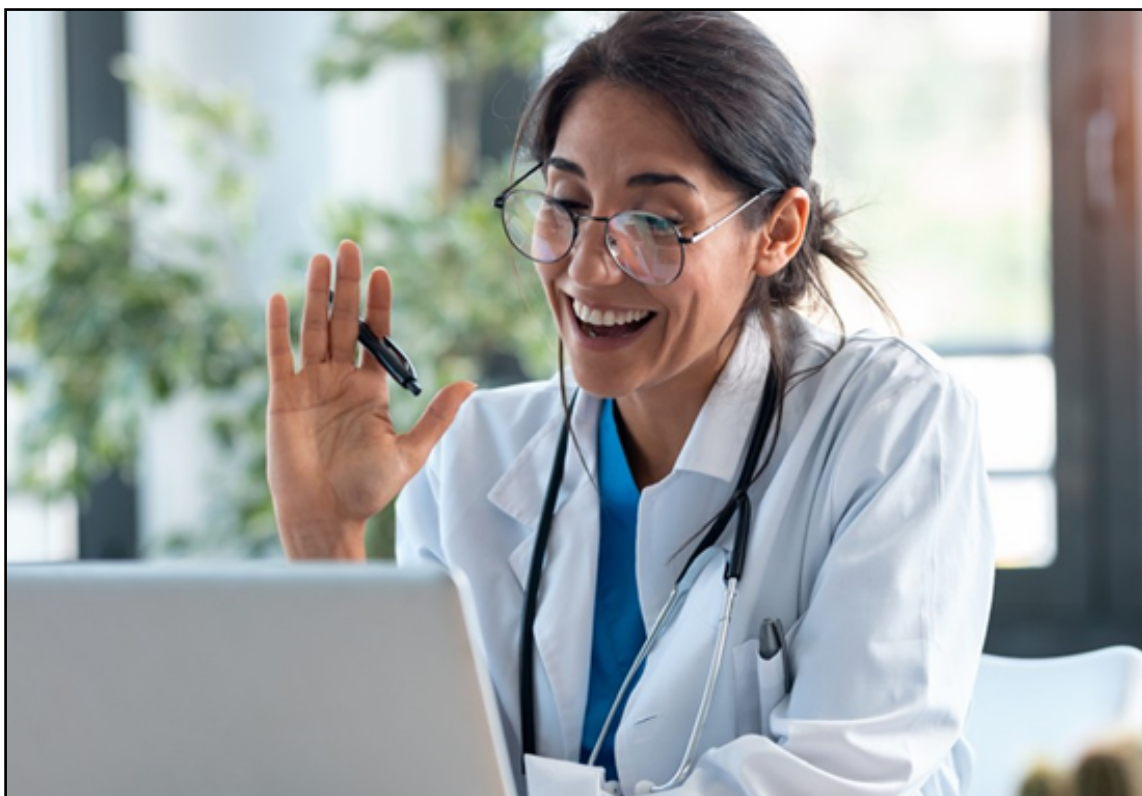




## NPI: What You Need to Know



### What's Changed?

Note: No substantive content updates.

This booklet teaches providers about the National Provider Identifier (NPI), who must get an NPI, and how to apply.

## Table of Contents

<b>Background</b>	<b>3</b>
<b>What's an NPI?</b>	<b>3</b>
<b>What are HIPAA Standard Transactions?</b>	<b>3</b>
<b>Benefits of an NPI</b>	<b>4</b>
<b>What an NPI Doesn't Do</b>	<b>4</b>
<b>How Do You Find an NPI?</b>	<b>4</b>
<b>Who May Get an NPI?</b>	<b>4</b>
<b>Who Must Get an NPI?</b>	<b>5</b>
<b>Do You Need an NPI to Enroll in Medicare?</b>	<b>5</b>
<b>Who May Not Get an NPI?</b>	<b>6</b>
<b>What are the Health Care Provider NPI Categories?</b>	<b>6</b>
Entity Type 1: Individual Health Care Providers, Including Sole Proprietors	6
Entity Type 2: Organization Health Care Providers	6
<b>What If You're an Individual, Incorporated Health Care Provider?</b>	<b>7</b>
<b>How Do You Apply for an NPI?</b>	<b>7</b>
<b>What Must Covered Organizations Do When Applying for an NPI?</b>	<b>7</b>
<b>Organizations Applying for NPIs on Behalf of Employed Providers</b>	<b>8</b>
<b>Electronic File Interchange (EFI)</b>	<b>8</b>
<b>Resources</b>	<b>9</b>

## Background

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The NPI is a Health Insurance Portability and Accountability Act (HIPAA) Administrative Standard. An NPI is a unique identification number for covered health care providers, created to help send health information electronically more quickly and effectively. Covered health care providers, all health plans, and health care clearinghouses must use NPIs in their administrative and financial transactions.

