



Michael D. Maves, MD, MBA, Executive Vice President, CEO

Memo to: Executive Directors
State Medical Associations
National Medical Specialty Societies

From: Michael D. Maves, MD, MBA

A handwritten signature in black ink, appearing to read "M D Maves", is written over the printed name.

Date: April 4, 2007

Subject: National Provider Identifier (NPI)

As a result of strong advocacy by the AMA and others, CMS has just announced a 12-month "contingency plan" on April 3, 2007 for compliance with the National Provider Identifier (NPI) deadline of May 23, 2007, a Health Insurance Portability and Accountability Act (HIPAA) requirement. The AMA has aggressively pushed for a 12-month contingency plan that would allow physicians and others to continue using their old identifiers (i.e. UPINs and other numbers assigned by commercial health plans) on claims and other electronic transactions. The NPI will become the single, unique identifier for physicians that they will be required to use when doing electronic business with all payers including Medicare.

The NPI is intended to replace the multiple, proprietary identifiers used by health plans today for billing and other health care transactions, with a single unique physician identification number. Despite much work and effort by physicians and others to prepare for the May 23, 2007 compliance date, much remains to be done before compliance across all components of health care can be achieved. CMS has recognized this and has announced that after May 23, 2008 when the contingency plan is expected to end, that they will not penalize any physicians that are making "reasonable and diligent" efforts to comply with the requirements for using the NPI. HIPAA is a "complaint-driven" law, meaning, someone must complain to CMS about non-compliance. If after May 23, 2008, when the contingency plan ends, and CMS receives an NPI complaint, CMS will consider "good faith" efforts to comply and opportunities to come into compliance would be afforded before any penalties are considered. Despite the contingency plan, the AMA continues to encourage physicians to obtain their NPI by May 23, 2007 if they have not done so already.

Contingency plan: <http://www.cms.hhs.gov/NationalProvIdentStand/>