Competitive PR4 PHONE & FAX 916-760-4477
2443 FAIR OAKS BLVD. #322, SACRAMENTO, CA 95825 WWW.CPR4RX.COM • CPR4RX@CPR4RX.COM

CA CONTROLLED SUBSTANCE RX REFERENCE GUIDE

May 2013

Table of Contents

REQUIREMENTS BY PRESCRIBER TYPE

Who needs these forms?

Dentists, Nurse Practitioners & Certified Nurse Midwives, Optometrists, Osteopathic Physicians, Physician Assistants, Physicians & Surgeons, Podiatrists, Veterinarians, Pharmacists as a part of multidisciplinary healthcare group, and Naturopathic Doctors.

Who can appear on them?

Every prescriber appearing on a controlled substance prescription blank MUST have an active DEA controlled substance registration number. Without it, they cannot be on the form unless "NOT GOOD FOR CONTROLLED SUBSTANCES" is also preprinted on the forms so that NO PRESCRIBER on that form can prescribe controlled substances with that form.

What must be preprinted?

1) **All Prescribers** The security printer must preprint the prescriber's name, category of licensure (i.e. MD, DDS, NPF, NMF, OD, PA, etc.), California license number, and DEA registration number. There is no statute requiring that the name be an exact match of the DEA registration or practice license name, however, Sections 11173 & 11174 require the use of a name that can be properly validated. (http://www.pharmacy.ca.gov/laws_regs/lawbook.pdf page 164) In addition, the prescriber's address and phone number are required to be on the form to be a valid prescription; therefore, the board recommends this information be preprinted as well. However, locum tenens physicians or other physicians that substitute at various facilities may opt not to preprint the address and phone number, but instead stamp or handwrite this information at the time the prescription is written. If address and phone number are not preprinted, preprinting underscores will show that an address and phone number need to be added to make the prescription valid. **NOTE:** Adobe Acrobat Reader is required to view online Pharmacy Lawbook. FREE download link at www.cpr4rx.com.
2) **All Prescribers** License numbers printed on the form should always include its license type, usually identified by 1 to 3 prefix letters, but sometimes it is a letter within the license number. Separate from that is the category of licensure, which is usually the prescriber's professional credentials. For example, John Jones, M.D. and his license number A12345; the license type (A) and category of licensure (M.D.) are two separate things.
3) **Nurse Practitioners & Nurse Midwives** need to preprint their furnishing numbers as NPF or NMF followed by the number. This is the number that identifies whether they can write C-II prescriptions as part of their license verification listing under Midwives and Registered Nursing at http://www2.dca.ca.gov/pls/wllpub/wllquery$.startup.

4) **Physician Assistants** need to preprint the information required in item 1) for both PA and supervising physician(s).
5) **Pharmacists** who are part of a multidisciplinary healthcare group have no additional requirements for their prescription forms but may want space on the form to record the supervising physician.
6) **Institutional Forms** are only for healthcare facilities licensed by the Dept. of Health Services under Section 1250. The licensed facility's name, address, phone, and DHS license number as well as the designated prescriber's name, category of licensure, license number and DEA number are required to be preprinted on the form. Designated prescribers are responsible for ordering, distributing, and keeping a record of those who possess and use these forms. This record must be maintained for three years. The designated prescriber may delegate these tasks but remains the responsible party.

FEATURES

Logo on Form – Centered single prescriber forms have an online logo upload function that allows you to add your logo to your form if desired. Custom forms can also include your logo.

Customize Without a Custom Form - Forms have a variety of personalization options. Users now have the ability to add information into new areas on their form to customize without the need for a custom form.

Script Sponsor Text Areas – Certain business entities may want to provide prescription forms to prescribers for various reasons. The new customization features provide space to print sponsor messages.

Free Text Areas - These spaces can contain sponsor messages, custom notes or check boxes to suit your specific needs or can be left blank.

Preprint Rx Area – This space can be left blank or you can preprint prescriptions and instructions on every Rx form for drugs that you prescribe on an extremely regular basis. Some or all prescription info may be preprinted with the remainder handwritten by the prescriber or his/her agents. Prescribers are required to sign and date prescriptions in ink. See Q&A below about the requirements for Preprinting the Prescription Itself.

Special Notes Near Signature Area – This space can be left blank or completed to suit your needs.

Customer Form ID# Area – Many organizations have internal form ID numbers that print on their forms for easy identification. This space is provided to print those numbers or may be left blank.

