

This Computes!



**Department of Health Care Services
Children's Medical Services Network
(CMS Net) - Information Bulletin #351**

Pharmacy NPIs in CMSNET-Revised

In 1996, HIPAA (Health Insurance Portability and Accountability Act) required that the Medi-Cal Program (including CCS and GHPP) adopt the use of a NPI (National Provider Identifier) for all health care providers. After the final rule was issued in 2004, the 10-digit NPI became a national standard. Medi-Cal began requiring:

- all health care providers obtain a NPI by October 23, 2007
- all providers bill with an NPI by October 1, 2008
- all TAR and SAR must use the NPI by November 1, 2008

Some CCS counties are reporting claim denials resulting from SARs issued to CVS Pharmacies despite valid NPI numbers.

NPI guidelines do not allow a NPI number to change even though there is an ownership or address change. Hence, along with the NPI number, Owner and Location numbers are assigned. When an original NPI first enters the Medi-Cal provider database, Owner and Location number is defaulted to "1". As ownership and/or location changes occur, the associated number is increased by 1. For example, a pharmacy is sold but stays at the same location. The NPI does not change but the new proprietor is assigned Owner "2" and the Location number remains "1".

CMSNET was not designed to accommodate Owner and Location numbers, therefore a work around is required to avoid issuing SARs **to an end-dated NPI number caused by a change in Owner and/or Location number.**

When entering SARs for pharmacy providers, CCS Counties should first verify that the NPI is valid and current and if there are multiple entries for the same NPI, by following these steps:

1. Search for the provider by clicking on "Provider" in CCS Modules.
2. Enter the NPI provided on the SAR request.

3. If more than one pharmacy choice is returned, only one choice is currently valid. The other(s) are no longer applicable. Review each by clicking on the link to the pharmacy name.
4. Review the category of service start and end-dates.
5. Do not issue a SAR to a pharmacy with category of service end-dates that have passed.
6. Issue a SAR to the pharmacy that has no category of service end-date.
7. Note the specific name and/or address of the currently valid pharmacy NPI to use when entering a SAR.

SARs issued to a pharmacy's NPI that have category of service end-dated will result in claims denials.

If you have any questions, please contact:

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