DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services

Medicare
Learning
Network ®

NPI: What You Need to Know

TABLE OF CONTENTS

> **Please note**: The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

Background

The National Provider Identifier (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 improve the efficiency and effectiveness of electronic transmission of health information. Covered health care providers and all health plans and health care clearinghouses must use NPIs in their administrative and financial transactions.

The Administrative Simplification provisions of HIPAA required the adoption of a standard, unique health identifier for each health care provider. The NPI Final Rule, published on January 23, 2004, established the NPI as this standard.

The Centers for Medicare & Medicaid Services (CMS) developed the National Plan and Provider Enumeration System (NPPES) to assign these unique identifiers. For more information on how to apply for an NPI, visit https://nppes.cms.hhs.gov/NPPES/Welcome.do.

This booklet answers the following questions to help you become more familiar with the NPI:

- What is an NPI?
- Who may obtain an NPI?
- Who must obtain an NPI?
- Who may not obtain an NPI?
- What are the health care provider NPI categories?
- How do you apply for an NPI?
- Where can you find resources with additional information?

What Is an NPI?

An NPI is a 10-digit numeric identifier. It does not carry information about you, such as the State where you practice, your provider type, or your specialization. Your NPI will not change, even if your name, address, taxonomy, or other information changes.

In HIPAA standard transactions, the NPI must be used in place of other provider identifiers, such as a Provider Transaction Access Number (PTAN), Online Survey Certification & Reporting (OSCAR), and National Supplier Clearinghouse (NSC).

What Are HIPAA Standard Transactions?

HIPAA standard transactions are exchanges involving the transfer of information between two parties for specific purposes. HIPAA regulations established 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 https://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/TransactionCodeSetsStands.

Benefits of an NPI

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

Obtaining an NPI will not:
- Change or replace your current Medicare enrollment or certification process
- Enroll you in a health plan
- Ensure you are licensed or credentialed
- Guarantee payment by a health plan
- Require you to conduct HIPAA transactions

How Do You Find an NPI?

The National Plan and Provider Enumeration System (NPPES) assigns NPIs, maintains and updates information about health care providers with NPIs, and disseminates the NPI Registry and NPPES Downloadable File.

The NPI Registry is an online query system that allows users to search for a health care provider's information. To access the NPI Registry, visit https://nppes.cms.hhs.gov/NPPESRegistry/NPIRegistryHome.do on the Internet.

The NPPES Downloadable File contains disclosable information about health care providers with NPIs. To download the current file, visit http://nppes.viva-it.com/NPI_Files.html on the Internet.

For more information about NPPES data dissemination, visit https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/DataDissemination.html on the CMS website.

Who May Obtain an NPI?

All health care providers (that is, physicians, suppliers, hospitals, and others) may obtain an NPI. Health care providers are individuals or organizations that render health care as defined in 45 Code of Federal Regulations (CFR) 160.103. For more information, refer to 45 CFR 160.103 on the Government Printing Office (GPO) website.

Who Must Obtain an NPI

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

A HIPAA-covered entity is a:
- Health care provider that conducts certain transactions in electronic form
- A Health care clearinghouse
- A Health plan (including commercial plans, Medicare, and Medicaid)

Under HIPAA, you are 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 and to access a tool to help you determine whether you are a covered entity, refer to https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/HIPAA-ACA/AreYouaCoveredEntity.html.

Do You Need an NPI to Enroll in Medicare?

Yes. If you apply for enrollment in Medicare, you must have an NPI and furnish it on your enrollment application. An enrollment application without an NPI will be rejected.

Table 1 provides examples of common health care providers who are HIPAA-covered entities.

Individuals*	Organizations
Examples of individual HIPAA-covered entity health care providers include: • Chiropractors • Dentists • Nurses • Pharmacists • Physical Therapists • Physicians	Examples of organization HIPAA-covered entity health care providers include: • Ambulance Companies • Clinics • Group Practices • Health Maintenance Organizations (HMOs) • Home Health Agencies (HHAs) • Hospitals • Laboratories • Nursing Homes • Pharmacies • Residential Treatment Centers • Suppliers of Durable Medical • Equipment (DME)

Table 1: Health Care Providers Who Are HIPAA-Covered Entities

Who May Not Obtain an NPI?