FORM CHOICES for Controlled Substances

- **Regular Controlled Substance Rx Forms** – Single prescriber with one address with your choice of left side or centered prescriber information; Multiple prescribers & addresses up to a total of 9; Either 1 or 3 prescribing spaces per blank. 1- or 2-part pads and 2-part pads with covers.
- **Computer Printer & Handwritten 8½" x 11" Sheet Forms** – Custom forms designed for your computer/software.
- **Pharmacy Forms** – Telephone Rx forms & Skilled Nursing Facility Rx forms have a place to obtain the required signature. Designed for internal and external use. Your choice of heading.
- **Institutional Forms** – Single address with 1 or 3 Rx spaces per form; Multiple locations up to 6 per form with 1 or 3 Rx spaces per blank; multiple locations up to 9 per form with 1 or 3 Rx spaces per form. (total of 6 design styles) 1- or 2-part pads and 2-part pads with covers.
- **Custom Forms** – Custom developed per your instructions to meet your needs. 1- or 2-part pads and 2-part pads with covers.

CONTROLLED SUBSTANCE FACTS

Effective January 1, 2005 all written prescriptions for Schedule II-V controlled substances must be on tamper-resistant prescription forms. These forms can be used to prescribe any drug or device. Prescribers must have a valid DEA number in order to obtain or appear on the controlled-substance prescription forms.

- The state-approved security printer must preprint the name, category of licensure, license number and DEA number of the prescriber on the form. http://www.pharmacy.ca.gov/consumers/controlled_sub.htm
- Schedule II prescriptions are never refillable and can only be written on tamper-resistant prescription blanks unless 11159.2 exempt.
- Controlled and non-controlled substances may be written on the same multiple-drug tamper-resistant prescription form. More than one Schedule II prescription can be written on the same blank, however they must be for different drugs.
- Schedule II prescriptions for terminally ill patients may continue to be written on regular prescription blanks with the terminal illness "Exemption 11159.2" noted. This exemption is for Schedule II drugs only. Schedule III-V written prescriptions for terminally ill patients must be written on the new forms.
- Prescribers or their agents may transmit Schedule III-V prescriptions by telephone as in the past.
- Prescribers or their agents may transmit written Schedule III-V prescriptions on regular prescription blanks via fax. Prescribers should ensure that all fax-transmitted prescriptions are date- and time-stamped and show the originating header of the fax so the receiving pharmacy can authenticate the transmission.
- Prescribers are encouraged to phone or fax Schedule III-V prescriptions if they have not yet received their new prescription forms or if they run out of the forms temporarily. However, in some circumstances phoning or faxing may not be a viable option, therefore pharmacies may receive a Schedule III-V prescription with the notation "11167 exemption". The Board recommends that pharmacists fill these prescriptions by contacting the prescriber to verify and converting the prescription to a telephone order.
- Schedule III-V prescriptions may also be transmitted by telephone, fax, or electronically transmitted prescriptions (i.e. Relay Health, Auto Fax etc. with secure digital electronic signature of the prescriber).
- For Schedule III-V prescriptions, if the patient can "touch" the prescription form at any point of the process from the prescriber to the pharmacy, it must be written on a controlled-substance tamper-resistant Rx form.
- All controlled-substance prescriptions for **Schedules II-V are valid for 6 months** from the date written unless the prescriber notes an earlier expiration date on the blank. Consequently, Schedule II medications written on either the new tamper-resistant prescription form or an old triplicate prescription form – OR – Schedule III-V medications on a regular plain prescription form that was written before January 1, 2005 can be filled as long as it is before the expiration date. (Health & Safety Code 11166)
- The tamper-resistant prescription forms themselves are not tracked, but all Schedule II and Schedule III controlled substances are electronically reported to CURES, the Controlled-Substance Utilization Review and Evaluation System, a joint effort by the California Department of Justice and Board of Pharmacy.
- Multiple prescribers can be on the same tamper-resistant prescription form with check boxes to note which prescriber is writing the prescription.
- "Prescription is void if more than one controlled substance is written per blank" – OR – "Prescription is void if the number of drugs prescribed is not noted" must be printed at the bottom of the new prescription blanks. Forms with the latter statement must include a space to write the number of drugs prescribed.
- For forms that allow for more than one prescription, there is no stated limit of how many drugs can be written on the same blank. The required security features below, however, must be present for each drug:
    - Quantity check boxes 1-24, 25-49, 50-74, 75-100, 101-150, 151 and over (to match actual quantity)
    - A place to indicate units of measure when the drugs prescribed are not in pill or tablet form
    - A check box indicating the prescriber's order not to substitute
    - A place to indicate the number of refills authorized. The new forms are designed to support all prescriptions and Schedules. Schedule II drugs, as always, cannot be refilled.
- Other required security features are:
    - A background pattern that shows "void" when copied or scanned
    - White printing (artificial watermark) of "California Security Prescription" on the back
    - Tamper-evident chemical sensitivity
    - A "thermo-chromic" feature printed in ink that changes color with changes in temperature
    - Microprinting or reverse print that appears as a line or smudge or disappears when copied
    - A batch or job number for each set of forms produced
    - A sequential number always starting with the numeral 1 for each job produced

Q&A for CONTROLLED SUBSTANCES

California Board of Pharmacy Prescriber and Dispenser Q&A and Information
http://www.pharmacy.ca.gov/consumers/prescribe_dispense.htm

Preprinting the Prescription Itself

Question: Can controlled substance medications be preprinted onto a controlled substance prescription form?

