

June 13, 2007 NPI Application Instructions and Claim Submittal Guidelines

The Vendor Drug Program has identified a significant number of contracted pharmacy providers that have yet to apply for a National Provider Identifier (NPI). For directions on how to apply for an NPI, pharmacies should visit the Centers for Medicare and Medicaid (CMS) website at <http://www.cms.hhs.gov/hipaa/hipaa2>.

Vendor Drug has accepted both the NCPDP and NPI Provider ID on claims transactions since April 23, 2007. While earlier messages indicated Vendor Drug would reject claims without the NPI number after May 23, 2007, this was changed because of the NPI Implementation Contingency Plan announced by CMS in late April 2007. Vendor Drug will continue to accept both the NCPDP and NPI number until further notice.

Please note the Prescriber NPI will not be accepted by Vendor Drug at this time; please continue to use the Prescriber's Texas license number as the Prescriber identifier. If the Prescriber NPI is submitted, it will result in a claim rejection.

Submittal Guidelines

Pharmacies submitting claims with their NPI should make sure the correct information is entered in the Service Provider ID fields:

- Enter "01" in "Service Provider ID qualifier" - Field 202 B2
- Enter your 10-digit NPI number in "Service Provider ID" - Field 201-B1

If a pharmacy's NPI has not been identified by the Vendor Drug system, the pharmacy will receive rejection code 50 (Non Matched Provider). Pharmacies may resubmit the claim with their NCPDP number; if this is done, please ensure that the "Service Provider ID Qualifier" is "07" and the "Service Provider ID" reflects the pharmacy's NCPDP ID.

Pharmacies experiencing problems updating these fields should consult with their software provider.