

Bulletin Number: MSA 07-17

Distribution: Pharmacy, Practitioner (Physicians, Advanced Practice Nurses, Medical Clinics, Oral Surgeons, Podiatrists, FQHCs/RHCs/THCs), Hospitals, Hospice, Vision, Dentists, Local Health Departments, Family Planning Clinics, Medicaid Health Plans, Community Mental Services Program Clinics and Substance Abuse Coordinating Agencies

Issued: March 27, 2007

Subject: Reporting the NPI with Prescription Orders and Prescription Drug Claims

Effective: May 23, 2007

Programs Affected: Medicaid, Maternity Outpatient Medical Services (MOMS), Adult Benefits Waiver Program (ABW), Plan First and Children's Special Health Care Services (CSHCS)

The purpose of this bulletin is to inform providers regarding the Michigan Department of Community Health's (MDCH) requirements for the use of the National Provider Identifier (NPI) with prescription orders and on pharmacy electronic & paper claim formats. The NPI is a Health Insurance Portability and Accountability Act (HIPAA) mandate requiring a standard identifier for all healthcare providers. May 23, 2007 is the compliance date on which all HIPAA covered entities must report the NPI in standard transactions.

More information regarding the transition to NPI will be furnished in subsequent MDCH bulletins.

Practitioners – Reporting the NPI with Prescription Orders

For dates of service on or after May 23, 2007, the MDCH will require a practitioner to provide his individual NPI (Type 1) with the prescription order for a drug that is written, transmitted, called in, or faxed for all beneficiaries. MDCH strongly encourages practitioners to share their individual NPIs (Type 1) with the pharmacies as soon as possible to assist the pharmacies in updating their billing systems. Providing individual NPIs (Type 1) with the prescription orders will allow the pharmacies to submit claims to MDCH Pharmacy Benefits Manager (PBM) for reimbursement. This requirement applies to physicians (MDs, DOs), dentists, oral surgeons, interns, residents, podiatrists, ophthalmologists, optometrists, physician assistants, nurse practitioners, and other practitioners who write prescription orders for drugs.

If the practitioner does not have his NPI, he may still report the Drug Enforcement Administration (DEA) number if appropriate until his individual NPI (Type 1) is obtained. The following are illustrations in reporting the practitioner's individual NPI (Type 1) with prescription orders:

- An emergency room practitioner must report his individual NPI (Type 1), not the supervising practitioner's NPI with a prescription order.
- Each practitioner at a teaching hospital must report his individual NPI (Type 1) with a prescription order that is submitted to the dispensing pharmacy.

Failure to report your individual NPI (Type 1) with the prescription order may cause your patients to experience delays in obtaining their prescription drugs from the pharmacies.

Pharmacies – Reporting the NPI on Claims

April 16, 2007 through May 22, 2007 – The MDCH is providing a “NPI transitional period” for pharmacies beginning April 16, 2007 through May 22, 2007. Pharmacies *may* submit claims with NPIs in the Service Provider ID and Prescriber ID fields as outlined below in Table 1. Pharmacies *who choose not* to submit NPIs during the transitional period may continue to submit the National Council for Prescription Drug Programs (NCPDP) number as the Service Provider ID and the DEA number as the Prescriber ID on the claims as outlined in the current *Pharmacy Claims Processing Manual for the Michigan Department of Community Health* which is available at the First Health Services website at www.michigan.fhsc.com >> Click on Providers >> Provider Manuals >> Pharmacy Claims Processing Manual v1.1 August 8, 2006.

TABLE 1

FIELD	NAME OF FIELD	VALUE
2Ø1-B1	Service Provider ID	10 Digit NPI number (Pharmacy)
2Ø2-B2	Service Provider ID Qualifier	Ø1 = National Provider ID (NPI)
411-DB	Prescriber ID	10 Digit NPI number (Prescriber)
466-EZ	Prescriber ID Qualifier	Ø1 = National Provider ID (NPI)

Effective May 23, 2007

Service Provider ID – The MDCH PBM will only accept the pharmacy provider’s NPI number (Type 2) as the Service Provider ID. This requirement applies to pharmacy claims for:

- Fee-for-Service prescription drugs
- Select prescription drugs that are carved-out from the Medicaid Health Plans (MHPs) and County Health Plans and
- MHP batch claims. The MDCH PBM will deny payment if the pharmacy’s NPI (Type 2) is not reported in the Service Provider ID field.

Prescriber ID – If the prescriber’s individual NPI (Type 1) is not reported with the prescription order, pharmacy providers may report the prescriber’s DEA number. Furthermore, pharmacies must comply with the additional requirements for the Prescriber ID:

- The dummy DEA number ZZ1111119 can no longer be reported on pharmacy claims.
- Teaching hospital pharmacies cannot report their NPIs (Type 2) as the Prescriber ID, they must report the prescriber’s individual NPI (Type 1).
- When billing condom claims a pharmacy can report its NPI (Type 2) in the Prescriber ID field.

Reporting NPIs to Medicaid

If the practitioner or pharmacy has not registered his NPI with Medicaid, or would like to update his NPI information currently on file with Medicaid, log onto the Michigan Medicaid Single Sign-On (SSO) application at <https://sso.state.mi.us>. Users may need to apply for a SSO user ID before they can subscribe to the NPI collection application. Refer to the SSO Instructions available at www.michigan.gov/mdch >> Providers >> National Provider Identifier for further clarification.

For provider groups with 15 or more individuals NPIs (Type 1), please click on "Mass Collector." This is password protected for security purposes. To obtain a password, e-mail npi@michigan.gov, and then click on "Mass Collector" to access your spreadsheet. Once you have entered all of your NPIs and other related information onto this spreadsheet, attach it to an e-mail and send it back to npi@michigan.gov. Please type in the subject line "Mass NPI." Further instructions are located within the NPI Mass Collector Spreadsheet.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink that reads "Paul Reinhart". The signature is written in a cursive, flowing style.

Paul Reinhart, Director
Medical Services Administration