Answer: Only if done the right way. California Code of Regulations Section 1717.3(a) PROHIBITS preprinted multiple check-off prescription blanks for any controlled substance. CA Health and Safety Code 11164(a) (1) requires prescribers to sign and date controlled substance prescriptions in ink but allows all other information to be completed by the prescriber's agent(s). (See pages 102 and 161 respectively at http://www.pharmacy.ca.gov/laws_regs/lawbook.pdf.) A preprinted controlled substance prescription is legal if it is preprinted for a single prescription, and therefore has no check-off boxes, and if it complies with all legal requirements for prescribing a controlled substance. Any information not preprinted would need to be written by the prescriber or his/her agent(s). Non-controlled substance prescriptions can be preprinted with multiple check-off boxes. A list of all controlled substances and schedules can be found at http://www.deadiversion.usdoj.gov/schedules.

Local Printer

Question: Can my local printer produce controlled substance prescription forms for me?

Answer: Only state-approved security printers are allowed to produce these forms.

Advertising on Rx Forms

Question: Can a pharmaceutical manufacturer or other entity place an order for prescription pads on behalf of a prescriber and pay for it? If so, can they be listed on the prescription form for advertising purposes?

Answer: Policy for payment of the new controlled substance prescription forms is up to the approved security printer. The forms cannot be shipped to the third party that is paying for the order. The prescription forms must be delivered to the prescriber's address and a signature upon delivery is required. It is acceptable to incorporate advertising information on the form and/or within a pad of forms.

Computer-generated Prescription Forms

Question: Can prescribers use blank security stock to print CA controlled substance prescriptions on the computer printer in their office?

Answer: No. The security printer is required to preprint the required information on approved CA controlled substance prescription blanks. The prescriber's name, etc. can be printed by the user's software to identify the prescriber if more than one prescriber is listed on the form but this is in addition to the required preprinted information and security features.

SNF, Intermediate Care, and Hospice C-II Oral and Fax Prescriptions

Question: I'm a pharmacist in northern California in a retail setting and we service Hospice patients. MDs call in medications all the time and quite often they involve Class II drugs. If these patients are classified as 11159.2 patients, can the MD call in these meds or do they have to fax the written RX to us so we have a hard copy for the files?

Answer: Exemption 11159.2 for terminal illness does not apply for phone or fax prescriptions; it allows a Class II to be written on a regular form for terminally ill patients. Section 11167.5, found on page 164 at

http://www.pharmacy.ca.gov/laws_regs/lawbook.pdf, allows for oral or electronically transmitted prescriptions for Class IIs for a patient of a licensed skilled nursing facility, a licensed intermediate care facility, a licensed home health agency, or a licensed hospice. I recommend reading the entire section for the specific requirements. Drugs delivered pursuant to Section 11167.5 require the specific information listed, including the pharmacist endorsement and the signature of the person receiving the drugs, to be recorded on the original prescription. We have developed a form for this purpose, which can be seen on the following pages.

Emergency Department Dispensing When Pharmacy is Closed

Question: Regarding schedule III-V medications... our ED physicians dispense a "six-pack" of Vicodin tabs directly to their patients. They do not fill out a prescription. The dispensation is charted in the medical record. Are they legally required to fill out a tamper-resistant prescription form?

Answer: Section 4068 of the Business and Professions Code is noted below:
4068. (a) Notwithstanding any provision of this chapter, a prescriber may dispense a dangerous drug, including a controlled substance, to an emergency room patient if all of the following apply:
(1) The hospital pharmacy is closed and there is no pharmacist available in the hospital.
(2) The dangerous drug is acquired by the hospital pharmacy.
(3) The dispensing information is recorded and provided to the pharmacy when the pharmacy reopens.
(4) The hospital pharmacy retains the dispensing information and, if the drug is a schedule II or schedule III controlled substance, reports the dispensing information to the Department of Justice pursuant to Section 11165 of the Health and Safety Code.
(5) The prescriber determines that it is in the best interest of the patient that a particular drug regimen be immediately commenced or continued, and the prescriber reasonably believes that a pharmacy located outside the hospital is not available and accessible at the time of dispensing to the patient.
(6) The quantity of drugs dispensed to any patient pursuant to this section are limited to that amount necessary to maintain uninterrupted therapy during the period when pharmacy services outside the hospital are not readily available or accessible, but shall not exceed a 72-hour supply.
(7) The prescriber shall ensure that the label on the drug contains all the information required by Section 4076.
(b) The prescriber shall be responsible for any error or omission related to the drugs dispensed.

