

Optometry Coding & Billing Alert

Discover if You Can Capitalize on the 1-Year NPI Extension

CMS admits defeat, promises progress on NPI sharing

Good news: You-II have an extra year to prepare your national provider identifier (NPI) compliance.

Bad news: The extension may not be as great as it sounds, and you may not be able to, or want to, take advantage of it.

Sort Through the Deadline Confusion

Better safe than sorry: Although the Centers for Medicare & Medicaid Services (CMS) has said it will give you an extra year's wriggle room on NPIs, other payers can start requiring them in May 2007.

-The current language of the policy does not give an extension to providers,- says **Kyle L. Thomas,** founder of Great North Provider Services in Anchorage, Alaska. -If CMS is granting an extension to everyone (including providers), then they need to re-issue the policy with a clarified definition.-

CMS says you may need to have your own providers- NPIs on claims as early as July of this year. -As soon as the number of claims submitted with an NPI for primary providers - is determined sufficient - Medicare will begin rejecting claims that do not contain an NPI for primary providers,- CMS reports in MLN Matters article MM5595. Primary providers for NPI purposes are -billing, pay-to and rendering providers,- CMS says.

Providers Aren't at Fault

With less than two months left before crunch time, CMS decided to give you until May 23, 2008, to become NPI-only with all of your transactions. If you were not quite ready by May 23, 2007, you can implement a -contingency plan- to maintain your cash flow, CMS said in a release.

Why the change: CMS tried to imply that providers weren't ready for the original deadline. But CMS was also behind on its obligations, said the Medical Group Management Association (MGMA). CMS failed to issue a policy that would - facilitate the communication of NPIs,- said MGMA President and CEO **William Jessee** in a press release.

Without any CMS policy, providers didn't know how to obtain the NPIs of physicians who referred patients to them. The MGMA has posed a sample letter to request a referring doctor's NPI on its site at <u>www.mgma.com</u>, but CMS has been promising a -Data Dissemination Notice- on NPI sharing for years now.

The lack of this CMS policy has -hindered industry efforts to meet the original compliance date,- according to MGMA.

To come: CMS promises it will soon make data available to help you develop -crosswalks- between old provider numbers and NPIs.

Another reason for the extended deadline is that some non-Medicare third-party payers and clearinghouses are not ready for this year's deadline either, experts say.

Contingency Plans Are Key

CMS hasn't actually suspended the original May 2007 compliance date. Rather, the agency says it will have a relaxed enforcement regime until May 2008. CMS will focus on -obtaining voluntary compliance- and will enforce the NPI rule only



in response to complaints.

What to expect: If CMS receives a complaint before May 2008 that you haven't implemented NPIs yet, CMS will notify you in writing. Then you have a chance to show that you-re in compliance, document your -good faith efforts- to comply, or submit a corrective action plan. CMS will look at NPI compliance on a case-by-case basis.

CMS will judge your -contingency plan- based on whether you-ve increased external testing with -trading partners,- and whether your providers have actually obtained NPIs.

CMS will determine -on a case-by-case basis whether reasonable cause for the noncompliance exists and, if so, the extent to which the time for curing the noncompliance should be extended,- the agency says in its contingency plan guidance.

Translate What It All Means to You

What you should do: How can you ensure that, if an NPI compliance complaint is filed, you-II pass the extendeddeadline criteria? You should create your contingency plan now using these key strategies:

- Write a letter to all of your payers and your clearinghouses asking them for their contingency plans and when they-re going to be equipped to accept the new NPI numbers.

- Perform regular follow-up with all of your payers and clearinghouses to ensure you keep on top of when they-ll be compliant with NPI requirements.

What's next: In May 2007, CMS planned to assess how many providers are submitting claims with NPIs. If the ratio is high enough, it will start requiring NPIs from all primary providers in July of this year. If the ratio isn't yet high enough, the agency will reassess in June for an August implementation.

Bonus: You don't have to furnish referring NPIs on claims until May 2008. Providers can include -secondary- providers-legacy numbers, including UPINs, on Medicare claims until that date.