Any entity that does not 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, and others.

What Are the Health Care Provider NPI Categories?

There are two categories of health care providers 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 receive NPIs as Entity Type 1. As a sole proprietor, you must apply for the NPI using your own Social Security Number (SSN), not an Employer Identification Number (EIN) even if you have an EIN.

As a sole proprietor, you may receive only one NPI, just like any other individual. For example, if a physician is a sole proprietor, the physician may receive only one NPI (the individual's NPI). The following factors do not affect whether a sole proprietor is an Entity Type 1:
- Number of different office locations
- Whether you have employees
- Whether the Internal Revenue Service (IRS) issued an EIN to you so your employees' W-2 forms can reflect the EIN instead of your Taxpayer Identification Number (which is your SSN)

NOTE: A sole proprietor is not an incorporated individual because the sole proprietor did not form a corporation. If you are a sole practitioner or solo practitioner, it does not necessarily mean you are a sole proprietor, and vice versa.

Entity Type 2: Organization Health Care Providers

Organization health care providers are group health care providers and are eligible for NPIs as Entity Type 2. Organization health care providers may have a single employee or thousands of employees. For example, an incorporated individual may be the only health care provider employed by that organization provider (the corporation that he or she formed).

Some organization health care providers are made up of components that function somewhat independently from their "parent" organization. These components may furnish different types of health care or have separate physical locations where health care is furnished. These components and their physical locations are not themselves legal entities, but are part of the organization health care provider (which is a legal entity). The NPI Final Rule refers to the components 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 (that is, separately from its parent), it must obtain its own NPI.

Subpart determination ensures 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 require its own NPI because each one sends its own standard transactions to one or more health plans.

> **What If You Are an Individual, Incorporated Health Care Provider?**
>
> If you are an individual who is a health care provider and who is incorporated, you may need to obtain an NPI for yourself (Entity Type 1) and an NPI for your corporation or LLC (Entity Type 2).

> **NOTE:** Subpart delegation does not affect Entity Type 1 health care providers. As individuals, these health care providers cannot designate subparts, and cannot be considered subparts.

How Do You Apply for an NPI?

Health care providers may apply for an NPI in one of three ways:

Option 1: Apply through a web-based application process. Visit the National Plan and Provider Enumeration System (NPPES) at https://nppes.cms.hhs.gov/NPPES/Welcome.do on the CMS website. 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.

Option 2: Complete, sign, and mail a paper application to the NPI Enumerator address listed on the form. For a copy of the application (Form CMS-10114, "NPI Application/Update Form"), refer to https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS10114.pdf on the CMS website. To request a hard copy application through the NPI Enumerator, call 1-800-465-3203 or TTY 1-800-692-2326, or send an email to customerservice@npienumerator.com.

Option 3: Give permission to an Electronic File Interchange Organization (EFIO) to submit application data through bulk enumeration process. For more information on this option, see below or refer to https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/apply.html.

> **What Must Covered Organizations Do When Applying for an NPI?**
>
> An organization health care provider that is a HIPAA-covered health care provider must:
> - Obtain an NPI
> - Determine if it has subparts and if those subparts need to have their own NPIs
> - Ensure its subparts that need to have their own NPIs do so by either obtaining the NPIs for them or instructing the subparts to obtain their NPIs themselves
> - Ensure the subparts comply with the NPI Final Rule requirements placed on HIPAA-covered health care providers

Organizations Applying for NPIs on Behalf of Employed Providers

The steps below provide guidance for organization health care providers who wish to apply for NPIs or submit updates to the NPPES on behalf of their employed health care providers.

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

1 **Confirm Employee's Current NPI Status**
Ensure the health care providers for whom the organization will apply do not already have NPIs.

2 **Verify Agreement With Health Care Provider Employees**
Determine if an agreement exists between the organization health care provider and its health care provider employees that give the organization the appropriate legal authority to act on behalf of those health care providers in taking actions such as completing NPI applications and updating transactions on their behalf. You may need legal counsel to determine if an existing agreement covers these types of actions. If such an agreement exists, it may not be necessary for the organization to take the actions described in items 3–5 below.

