



State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

November 14, 2007

PPL No. 07-020R

TO: Local Governmental Agency (LGA) Coordinators of
Targeted Case Management (TCM)

SUBJECT: **NATIONAL PROVIDER IDENTIFIER (NPI) REVISION**

This Policy and Procedure Letter (PPL) is to revise guidelines and procedures for implementing the National Provider Identifier Standard requirement in the Targeted Case Management (TCM) program. *This revision specifically corrects the Invoice Number record length in the attached Download Record Layout and the status of encounters without case manager NPIs.*

The NPI is a Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Standard. The identifier is a unique 10-digit number for covered health care providers. This number is intelligence-free, that is, it does not contain any information about the health care provider.

The HIPAA final rule and notice 45 Code of Federal Regulations (CFR) Parts 160 and 162 Health Insurance Reform: Standards for Electronic Transactions; Final Rule and Notice determined that case management is considered a health care service. Medi-Cal is a health plan as defined in 45 CFR 160.103. TCM is part of the State Medicaid Plan (Medi-Cal), and as such, it is covered by HIPAA.

Health care providers are defined in 45 CFR 160.103:

“Health care provider means a provider of services (as defined in Section 1861(u) of the Social Security Act [SSA], 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in Section 1861(s) of the SSA, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.”

As a result of the NPI regulations, DHCS has determined that the TCM System should be modified to enable the entry of the NPI for the current provider identifiers in the system, specifically the LGA which bills DHCS and the case manager who provides the case management service. Requirements and instructions are outlined below.

LGAs are required to provide the following information:

- The NPI assigned to the organization claiming TCM to DHCS, either the LGA or LGA-delegated county agency such as a public health department.

LGAs should report this NPI to DHCS for entry into the “LGA Profile” of the TCM System. Please complete the necessary information on the attached Targeted Case Management LGA National Provider Identifier Submission form and return via e-mail by November 15, 2007 and by mail postmarked by the same date.

All LGA NPIs will be entered and validated by DHCS against the national NPI Registry.

- The NPI of the case manager providing the TCM service for each TCM encounter entered into the TCM System.

LGAs will enter the NPI of the case manager in the designated space that will be provided on the “Add Encounter” screen as LGA staff enters each new encounter into the TCM System. When new encounters are provided to DHCS by means of an electronic file transfer, the NPI of the case manager will be included in the designated space on the file submitted to DHCS as referenced below. Encounters entered into the TCM System without valid case manager NPIs will be assigned the status of “Pending”. Encounters may not be invoiced until valid NPI numbers are entered. Encounters may be updated with valid case manager NPI numbers through “Encounter Modify”.

The NPI provided must be the NPI assigned to the case manager who actually provided the TCM services. This includes case managers employed by either the LGA or by any sub-contracted community-based organization. To be invoiced, an encounter entered on or after November 26, 2007, will be required to have a case manager NPI regardless of the date of service.

All case manager NPIs entered into the TCM System will be validated. This includes using the NPI check-digit algorithm. Each encounter must have a valid NPI to be accepted into the TCM System.

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The new upload and download file descriptions are attached. These new file descriptions will be in use effective November 26, 2007.

The TCM System will automatically use the LGA NPI and the case manager NPI as appropriate when generating all LGA invoices and all DHCS claims for reimbursement submitted to the Centers for Medicare & Medicaid Services (CMS).

LGAs and case managers should take the appropriate steps to insure they obtain NPIs. Further information about the NPI Standard and information about applying, either online or through the mail, can be obtained on CMS website at <http://www.cms.hhs.gov/nationalprovidentstand>.

DHCS apologizes if this revision has caused you any inconvenience. If you should have any questions concerning this policy, please contact Vivian Sultan, Acting Chief, TCM Unit at Vivian.Sultan@DHCS.ca.gov or at (916) 552-9475.

Sincerely,

ORIGINAL SIGNED BY ELIZABETH TOUHEY

Elizabeth Touhey, Chief
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Enclosures

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