




**DEPARTMENT OF MENTAL HEALTH
POLICY/PROCEDURE**

SUBJECT NATIONAL PROVIDER IDENTIFIER (NPI) REQUIREMENTS	POLICY NO. 106.14	EFFECTIVE DATE 09/2008	PAGE 1 of 9
APPROVED BY:  Director	SUPERSEDES 112.21 09/2008	ORIGINAL ISSUE DATE 09/2008	DISTRIBUTION LEVEL(S) 1, 2

PURPOSE

- 1.1 To ensure that all directly operated programs, non-governmental agencies (NGAs), organizational providers, and individual rendering providers, working for or contracted with the Los Angeles County – Department of Mental Health have a National Provider Identifier (NPI) before March 1, 2008, for Medicare and before May 23, 2008 for Medi-Cal and other programs so that eligibility for reimbursement is continued.
- 1.2 To establish guidelines for the submission of verifiable NPI information from DMH employees, other DMH work force members, and contract entities, needed to support continued billing under Health Insurance Portability and Accountability Act (HIPAA) requirements.
- 1.3 To establish procedures for obtaining NPIs for new DMH staff (those hired after May 23, 2008).
- 1.4 To establish procedures for obtaining NPIs for new directly operated clinics/programs.
- 1.5 To establish procedures for obtaining NPIs for new contracted operated clinics and programs.
- 1.6 To establish procedures for obtaining NPIs for contract employees hired after May 23, 2008.
- 1.7 To provide general information about NPIs. See Attachment I.
- 1.8 To ensure there is proper internal control over the NPI data submitted to the Integrated System (IS) for active and inactive (terminated) employees.



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POLICY

- 2.1 DMH will comply with HIPAA requirements, as established in the Code of Federal Regulations (CFR) 45, Part 162, to establish NPIs for the following:
 - 2.1.1 Each entity (DMH directly operated program and NGA) must have an NPI as a unique identifier in the National Plan and Provider Enumerator System (NPES). This is referred to as a Type 2 NPI on the NPES. The State requires one NPI for each provider number without satellites. Locations identified as satellites must have their own NPI numbers.
 - 2.1.2 Each rendering provider delivering direct billable services must have an NPI as a unique identifier in the NPES. This is referred to as a Type 1 NPI on the NPES.

- 2.2 All claims submitted to Federally funded health care and other programs must include the entities' and the rendering providers' NPIs effective March 1, 2008 for Medicare and May 23, 2008 for Medi-Cal and other programs.

- 2.3 System verification required for implementation by the Medicare Intermediary and the State, utilizing NPIs must be completed before March 1, 2008 for Medicare and before May 23, 2008 for Medi-Cal and other providers, to ensure compliant billing transactions can be performed as of the Federal implementation dates.

- 2.4 DMH employees and DMH contractors must provide written proof of their respective individual (Type 1) and organizational (Type 2) NPIs no later than May 13, 2008. Specifically, the DMH employees will submit a copy of their NPI notification. Contractors will only submit a copy of the NPI notification for organizational NPIs (type 2 NPIs). It will be the responsibility of the contractors to maintain copies of their employees' individual NPI notifications for audit purposes.

- 2.5 NPIs are considered to be a condition of employment. A rendering provider or DMH employee who provides billable services must be eligible to bill Federal Programs (also see Policy 106.03). Consequences for non-compliance with applying for, obtaining and providing written proof of an NPI may include, but are not limited to, the following:



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- 2.5.1 DMH employees may be subject to progressive disciplinary actions that may lead to termination. (See policy 605.01)
- 2.5.2 Fee-For-Service (FFS) Network Providers may have their contracts terminated for cause as they will not be eligible to bill for services without an NPI.
- 2.5.3 Legal Entity Providers who do not have or are missing individual NPIs will not be able to submit claims to Federally funded health care and other programs. Consequently, their respective contract(s) may be subject to termination.

DEFINITIONS

- 3.1 Employees of DMH, for the purpose of this policy, refer to any full-time or part-time, temporary or permanent employee; i.e., any rendering provider (clinician) who provides clinical or direct billable services to clients. Each requires an NPI.
- 3.2 Other DMH workforce members refer to residents, interns, students, volunteers, and locum tenens.
- 3.3 The term “contractor” refers to a person or entity that is party to a written agreement with the County of Los Angeles to provide goods or services to DMH including, but not limited to, purchase orders, memoranda of understanding and Board approved contracts.
- 3.4 NPI: A number that will serve as a unique identifier at the national level for entities and individuals and is a HIPAA requirement (CFR 45, Part 162), effective January 23, 2005. Eventually, the NPI will replace all other assigned provider numbers.
- 3.5 NPPES is a national database accessible through the internet used for purposes of applying for an NPI. It is the NPPES database by which health care provider organizations and individuals become uniquely identified, formerly known as the National Provider System. The NPPES assigns an identifier only and is NOT an enrollment process with any Medicare contractor, Medi-Cal contractor, or third-party payer.