3 **Notify Health Care Provider Employees of Collected Information**
Ensure the health care providers know about the information collected on the NPI Application/Update Form (CMS-10114) available at http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS10114.pdf on the CMS website. Ensure 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 **Validate NPI Application Data**
Share the NPI application data with the health care providers represented in the application to ensure complete and correct data. The same applies to updating information.

5 **Retain NPI Documents**
Ask the health care providers to sign a document indicating that you took the above actions, and retain those documents as proof the health care providers knew about the actions taken on their behalf.

6 **Designate 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 contains some of the identifying information about the health care provider (including provider name, address, and Healthcare Provider Taxonomy Code and description).

If the organization submits an NPI application on behalf of a health care provider employee, the Contact Person designated by the organization receives the NPI notification email from the NPPES. The Contact Person must forward 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 contains the NPI.

Organizational health care providers may feel it appropriate to have their legal counsel review this process.

Electronic File Interchange (EFI)

EFI is an alternative process for health care providers applying for an NPI. Each EFIO can submit NPI application information for hundreds or even thousands of health care providers all at one time in a single electronic file or in a series of electronic files.

EFI benefits both the health care providers and CMS. By allowing an EFIO to apply on its behalf, a health care provider itself does not have to apply for an NPI. This saves the health care provider time and resources. CMS benefits by saving the time and resources it would have expended if the NPI Enumerator (contractor that processes NPI applications) and the web-based system had to process NPI applications one at a time.

Important!

If the provider and EFIO agree for the EFIO to submit future changes on the provider's behalf, it is still ultimately the provider's responsibility to ensure that any updated information is furnished to the NPI Enumerator.

In addition to obtaining 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 to get the permission of the health care providers. Whether or not to furnish changes or updates to a health care provider's NPPES record is a decision made between an EFIO and its associated health care providers.

Resources

For more information about the NPI, refer to https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/.

Table 2 provides resources for additional information.

Resource	Website
Are You a Covered Entity?	https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/HIPAA-ACA/AreYouaCoveredEntity.html
CMS NPI Enumerator Contact Information	Telephone: 1-800-465-3203 (NPI Toll-Free) 1-800-692-2326 (NPI TTY) Email: customerservice@npienumerator.com
CMS NPI Frequently Asked Questions	https://questions.cms.gov/faq.php?id=5005&rtopic=1851
Data Dissemination	https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/DataDissemination.html
EFI	https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/efi.html
Government Printing Office (GPO)	https://www.gpo.gov/fdsys/pkg/CFR-2013-title45-vol1/pdf/CFR-2013-title45-vol1-sec160-103.pdf
HIPAA EDI Standards Web-Based Training Course	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/WebBasedTraining.html
I&A System	https://nppes.cms.hhs.gov/IAWeb/register/startRegistration.do
Medicare Learning Network® (MLN) Matters® Article SE0751: Clarification on the National Provider Identifier (NPI) Enumerator's Responsibilities	http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE0751.pdf

Resource	Website
Medicare NPI Implementation	https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/implementation.html
"NPI: What You Need to Know" Booklet	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1232538.html
NPPES	https://nppes.cms.hhs.gov/NPPES/Welcome.do
PECOS Identity and Access Management (I&A) System	https://pecos.cms.hhs.gov/pecos/PecosIAConfirm.do?transferReason=CreateLogin
"Provider Specific Medicare Resources" Medicare Learning Network® (MLN) Guided Pathways (GPs)	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/Guided_Pathways_Provider_Specific_Booklet.pdf
"Streamlined Access to PECOS, EHR, and NPPES" MLN Connects™ National Provider Call	https://www.cms.gov/Outreach-and-Education/Outreach/NPC/National-Provider-Calls-and-Events-Items/2013-11-15-NPC.html

Table 2: Resources

Disclaimers

This educational product was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This educational product was prepared as a service to the public and is not intended to grant rights or impose obligations. This educational product may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).

Check out CMS on: