

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

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**ADP BULLETIN**

Title

Department of Alcohol and Drug Programs (ADP) National
 Provider Identifier (NPI) Implementation Plan

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("Original" signed by J.Meltzer for)

*Susan Rushing**Deputy Director**Information Management Services Division***PURPOSE**

This bulletin is to inform trading partners of changes to ADP's Drug Medi-Cal (DMC) billing process. This is due to ADP's transition to full compliance with the Health Insurance Portability and Accountability Act (HIPAA) National Provider Identifier (NPI) rule (45 CFR Part 162, Subpart D), which requires the NPI to be used as the single provider identifier on the 837P HIPAA transaction.

DISCUSSION

Effective **February 1, 2008**, ADP will no longer accept DMC claims on which the four-character DMC number is used to identify the provider. All DMC claims from that date forward must use the NPI as the single provider identifier; any claims from that date forward which either use the four-character DMC number as a provider identifier or do not use the NPI as the provider identifier will be rejected. The NPI for the rendering provider, counselor, must also be included on the claim. For a more detailed description of the specific changes made to the format of the 837P transaction used for DMC claims, please refer to the *Companion Guide for 837P and 835 Transactions*, version 2.0, (Exhibit A).

Also effective **February 1, 2008**, all submitted claims will be adjudicated as either approved or denied; claims will no longer be suspended and returned for correction on Error Correction Reports (ECRs). All claims on suspense as of February 1, 2008, will be denied. All denied claims are eligible to be resubmitted per California Code of Regulations, Title 22.

A testing environment for 837P transactions with the NPI as the single identifier will be available for all county and direct provider trading partners beginning on **January 1, 2008**. All trading partners must successfully test an 837P with the NPI as the single identifier before submitting a claim in production. A county or direct provider trading partner must send an NPI confirmation document from the National Plan & Provider Enumeration System (NPPES) for every DMC parent and satellite provider for which that trading partner will bill ADP for DMC services to Karen Woolley at 1700 K Street, Sacramento, CA 95811 or through fax at (916) 322-1176. Trading partners cannot submit 837P claims with the NPI as the single identifier in test or production for any provider for which ADP has not received this confirmation. Please refer to **Exhibit B** for detailed testing guidelines.

All Trading Partners must:

- 1) Apply for an NPI and send NPPES confirmation document to ADP
- 2) Make any system changes necessary to include NPI as the single identifier on DMC claims
- 3) Successfully complete the testing process (837P transaction) with NPI as the single identifier with ADP prior to February 1, 2008
- 4) Use NPI as the single provider identifier on all DMC claims submitted to ADP beginning February 1, 2008

Other than the NPI, no changes will be made to the 835 at this time. All changes to the 835 will be reflected in the *Companion Guide version 2.0*, (Exhibit A).

REFERENCES

Title 45 Code of Federal Regulations, Part 162

BACKGROUND

HIPAA requires that health care providers must be identified on electronic claim transactions (837P) exclusively by a NPI issued by the federal government. A NPI can identify a health care organization, a sub-part of a health care organization or an individual health care provider and must be used on the 837P to identify the billing provider, service facility location, and rendering provider.

QUESTIONS/MAINTENANCE

For general questions regarding this bulletin, please contact:

Daryl Brown, ADP HIPAA Project Director
HIPAA Compliance Project, Program Services
Division 916-323-1865 or dbrown@adp.ca.gov
Or
HIPAA1@adp.ca.gov and an analyst will respond.

An additional copy of this document and the revised ADP Companion Guide may be requested through the Department's Resource Center at (800) 879-2772. This bulletin and the Companion Guide are also available on the Department's Web page at www.adp.ca.gov.

EXHIBITS

- [Exhibit A – Companion Guide for 837P and 835 Transactions, version 2.0](#)
- [Exhibit B – Testing Guidelines](#)

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