



Texas Department of Insurance

Division of Workers' Compensation

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MEMORANDUM

DATE: May 14, 2008
TO: Workers' Compensation System Participants
FROM: Matt Zurek, Executive Deputy Commissioner for Policy and Research
RE: National Provider Identification Number Requirement

The purpose of the National Provider Identifier (NPI) is to uniquely identify a health care provider in standard transactions, such as medical bills. NPIs may also be used to identify health care providers for prescriptions, practice management systems, patient medical record systems, program integrity files, and in many other ways. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires that health plans, health care clearinghouses, and health care providers performing electronic transactions use NPIs. This single identification number is designed to replace the various health care provider identification numbers previously used in the health care industry.

On and after May 23, 2008, the Centers for Medicare & Medicaid Services (CMS) require the use of an NPI for both paper and electronic medical bills in the Medicare system. Texas Labor Code §413.011(a) and 28 Texas Administrative Code (TAC) §§134.203, 134.402, 134.403 and 134.404 require the use of Medicare's coding, billing and payment policies for medical bills in the Texas workers' compensation system. In addition, the use of the NPI in the workers' compensation system reduces the need for the various entities involved in standard health care transactions to develop or use workers' compensation specific automation systems.

What is the workers' compensation NPI requirement?

Beginning on May 23, 2008, all health care providers eligible for an NPI must include their NPI number on workers' compensation medical bills submitted on paper or electronically. This requirement applies to all medical bills submitted on or after May 23, 2008, regardless of the date of service.

Who is eligible for an NPI?

In general, a health care provider, a group of health care providers, or a health care facility that furnishes medical services in the normal course of their business is eligible for an NPI number. Individual health care providers eligible for an NPI include physicians, dentists, psychologists, pharmacists, nurses, chiropractors and many other health care practitioners and professionals. Other health care providers eligible for an NPI include hospitals, nursing homes, ambulatory care facilities, durable medical equipment suppliers, clinical laboratories, pharmacies, and group practices.

For specific questions about NPI numbers, please visit CMS' website located at <http://www.cms.gov/>.

Am I still required to include my state license number?

At the present time, the state license number remains a required data element for certain fields on paper and electronic medical bills. This secondary health care provider identification number is used by some insurance carriers to validate the health care provider's eligibility for payment related to certain services. This data element includes the type of license prefix code, the license number, and the jurisdiction identifier (MDG1355TX).

What happens if I put the NPI on a request for reconsideration for a bill that was originally submitted before May 23, 2008 without the NPI?

Requests for reconsideration may contain an NPI even if the request is for reconsideration of a bill submitted before May 23, 2008 without an NPI. The insurance carrier is required to process your request for reconsideration if it meets all completeness requirements set out in 28 TAC §133.250(d). Under those requirements, a request for reconsideration "shall reference the original bill and include the same billing codes, date(s) of service, and dollar amounts as the original bill." This requirement does not require an exact copy of the original bill submitted to the insurance carrier, but does require the payment related information to be identical. The addition of an NPI number, or reporting an NPI number instead of the previously required identifier, does not change the payment related information. 28 TAC §133.250(d) also requires a copy of the explanation of benefits (or documentation that one was requested), any necessary documentation to support the health care provider's position, and a bill-specific substantive explanation that provides a rational basis to modify the previous denial or payment.

Getting an NPI is free.

A health care provider must include their NPI number in required fields if the health care provider is eligible for an NPI. The NPI number is required from eligible health care providers for a clean claim. Health care providers can apply for an NPI online at <https://nppes.cms.hhs.gov> or can download a paper application at <http://www.cms.hhs.gov/cmsforms/downloads/CMS10114.pdf>.

Where is the NPI number populated on the different billing forms?

Health care providers and billing agents should review the Clean Claim and Electronic Medical Billing and Payment Workers' Compensation Companion Guides, located at <http://www.tdi.state.tx.us/wc/ebill/index.html>. Paper form instructions can be found in Chapter 2 of the guides and electronic format requirements can be located in Chapters 6 through 9 of the guides, based on the type of electronic transaction.

Questions regarding these clean claim requirements may be directed to Allen McDonald, Director of Information Management Services, at 512-804-4530 or allen.mcdonald@tdi.state.tx.us.