



September 11, 2007

Kerry Weems  
Acting Administrator  
Centers for Medicare and Medicaid Services  
200 Independence Avenue  
Washington, DC 20201

Dear Mr. Weems:

The American Medical Association (AMA) and the Medical Group Management Association (MGMA) would like to express our concern over Medicare's recent decision to begin "turning on" the National Provider Identifier (NPI) edits on September 4, 2007. While it is important to ensure that Medicare is able to match the appropriate Medicare Provider Identification Number (PIN) to the correct NPI number, **we strongly urge you to reverse your policy and "turn off" and / or "leave off" the NPI edits until a more appropriate time.**

As the Centers for Medicare & Medicaid Services (CMS) is acutely aware, the magnitude of moving from using proprietary identifiers to the NPI is a change that has proven to be complex and costly for physician practices. We were especially disappointed to learn of Medicare's decision to turn the edits back on given that we were only made aware of this shortly before September 4.

There are two significant issues surrounding this recent decision that are cause for serious concerns because of the potential for massive claims processing problems. First, given the admitted complexity associated with matching the appropriate Medicare PIN to the correct NPI number, the potential for a mismatch is higher and the risk greater. This is an issue especially salient for medium to larger group practices where multiple Medicare PINs and NPIs are in use.

Second, NHIC, the California Medicare carrier, has identified at least 3,000 single, incorporated physicians in Northern California who will need to re-enroll in Medicare in order to obtain a group Medicare PIN so it can be associated with their Type II "organization" NPI number. Until 2003, the physicians were only assigned an individual Medicare PIN. Without the appropriate match between the organizational NPI required of any incorporated physician and the correct Medicare PIN, their claims will be rejected. Furthermore, many single, incorporated physicians remain confused about the need to obtain two NPIs.

This issue is of great concern. The NPI claims edits for NHIC are scheduled to be turned back on in mid-September and it takes a minimum of 60 days to get through the enrollment process. Simply put, this is an insufficient amount of time for physicians to begin compiling the documentation required for the lengthy enrollment process. The time to obtain a new PIN will exceed the time when the edits

become active. Furthermore, we are unclear whether the impact of the policy to assign an individual PIN only to incorporated physicians is limited to Northern California or whether this affects other physicians nationwide.

Unless physicians are given sufficient time to resolve the matching problems between the NPI and Medicare PINs, we fear thousands of physicians will experience claims delays and significant cash flow problems. Given the impact that turning the NPI edits on is expected to have on physician practices we are appealing to you to make the following changes immediately:

- **Redact the policy that calls for the carriers to begin turning the edits back on and institute a trial period for each of them that requires them to test the edits for one week in order to assess the impact on claims rejections volumes.**
- **Continue conducting widespread outreach to physician practices in Northern California to alert them to the need to apply for a group Medicare PIN.**
- **Work with us to identify whether other single, incorporated physicians nationwide will need to obtain a Medicare group PIN and conduct appropriate outreach.**
- **Give single, incorporated physicians a minimum of 90 days to obtain their PIN through the Medicare enrollment process, unless backlogs warrant a longer timeframe.**

We appreciate the opportunity to share with you our significant concerns and are eager to work with you to implement a policy that will allow physician practices to continue to work actively toward NPI compliance. Should you have any questions concerning this letter please contact Mari Johnson at (202) 789-7414 / [mari.johnson@ama-assn.org](mailto:mari.johnson@ama-assn.org) or Robert Tennant at (202) 293-3450 x 1373 or [rmt@mgma.com](mailto:rmt@mgma.com).

Sincerely,

American Medical Association  
Medical Group Management Association