



Two, One or None: How Many NPIs Do You Need?

As the deadline of May 23rd for using NPIs on electronic transactions draws nearer, there is still much confusion about the different types of identifiers and which are required to ensure compliance with NPI regulations.

There are two basic types of NPIs available; individual, and organizational. Individual NPIs, also known as Type 1 NPIs, are for healthcare providers, such as dentists. Organizational, or Type 2 NPIs are for use by incorporated businesses, such group practices and clinics. Organizational NPIs can also be assigned to subparts. Subpart NPIs are given to components of organizations, such as owned laboratories. Subparts are not as common in dentistry as they are in other areas of health care such as hospitals, but are worth noting.

Which NPI is right for you? It depends on how you bill for services.

If you submit claims or claims attachments electronically, or if you use the Internet to verify eligibility or check on the status of claims, you are required by federal law to obtain an NPI. Even if you do not do any business electronically, you should get an NPI and share it with the specialists to whom you refer patients to make it easier for them to bill for services.

All dentists involved in electronic transactions should apply for an individual NPI. If you submit claims as an individual and receive payments in either your name or under your social security number (or other identifier unique to you as an individual), the individual NPI is the only number you'll need.

Organizational NPIs are needed for corporations and other business entities that want payments made to their business or corporate names or under their tax identification numbers (TIN). On a claim, the organizational NPI identifies the payee, and will usually be submitted in conjunction with an individual NPI to identify the dentist who rendered treatment.

Say, for example, you and your partners own Valley Dental Center with five dentists on staff. Your office submits claims as Valley Dental Center, Inc. To continue submitting claims and receiving payments from carriers under your corporate name, you'll need to apply for an organizational NPI. All five of the treating (rendering) dentists in your practice group should also apply for individual NPIs. Once everyone has their numbers, they should be used

consistently on electronic claims to ensure efficient, accurate payment and HIPAA compliance.

To find out more information about NPI compliance, visit the official government NPI Web site at:

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