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Department of Health Care Services



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DATE: July 1, 2020 PPL 20-026

TO: Local Governmental Agency (LGA) Coordinators for the Targeted Case Management (TCM) Program

**SUBJECT: Department of Health Care Services' (DHCS) Directive for National Provider Identifier (NPI) Verification**

The purpose of this Policy and Procedure Letter (PPL) is to inform the LGAs participating in the TCM program of the requirement for the LGAs to implement a quarterly NPI verification process.

### **NPI Background**

The Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification provisions require the adoption of standard unique identifiers (NPIs) for health care providers and health plans. The purpose of these provisions is to improve the efficiency and effectiveness of electronic transmission of health information. The Centers for Medicare and Medicaid Services (CMS) developed the National Plan and Provider Enumeration System (NPPES) to assign these unique identifiers referred to as NPIs. Any health care provider seeking to bill and receive payment under the Medi-Cal program is required to have a valid NPI. CMS conducts a Payment Error Rate Measurement (PERM) audit for the TCM program every three years to verify that DHCS has valid NPI records for each LGA that received Federal Financial Participation (FFP) and each LGA TCM case manager who provided the TCM services.

Per PPL 18-004R, LGAs are annually required to verify the NPI for their case managers by submitting a screenshot of their valid NPI from the NPPES NPI Registry webpage. However, many LGAs have inactive NPIs or are using the LGA's NPI for case managers. Therefore, the annual NPI verification process is hereby modified to require a quarterly NPI verification process for both the LGA and its case managers.

### **Obtaining a NPI**

Individual Providers (TCM case managers) and Healthcare Provider Organizations (LGAs) must create a NPI to bill Medi-Cal for TCM services rendered. An Individual

Provider and a Healthcare Provider Organization must use the NPPES website (<https://npiregistry.cms.hhs.gov/>) and follow the instructions on how to apply for a NPI. An Individual Provider may only have a single NPI, which will be associated with their unique individual information. Healthcare Organizations are required to have a separate username and password for each NPI associated with the organization. The NPI as a HIPAA Administrative Simplification Standard 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.

### **NPI Verification Requirement**

LGAs must have and maintain a valid NPI for themselves and all of their case managers who provide TCM services in order to receive FFP under the TCM program and comply with CMS' guidelines. (TCM Provider Manual, Section 8, pages 2-3.) A LGA may only have a single NPI, which will be associated with their unique individual information.

As of July 1, 2020, LGAs are responsible for ensuring validity of the NPI for themselves as well as all of their TCM case managers (LGA employed staff or subcontractors) on a quarterly basis prior to submitting invoices for payment to DHCS. LGAs must also notify DHCS by email ([dhcs-tcm@dhcs.ca.gov](mailto:dhcs-tcm@dhcs.ca.gov)) within five business days of the LGA or a TCM case manager's NPI becoming invalid or inactive. TCM encounters may not be invoiced until the valid LGA or case manager NPI is entered into the TCM Online System. (TCM Provider Manual, Section 8, page 3.) All invoices submitted by the LGA while the LGA's or the LGA's case manager's NPI is inactive are ineligible for FFP.

### **NPI Verification Procedures for LGA Coordinators**

If the following NPI verification process is not followed, all invoices will be withheld from processing for payment until the LGA has verified the NPIs for the LGA and/or its case managers.

Quarterly, the LGA Coordinator must:

1. Access the NPPES NPI Registry online webpage located at <https://npiregistry.cms.hhs.gov/> and verify the LGA and TCM case manager(s) NPI(s).
2. Search for the LGA and individual TCM case managers by their NPI.
3. Save a screenshot of each result and name the file as the LGA name or TCM case manager name. Once the files are ready to be sent to DHCS, please create a ZIP folder to include all files and sent them in one email. In order to create a ZIP file, please follow these steps:
  - Select the file(s) to include in the ZIP folder.
  - Right-click on the file(s), then point to "Send to" and select "Compressed (zipped) folder."

- Name the **ZIP** file with the LGA name.
4. Email the NPI verification results in a ZIP folder to DHCS at [dhcs-tcm@dhcs.ca.gov](mailto:dhcs-tcm@dhcs.ca.gov) on a quarterly basis by the 20<sup>th</sup> day of the third month in that particular quarter. Please follow the following table for submission deadlines:

| <b>Quarter</b> | <b>Period Covers</b>                                 | <b>Submission Due Date</b> |
|----------------|--|----------------------------|
| 1              | July 1 <sup>st</sup> to September 30 <sup>th</sup>   | September 20 <sup>th</sup> |
| 2              | October 1 <sup>st</sup> to December 31 <sup>st</sup> | December 20 <sup>th</sup>  |
| 3              | January 1 <sup>st</sup> to March 31 <sup>st</sup>    | March 20 <sup>th</sup>     |
| 4              | April 1 <sup>st</sup> to June 30 <sup>th</sup>       | June 20 <sup>th</sup>      |

Please contact DHCS at [TCM-DHCS@dhcs.ca.gov](mailto:TCM-DHCS@dhcs.ca.gov) with any questions regarding this PPL.

Sincerely,

**ORIGINAL SIGNED BY**

Shelly Taunk, Chief  
County Based Claiming and Inmate Services Section