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MEDICAID INFORMATION RELEASE 2007-13

TO: **Medicaid Pharmacy Providers**

FROM: **Leslie M. Clement, Administrator**

SUBJECT: **Important Claims Processing Information for Pharmacy Providers Related to May 29th, 2007 NPI Implementation**

Idaho Medicaid NPI Implementation DELAYED until Tuesday May 29th, 2007.

As of **May 29, 2007**, Idaho Medicaid will begin accepting a National Provider Identifier (NPI) on *electronic* Pharmacy claims, in compliance with HIPAA requirements. This information release will help you successfully submit electronic NCPDP[1] transactions and paper pharmacy claims to Idaho Medicaid. Idaho Medicaid will implement a flexible approach to accommodate the needs of providers fully ready to use NPI, as well as providers who plan to delay implementation as allowed by the Centers for Medicare and Medicaid Services (CMS) NPI contingency guidance published April 2, 2007.[2]

Before an NPI can be successfully submitted on an electronic drug claim, the NPI must be registered and linked to the Idaho Medicaid provider number on the Idaho Medicaid Registration website at least 24 hours before the claim is submitted.

Registering your NPI with Idaho Medicaid:

- Providers who are required by HIPAA regulations to have an NPI are responsible for registering their NPI with Idaho Medicaid, linking their NPI to a current Idaho Medicaid provider number, and updating their NPI account when changes occur. A self-service website has been developed for you to register your NPI and then later review or update that information as needed at: https://npi.dhw.idaho.gov/. An NPI registration helpdesk has been established to assist providers and can be reached at (866) 909-4148.
- Registration letters were mailed on March 28, 2007, addressed to the provider "pay to" address. An individual registration letter was sent for each existing Idaho Medicaid provider number. These letters contain a unique confirmation number (different for each Medicaid provider number) which is needed to register the NPI and link it to a current Medicaid provider number. It is important to retain these letters as this confirmation code will be required to make any future changes.
- The way your pharmacy registers and links your NPI(s) to Idaho Medicaid provider number(s) during the web registration process with Idaho Medicaid will determine how your electronic claims are processed.

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[1] The National Council of Prescription Drug Claims (NCPDP) v5.1 electronic format is the HIPAA standard for prescription drugs supplied by retail pharmacies.
[2] Information about the CMS NPI contingency guidance can be found at: http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPI_Contingency.pdf

- The most straightforward way to do business with Idaho Medicaid is to **have one (1) NPI for each current Idaho Medicaid provider number.** Each current Medicaid provider number is associated with one (1) distinct pharmacy location. When an electronic pharmacy claim contains an NPI, the Medicaid provider number that is linked with that NPI will be retrieved. If that NPI maps to a single Medicaid provider number, then that Medicaid provider number is used to process the claim. If the NPI maps to multiple Medicaid Pharmacy provider numbers, the claim will be denied because the NCPDP pharmacy transaction contains no data to identify the correct pharmacy location.
- An exception to having one (1) NPI for each current Medicaid provider number will work for pharmacies that submit durable medical equipment (DME) claims as well as drug claims. These pharmacies can use the same NPI to submit drug and DME claims. Since DME and drug claims are two (2) different claim transaction types, the system will recognize a distinct match to the Medicaid provider number based on the type of claims transaction.
    - If you submit an NCPDP drug claim transaction, the combination of the claim type and the NPI will map to the correct Medicaid Pharmacy provider number.
    - The same is true when submitting your DME services on the 837 professional claim transaction using the same NPI used for drug claims. The system will recognize the claim was submitted on the 837 claim transaction and map the NPI to the correct DME billing provider number for claims processing.

Submitting Electronic NCPDP Drug Claims:

For Service (Billing) Provider ID

- Idaho Medicaid will accept and process HIPAA compliant NCPDP electronic claims that use an NPI to identify the billing provider. However, for providers showing good faith efforts towards compliance whose claims submission software, clearinghouse, or billing agency is not ready for NPI compliance, Idaho Medicaid will continue to accept and process electronic drug claims that contain a Medicaid provider number.
- The correct Service Provider ID qualifier must be submitted to identify the number as either an NPI (qualifier 01), or a Medicaid provider number, (qualifier 05).
- When an electronic pharmacy claim contains an NPI, the Idaho Medicaid provider number that is linked with that NPI will be retrieved. If that NPI maps to a single Medicaid provider number, then that Medicaid provider number is used to process the claim. If the submitted NPI does not map to a Medicaid provider number, because the NPI has not been registered with Idaho Medicaid, or the NPI maps to multiple pharmacy locations, the claim will fail with a rejection code of "50 – Non-Matched Pharmacy Number."

For Prescriber ID

- The prescriber's state license number, **or** an NPI, will be accepted in the Prescriber ID field, because not all prescribers are required to have an NPI.
- The correct qualifier must be submitted to identify the number as either a state license number or an NPI. If submitting claims using a state license number, the Prescriber ID qualifier must be 08. For an NPI, the qualifier must be 01.
- If an NPI is submitted in the Prescriber ID field and that NPI has not been registered with Idaho Medicaid the claim will be rejected for invalid Prescriber ID. In this case you may:
    - Re-submit the claim using the prescriber's state license number in the Prescriber ID field. Remember to use the correct qualifier, 08.
    - Contact EDS to have the prescriber's NPI added to the Medicaid prescriber records. EDS can be reached, Monday through Friday, 8 am to 5 pm MT at (800) 685-3757 or (208) 383-4310 (Boise calling area). Re-submit the claim with NPI and qualifier 01.
    - If it is after hours or the weekend and EDS is not available to add the NPI, check the *Medicaid Provider Handbook (Pharmacy Guidelines)* for additional instructions.

Submitting Electronic Drug Claim Reversals:

- For drug reversals submitted after May 29, 2007, for claims originally submitted before May 29, 2007, it is recommended that providers use the same Medicaid provider number that was used on the original

claim. An NPI can be submitted on a drug reversal, however, the NPI will be mapped to the Medicaid provider number to which it was linked during the NPI web registration process, and that Medicaid provider number must match the Medicaid provider number on the original claim or the reversal will fail.

- All of the following fields in a drug reversal must match the original claim:
    - RX number,
    - From date of service,
    - NDC, and
    - Service Provider ID.
- The correct Service Provider ID qualifier must be entered to identify the Service Provider ID as either a Medicaid provider number (qualifier 05), or an NPI (qualifier 01).

Submitting Paper Pharmacy Claims:

For Service (Billing) Provider ID

- Continue to submit the Idaho Medicaid provider number on paper pharmacy claims. Paper claims **will not** be modified to accept NPI at this time. Paper pharmacy claims submitted with NPI only for the billing provider will be returned to the provider for correction.

Remittance Advice (RA):

- If you submit an NPI for Service Provider ID, you will see the NPI in the detail section of the RA.
- In the header of the RA you will see an NPI along with the Medicaid provider number. This is the NPI that is linked with the Medicaid provider number as of the date that the RA is produced.

You can find additional NPI information and FAQs by going to the NPI web registration site at: https://npi.dhw.idaho.gov and clicking the link for "NPI Registration Instructions." The Medicaid NCPDP vendor specifications document has been updated to include NPI requirements and is available at: http://www.healthandwelfare.idaho.gov/DesktopModules/Documents/DocumentsView.aspx?tabID=0&ItemID=7522&MId=11469&wversion=Staging.
If you are still unable to find answers to your questions, please call your Regional Provider Relations Consultant (PRC), or the NPI Registration Help Desk (866) 909-4148.

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