

MSBCBS NPI Contingency Plan
April 19, 2007

Over the course of the past several years, Mountain State has worked hard to keep providers abreast of changes in HIPAA regulations. Specifically, over the past two years we have been working to re-configure our information systems and processes to accommodate the mandated requirement that all HIPAA covered entities use a National Provider Identifier (NPI) as a single numerical identifier for all transactions instead of the multitude of numbers that providers currently have for each payer. The deadline that the Centers for Medicare and Medicaid Services (CMS) had set for compliance with mandate is May 23, 2007. CMS has recently announced that they will not impose penalties for 12 months (May 23, 2008), for all entities displaying good faith efforts to ensure NPI compliance.

Mountain State will initiate this contingency plan until November 23, 2007, at that time; the success of the migration of our trading partners to NPI will be assessed. This extension will not alter Mountain State's plan for NPI compliance. Mountain State's information systems will be ready to use NPI as the primary identifier as of May 23, 2007. However, recognizing that not all providers are ready, Mountain State will continue to accept legacy numbers (numbers assigned by Mountain State prior to the mandate created by CMS for an NPI). It is important to note that the extension granted by CMS is not unlimited. It requires a good faith effort to move towards compliance. To this end, Mountain State requests that providers continue to enumerate as early as possible and that providers continue to communicate their NPIs to Mountain State.

In an attempt to ensure smooth processing and to limit errors during the transition to NPI, Mountain State will use a dual strategy approach until compliance is enforced by CMS. The dual strategy approach means that Mountain State requests that providers provide both providers' NPI and Mountain State legacy number on all transactions. In the event that providers have not yet applied for and received an NPI, we request they do so as soon as possible in order to avoid potential regulatory penalties and in order to meet CMS's good faith requirement.

Commentary

MSBCBS has implemented this contingency plan to ensure continued flow of health care claims payments. Even though MSBCBS has conducted standard transactions with NPIs for many months, we will continue our good faith efforts to strive towards one-hundred percent compliance. Through sustained actions our compliance progress has increased steadily to where we have collected sixty-two percent of our network providers' NPIs as

of April 17, 2007. Management tracks the progress weekly and will stay involved to ensure full compliance is obtained as soon as reasonably possible.

MSBCBS has made numerous outreach efforts to encourage providers to comply with the NPI requirements. NPI articles have been included in every Provider News since March, 2005. PPR has routinely been asking for the NPI from providers that call since late 2005. The NPI was a key topic in the 2006 Provider Workshops conducted statewide. Additional resources were dedicated to call providers in February 2007 and the calling will continue until all network provider NPIs have been collected. NPI staffers were included in provider remits for several months beginning in the Fall of 2006.

Update 5/22/2007 – MSBCBS has collected seventy-four percent of our network providers' NPIs.

Update 6/12/2007 – MSBCBS has collected eighty percent of our network providers' NPIs.