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3.6 NPI Notification is the e-mail sent that contains the NPI number for either an individual or entity. The date of this notification is considered by DMH to be the effective date of the NPI.

PROCEDURE

4.1 DMH Employees – Employees hired prior to May 23, 2008

- 4.1.1 Each DMH employee or other workforce member who is a rendering provider (clinician) or provides direct billable services is required to have a Type 1, NPI. As of April 16, 2008, this includes employees who claim only Community Outreach Services.
- 4.1.2 See Attachment II for NPI application instructions.
- 4.1.3 DMH employees will provide a copy of his/her NPI notification to the Compliance Program Office.
- 4.1.4 After November 15, 2006, new hires may submit his/her NPI information to Chief Information Office Bureau (CIOB) on a Rendering Provider Form. This form can be found at the following website:

http://dmh.lacounty.info/hipaa/cp_ISForms.htm

NOTE: The NPPES does not recognize an effective date for the NPI. The date to use in completing the Rendering Provider Form is the date of the NPI notification. A copy of the NPI Notification should accompany the Rendering Provider Form.

- 4.1.5 DMH employees are responsible for updating his/her NPI data submitted to NPPES within 30 calendar days of any change(s). Effective January 23, 2005, updating NPI data is a requirement of HIPAA. See requirement (CFR 45, Part 162).
- 4.1.6 Failure to provide an NPI within 30 days of employment will be cause for rejection of a request for employment and/or will be cause for termination of employment with DMH.

4.2 New Employees (hired after May 23, 2008)

- 4.2.1 It is the responsibility of the hiring manager to identify employees who will be required to have an NPI.



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- 4.2.2 If the employee requires an NPI, the hiring manager will send the prospective employee a letter (Attachment III) indicating that the employee will need to submit proof of their NPI within 30 days of his/her hire date to Human Resources. Enclosed with the letter will be a copy of the rendering provider form and instructions for completing the NPI. (Attachments IV and V).
- 4.2.3 A copy of the letter will be forwarded to Human Resources. This copy will be used to determine who is required to provide an NPI. Human Resources will be responsible for ensuring that the employee has an NPI within 30 days of his/her hire date, thus ensuring timely claiming to the Federal and State programs.
- 4.2.4 Upon receipt of the letter requiring an NPI, the new hire will:
 - 4.2.4.1 Apply for an NPI if necessary.
 - 4.2.4.2 If the new hire has an NPI, gather documentation of proof of his/her NPI.
 - 4.2.4.3 Complete the Rendering Provider form. The manager will be responsible for advising the employee of the various codes to be included on the form, as well as ensuring the accuracy of these codes.
- 4.2.5 On the first day of employment, the new hire should provide a copy of his/her NPI documentation and the rendering provider form to his/her supervisor. The supervisor will review the rendering provider form ensuring that it is completed properly, that the NPI on the rendering provider form matches the NPI confirmation. When the supervisor is assured that the form is complete and accurate, the supervisor will sign the form. The rendering provider form and NPI documentation will be forwarded to Human Resources.
- 4.2.6 Upon receipt of the NPI, Human Resources will forward to CIOB the rendering provider form and will place the NPI confirmation in the employee's personnel file.

Alternate procedure in the event that the rendering provider form is automated; accordingly, this alternate procedure is subject to change. Instructions for the use of the automated rendering provider form will take precedence over these procedures.



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The manager will follow the instructions for use of the automated rendering provider form. The NPI confirmation will be forwarded to Human Resources. Human Resources will use the NPI confirmation to verify the NPI has been accurately entered on the IS. Human Resources will file the NPI confirmation in the employee personnel's file.

- 4.2.7 When an employee terminates services with DMH, managers/supervisors are required to report the termination to CIOB by completing a Rendering Provider form.
- 4.2.8 When an employee transfers to a different clinic, managers/supervisors are required to report the transfer by completing a Rendering Provider form terminating the employee from the clinic from which the employee is departing. Managers/supervisors at the new clinic are required to complete a new Rendering Provider form so that services may be claimed for the new site.

4.3 DMH Directly Operated Clinics and Programs

- 4.3.1 The Chief of Mental Health Programs Evaluation, Compliance Program Office (CPO), or designee, will apply for and obtain entity NPIs for each directly operated clinic no later than October 1, 2006. The State requires an NPI for each provider number.
- 4.3.2 The Chief of Mental Health Programs Evaluation will be responsible for maintaining NPI user IDs and Passwords, as well as a copy of the application and NPI confirmation.
- 4.3.3 After October 1, 2006, as new directly operated clinics and/or programs are added, applications for NPIs will be submitted by the Chief of Mental Health Programs Evaluation (or designee) upon receipt of a Provider File Adjustment Request.
- 4.3.4 It will be the responsibility of Program Managers to ensure that a copy of Provider File Adjustment Requests (PFARs) for directly operated clinics/programs be submitted to the CPO within 15 calendar days of a change of clinic/program information. Using the PFAR, the Chief of Mental Health Programs Evaluation (or designee) will ensure the NPPES information is updated within 30 calendar days from the change.

