billing ODJFS electronically, RHCs should use **the NPI number in conjunction with their Medicaid provider number**. (Instructions how follow below.) The NPI number must be used to adjudicate EDI claims on and after May 23, 2007, the NPI deadline date.

Billing NPI on EDI Claims

The NPI number should be entered in the primary identifier field on ASCII X12 837 health care transactions. (Note: RHCs are required to bill Ohio Medicaid on the 837 Professional (P) transaction.)

When submitting EDI claims with the NPI, RHCs should use the qualifier XX in the primary identification qualifier location NM108 and use the NPI in the primary identification location NM109. RHCs should continue to submit their Medicaid provider number with the 1D qualifier in the secondary identification qualifier location REF01 and the Medicaid provider number in the secondary identification location REF02 until May 23, 2007 as directed in the NPI Final rule. RHCs will submit their provider identifiers in the 2010AA loop of the 837 P transaction. RHCs are not required to send

the rendering provider loop in the 837. If a rendering provider loop 2310B is submitted in the 837, errors in reimbursement will occur.

Billing on Paper Claims or by Tape

RHCs should continue to use their Medicaid provider number when submitting claims in formats that use only the Medicaid provider number, e.g., the current CMS 1500 paper claim.

III. Changes in Crossover Claims Processing

Medicaid is working on being able to receive Medicare crossover claims automatically from the fiscal intermediary used by RHCs, i.e, Riverbend Government Benefits Administrator. When this happens, crossover claims will be processed using the type 05 RHC provider number. To avoid the possibility of duplicate claims payment, RHCs should check to determine whether payment has already been made under the type 05 RHC provider number before submitting crossover claims using the type 50 fee-for-service clinic number. The claim may have already crossed over to ODJFS and been paid.

ODJFS appreciates the attention of RHCs to this matter and as a result of their cooperation, anticipates a successful transition to NPI.

Questions pertaining to this MAL should be addressed to:

**Bureau of Plan Operations
The Provider Network Management Section
P.O. Box 1461
Columbus, Ohio 43216-1461**

Toll free telephone number 1-800-686-1516