The HIPAA Administrative Simplification provisions required the use of a standard, unique health identifier for each health care provider. The 2004 NPI Final Rule made NPIs the standard.

CMS developed the National Plan and Provider Enumeration System (NPPES) to assign NPIs. For more information on how to apply for an NPI, visit the [NPPES](#) webpage.

This booklet answers the following questions to help you understand the NPI:

- What's an NPI?
- Who may get an NPI?
- Who must get an NPI?
- Who may not get an NPI?
- What are the health care provider NPI categories?
- How do you apply for an NPI?
- Where can you find resources with more information?

## What's an NPI?

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An NPI is a 10-digit numeric identifier. It doesn't have information about you, like the state where you practice, your provider type, or your specialization. Your NPI won't change, even if your name, address, taxonomy, or other information changes.

In HIPAA standard transactions, providers must use the NPI instead of other provider identifiers, like a Provider Transaction Access Number (PTAN), Quality Improvement Evaluation System (QIES), Certification and Survey Provider Enhanced Reporting (CASPER), and National Supplier Clearinghouse (NSC).

## What are HIPAA Standard Transactions?

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HIPAA standard transactions are exchanges involving the transfer of information between 2 parties for specific purposes. HIPAA regulations set up the following standard transactions for Electronic Data Interchange (EDI) of health care data:

- Claims and encounter information
- Claims status
- Coordination of benefits and premium payment
- Eligibility, enrollment, and disenrollment

- Payment and remittance advice
- Referrals and authorizations

For more information, refer to the [Transactions Overview](#) webpage.

## Benefits of an NPI

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Benefits of an NPI include:

- Simple electronic transmission of HIPAA standard transactions
- Standard unique health identifiers for health care providers, health care plans, and employers
- Efficient coordination of benefit transactions

## What an NPI Doesn't Do

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Getting an NPI won't:

- Change or replace your current Medicare enrollment or certification process
- Enroll you in a health plan
- Make sure you're licensed or credentialed
- Guarantee health plan payment
- Require you to conduct HIPAA transactions

## How Do You Find an NPI?

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The National Plan and Provider Enumeration System (NPPES):

- Assigns NPIs
- Keeps and updates information about health care providers with NPIs
- Issues the NPI Registry and NPPES Downloadable File

CMS discloses NPPES health care provider data under the Freedom of Information Act (FOIA). This data is disclosed in the NPI Registry and the NPI Downloadable File. Find more information on the [NPI Data Dissemination](#) webpage.

The [NPI Registry](#) is an online query system that allows users to search for a health care provider's information.

The [NPPES Downloadable File](#) has disclosable information about health care providers with NPIs.

## Who May Get an NPI?

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All health care providers (physicians, suppliers, hospitals, and others) may get an NPI. Health care providers are individuals or organizations that render health care as defined in [45 Code of Federal Regulations \(CFR\) 160.103](#).

## Who Must Get an NPI?

All health care providers who are HIPAA-covered entities, whether individuals or organizations, must get an NPI.

A HIPAA-covered entity is a:

- Health care provider that conducts certain transactions in electronic form
- Health care clearinghouse
- Health plan (including commercial plans, Medicare, and Medicaid)

Under HIPAA, you're a covered health care provider if you electronically transmit health information in connection with a HIPAA standard transaction, even if you use a business associate to do so.

For more information, refer to the CMS [Are You a Covered Entity?](#) webpage.

## Do You Need an NPI to Enroll in Medicare?

Yes. If you apply for enrollment in Medicare, you must have an NPI and put it on your enrollment application. The NPI Enumerator will reject enrollment applications without an NPI.