4.4 FFS Network Providers



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- 4.4.1 FFS Providers who are individuals will obtain a Type 1 NPI.
- 4.4.2 FFS Providers who are operating as an organizational provider will obtain a Type 2 NPI.
- 4.4.3 See Attachment II for NPI application Instructions.
- 4.4.4 FFS Providers are responsible for retaining a copy of their NPI confirmation.
- 4.4.5 FFS Providers are responsible for updating their and/or entity NPI data submitted to NPPES within 30 calendar days of any change(s) occurring. Updating NPI data is a requirement of HIPAA (CFR 45, Part 162), effective January 23, 2005.

4.5 Legal Entity Contractors

- 4.5.1 As of May 23, 2008, all claims will be submitted to the State with organizational and rendering provider NPIs. Each mental health contractor, regardless of program (SD/MC, FFS, COS, etc.), will obtain a Type 2 NPI. The State requires one NPI for each provider number. (Locations identified as satellites each need their own NPI number.)
- 4.5.2 In the event of a new rendering provider, the NPI shall be submitted to the Department using a rendering provider form. NOTE: The NPPES does not recognize an effective date for the NPI. The date to use in completing the Rendering Provider Form is the date of the NPI notification. (See Attachment II for NPI application instructions).
- 4.5.3 Legal Entity Contractors will retain a copy of their employee NPI (Type 1) and organizational (Type 2) NPI confirmation for audit purposes.
- 4.5.4 Legal Entity Contractors are responsible for terminating rendering providers that have been active on the system but are no longer claiming or have terminated employment with the legal entity through the use of a Rendering Provider Form.
- 4.5.5 Legal Entity Contractors are responsible for updating entity NPI data submitted to NPPES within 30 calendar days of any change(s) occurring. Updating NPI data is a requirement of HIPAA requirement (CFR 45, Part 162), effective January 23, 2005.

4.6 Legal Entity Contract Employees



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- 4.6.1 All DMH contractor entities shall direct employees who are rendering providers (clinicians) or providers of direct billable services to apply for and obtain an individual NPI.
- 4.6.2 See Attachment II for NPI application instructions.
- 4.6.3 Legal Entity Contractors will retain a copy of the employee NPI notification for audit purposes.
- 4.6.4 Legal Entities will submit rendering provider NPI information to CIOB on a Rendering Provider Form (rev. 3/14). This form can be found at the following web site:

http://dmh.lacounty.info/hipaa/cp_ISForms.htm

NOTE: The NPPES does not recognize an effective date for the NPI. The date to use in completing the Rendering Provider Form is the date of the NPI notification. Copies of NPI notifications for contractor employees should be retained by contractors for audit purposes.

- 4.6.5 Legal Entity rendering providers are responsible for updating their NPI data submitted to NPPES within 30 calendar days of any change(s) occurring. Updating NPI data is a requirement of HIPAA requirement (CFR 45, Part 162), effective January 23, 2005.
- 4.6.6 Legal Entities are responsible for submitting a rendering provider form terminating the rendering provider NPI on the IS when the rendering provider terminates employment with the legal entity.
- 4.7 Chief Information Office Bureau (CIOB)
 - 4.7.1 CIOB will ensure that the IS programmatically validates that the supplied NPI numbers meet federal requirements for field length (10 numeric digits) and comply with the formula for the check digit algorithm.
 - 4.7.2 System verification required for implementation by the Medicare Intermediary and the State, utilizing NPIs must be completed before the March 1, 2008 for Medicare and before May 23, 2008 for Medi-Cal and other providers, to ensure compliant billing transactions can be performed as of the Federal implementation dates.
 - 4.7.3 CIOB will operate the IS claiming system in compliance with the HIPAA requirement to submit all electronic billing data in a compliant manner



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and will include NPI data effective March 1, 2008 for Medicare, and May 23, 2008 for Medi-Cal and other programs.

AUTHORITY

Code of Federal Regulations, Title 45, Part 162, Standard Unique Health Identifier for Health Care Providers (Final Rule), January 23, 2005

REFERENCES

Department of Mental Health Compliance Policies 106.03 and 106.04 require DMH employees and contractors, respectively, to be eligible to provide goods and services to federally funded health care and other programs. These policies mandate that rendering providers and entities not be excluded, debarred or otherwise prohibited from providing services and being reimbursed by Federal funds. This policy specifies a new, mandatory eligibility criterion for billing Federal funds, i.e., rendering providers and entities must have an NPI. Federally funding health care and other programs will not process reimbursement claims after May 23, 2008 without NPI information.

ATTACHMENTS

1. [General Information About NPIs](#)
2. [Instructions for Applying for an NPI](#)
3. [Letter of Instruction to New Hire re: NPI](#)
4. [Rendering Provider Form](#)
5. [Instructions for Completing the Rendering Provider Form](#)

REVIEW DATE

This policy shall be reviewed five (5) years from the date of the original issuance.

RESPONSIBLE PARTY

Compliance Officer
Chief Information Office Bureau
Human Resources