### Health Care Providers Who are HIPAA-Covered Entities

Individuals	Organizations
<p>Examples of individual HIPAA-covered entity health care providers include:</p> <ul style="list-style-type: none"> <li>● Chiropractors</li> <li>● Dentists</li> <li>● Nurses</li> <li>● Pharmacists</li> <li>● Physical Therapists</li> <li>● Physicians</li> <li>● Psychologists</li> </ul>	<p>Examples of organization HIPAA-covered entity health care providers include:</p> <ul style="list-style-type: none"> <li>● Ambulance Companies</li> <li>● Clinics</li> <li>● Group Practices</li> <li>● Health Maintenance Organizations (HMOs)</li> <li>● Home Health Agencies (HHAs)</li> <li>● Hospitals</li> <li>● Laboratories</li> <li>● Nursing Homes</li> <li>● Pharmacies</li> <li>● Residential Treatment Centers</li> <li>● Suppliers of Durable Medical Equipment (DME)</li> </ul>

## Who May Not Get an NPI?

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Any entity that doesn't meet the definition of a health care provider as defined in [45 CFR 160.103](#) may not apply for an NPI. Such entities include

- Billing services
- Value-added networks
- Repricers
- Health plans
- Health care clearinghouses
- Non-emergency transportation services

## What are the Health Care Provider NPI Categories?

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Two categories of health care providers exist for NPI enumeration purposes: Entity Type 1 (Individual) and Entity Type 2 (Organization).

### Entity Type 1: Individual Health Care Providers, Including Sole Proprietors

Individual health care providers may get NPIs as Entity Type 1. As a sole proprietor, you must apply for the NPI using your own SSN, not an Employer Identification Number (EIN) even if you have an EIN.

As a sole proprietor, you may get only 1 NPI, just like any other individual. For example, if a physician is a sole proprietor, the physician may get only 1 NPI (the individual's NPI). The following factors don't affect whether a sole proprietor is an Entity Type 1:

- Number of different office locations
- Whether you've employees
- Whether the IRS issued an EIN to you so your employees' W-2 forms can show the EIN instead of your Taxpayer Identification Number (which is your SSN)

**Note:** An incorporated individual is a single health care provider who forms and conducts business under a corporation. A sole proprietor isn't an incorporated individual because the sole proprietor didn't form a corporation. If you're a sole practitioner or solo practitioner, it doesn't necessarily mean you're a sole proprietor, and vice versa.

### Entity Type 2: Organization Health Care Providers

Organization health care providers are group health care providers eligible for NPIs as Entity Type 2.

Organization health care providers may have a single employee or thousands of employees. An example is an incorporated individual who is an organization's only employee.

Some organization health care providers are made up of parts that work somewhat independently from their parent organization. These parts may offer different types of health care or offer health care in separate physical locations. These parts and their physical locations aren't themselves legal entities but are part of the organization health care provider (which is a legal entity). The NPI Final Rule refers to the parts and locations as subparts.

An organization health care provider can get its subparts their own NPIs. If a subpart conducts any HIPAA standard transactions on its own (separately from its parent), it must get its own NPI.

Subpart determination makes sure that entities within a covered organization are uniquely identified in HIPAA standard transactions they conduct with Medicare and other covered entities. For example, a hospital offers acute care, laboratory, pharmacy, and rehabilitation services. Each of these subparts may need its own NPI because each sends its own standard transactions to 1 or more health plans.

## What If You're an Individual, Incorporated Health Care Provider?

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If you're an individual health care provider who's incorporated, you may need to get an NPI for yourself (Entity Type 1) and an NPI for your corporation or LLC (Entity Type 2).

**Note:** Subpart delegation doesn't affect Entity Type 1 health care providers. As individuals, these health care providers can't choose subparts and are not subparts.

## How Do You Apply for an NPI?

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You can apply for an NPI in 1 of 3 ways:

**Choice 1:** Apply through [National Plan and Provider Enumeration System \(NPPES\)](#) with a web-based application. Individual providers must create a username and password through the Identity & Access Management (I&A) System and log in to NPPES using that username and password.

**Choice 2:** Complete, sign, and mail a paper application Form [CMS-10114, NPI Application/Update Form](#) to the NPI Enumerator address listed on the form. To ask for a hard copy application through the NPI Enumerator, call 800-465-3203 or TTY 800-692-2326, or send an email to [customerservice@npienumerator.com](mailto:customerservice@npienumerator.com).

**Choice 3:** Give permission to an [Electronic File Interchange Organization \(EFIO\)](#) to send application data through bulk enumeration process.

## What Must Covered Organizations Do When Applying for an NPI?

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An organization health care provider that's a HIPAA-covered health care provider must:

- Get an NPI
- Decide if it has subparts and if those subparts need their own NPIs
- Make sure its subparts that need to have their own NPIs do so by either getting the NPIs for them or instructing the subparts to get their NPIs themselves
- Make sure the subparts follow the NPI Final Rule requirements placed on HIPAA-covered health care providers



## Organizations Applying for NPIs on Behalf of Employed Providers

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The steps below guide organization health care providers who want to apply for NPIs or send updates to the NPPES on behalf of their employed health care providers.

**Note:** The process described below isn't the process for Electronic File Interchange (EFI) for bulk enumeration. Instead, an organization that's a health care provider should follow these steps when applying for an employee's NPI on an individual record-by-record basis.

### 1. Confirm Employees' Current NPI Status

Make sure the health care providers, for whom the organization will apply, don't already have NPIs.

### 2. Verify Agreement with Health Care Provider Employees

Find out if you have a legal agreement with your health care provider employees that allows your organization to act on their behalf. The agreement should allow actions such as completing NPI applications and updating transactions on their behalf. You may need legal counsel to decide if an existing agreement covers these actions. If you have such an agreement, you may not need the actions described in items 3-5 below.

### 3. Tell Health Care Provider Employees About Collected Information

Make sure the health care providers know about the information collected on the [NPI Application/Update Form \(CMS-10114\)](#). Make sure they read the Penalties for Falsifying Information on the National Provider Identifier (NPI) Application/Update Form, Certification Statement, and Privacy Act Statement sections of that form and agree to all relevant requirements.

### 4. Confirm NPI Application Data

Share the NPI application data with the health care providers represented in the application to make sure of complete and correct data. The same applies to updating information.

### 5. Keep NPI Documents

Ask the health care providers to sign a document indicating that you took the above actions and keep those documents as proof the health care providers knew about the actions taken on their behalf.

### 6. Choose A Contact Person for NPI Confirmation

The NPPES sends an email to the Contact Person entered on a health care provider's NPI application. This email informs the Contact Person of the enumerated health care provider's NPI and has some of the identifying information about the health care provider (including provider name, address, and Healthcare Provider Taxonomy Code and description).

If the organization sends an NPI application on behalf of a health care provider employee, the Contact Person the organization chooses gets the NPI notification email from the NPPES. The Contact Person must send that NPI notification (or a copy) to the health care provider employee. This notification confirms that the NPPES assigned the health care provider employee an NPI and has the NPI.

Ask your legal counsel to review this process as well.

## Electronic File Interchange (EFI)

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You can also apply for an NPI using EFI. Each EFIO can send NPI application information for hundreds or even thousands of health care providers all at once in a single electronic file or in a series of electronic files.



EFI helps both the health care providers and CMS. By allowing an EFIO to apply on its behalf, a health care provider doesn't have to apply for an NPI. This saves the health care provider time and resources. EFI also helps CMS by saving the time and resources CMS would have spent if the NPI Enumerator (contractor that processes NPI applications) and the web-based system had to process NPI applications 1 at a time.

Besides getting NPIs for health care providers, some EFIOs may also send changes or updates to the NPPES on behalf of enumerated health care providers to keep the providers' NPPES records current. To send changes or updates, the EFIO needs the health care providers' permission. An EFIO and its associated health care providers should decide together whether to make changes or updates to a provider's NPPES record.

### **Important!**

If you decide to let the EFIO send future changes on your behalf, you're still responsible to ensure the NPI Enumerator gets the updates.

## **Resources**

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For more information about the NPI, refer to the [National Provider Identifier \(NPI\) Standard](#) webpage.

- [Are You a Covered Entity?](#)
- [Data Dissemination](#)
- [EFI](#)
- [I&A System](#)
- [Medicare NPI Implementation](#)
- [NPPES](#)

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