In other words, the medication dispensed is purchased by the pharmacy and dispensed as six packs through the ER under the conditions stated above. The medication must be labeled appropriately (4076), proper information about the drug provided to the patient (4074) and the dispensing information provided to the pharmacy when it opens. The pharmacy is required to report C-II & C-III meds dispensed to the Dept. of Justice CURES Program, including the 6-packs dispensed from the ER. They do not have to complete a controlled substance Rx form but all of the same information must be provided to the pharmacy so they can report the dispensing info to CURES.

Sale of Scheduled Drugs for Use in Office

Question: What documentation (prescription or other) is required for a retail pharmacy to sell scheduled drugs to a doctor's office to keep in stock for office use?

Answer: There are several issues involved in answering this question.

1. Is the prescriber authorized to possess/purchase the controlled substance requested? To determine this, the pharmacist must determine that the prescriber is authorized to purchase the particular controlled substance - request a copy of the DEA registration.
2. How is the sale/furnishing documented? The furnishing must be done via an invoice/sales and purchase order. The requirements can be found in Business and Professions Code section 4059 subdivision (b).
3. Section 11250 (and 11251) states that no prescription is required in case of the sale of controlled substances at retail (at wholesale in section 11251) in pharmacies by pharmacists to any of the

following: physicians; dentists; podiatrists; veterinarians; pharmacists, registered nurses, and physician assistants acting under Article 1, etc.; and optometrists.
See http://www.pharmacy.ca.gov/laws_regs/lawbook.pdf page 169 for exact reference.

Other guidance can be found in 21 Code of Federal Regulations (CFR) sections 1307.11 and 1304.22.

What qualifies as separate C-II prescriptions?

Question: In a previous newsletter, it was noted that more than one Class II drug prescription can be written on the same form if the form meets the legal requirements for multiple prescriptions and that two Class II prescriptions on the same blank must be for different drugs. The reason for this is that multiple Class II drugs on the same form would violate the ban on refilling C-II drugs. This raises the question: Does this mean different active ingredients or just different strengths? For example, can two kinds of morphine sulfate or two strengths of Oxycontin be on the same prescription blank?

Answer: If both prescriptions for different strengths or form of medication of the same active ingredient were to be taken by the patient during the same time period for separate medical reasons, then each would be a separate prescription and could not be considered a C-II refill. If there is any question, a call to the prescriber would be the safe approach and would demonstrate due diligence. C-II prescriptions for sequential, successive time periods are not allowed. For example, one Rx for January, another for February, another for March for the same drug would not be allowed on the same Rx blank.

Licensed Healthcare Facility Computer-Generated "Institution" Style Forms

Question: Can a licensed healthcare facility computer generate "institution" style controlled-substance prescriptions to print on a shared laser or dot matrix printer within the facility?

Answer: Yes, a licensed healthcare facility can purchase custom "institution" style prescription blanks that can be used to computer generate prescriptions to print on a shared laser or dot matrix printer within the facility. These custom "institution" style laser or dot matrix forms must adhere to all of the provisions for "institution" style forms, including preprinting the designated prescriber's information, and the forms must incorporate the required security features pursuant to Health and Safety Code Section 11162.1 et seq. However, provisions were added to subsection (c), as a result of Assembly Bill 30 (Richman, Statutes of 2003), that are specifically limited to licensed healthcare facilities that computer generate prescriptions using an "institution" style prescription form to print on a shared laser or dot matrix printer and, as a result, these forms only:

§ **Do not require** the six quantity check boxes;
§ **Do not require** the facility's "designated prescriber" to maintain a record of the prescribers to whom these forms are distributed, but recommend keeping a record of forms ordered, received and used; and
§ **Do allow** the computer software to print the actual prescriber's name, category of licensure, DEA registration number, license number, and the date the prescription is written, in addition to the patient and prescription information.

NOTE: These exceptions do not apply to laser or dot matrix style controlled-substance prescription forms for use by a prescriber, group practice, clinic, or any other outpatient setting. R05-2005

11162.1 EXCERPT FROM CALIFORNIA PHARMACY LAW BOOK

Requirements

(a) The prescription forms for controlled substances shall be printed with the following features:
(1) A latent, repetitive "void" pattern shall be printed across the entire front of the prescription blank; if a prescription is scanned or photocopied, the word "void" shall appear in a pattern across the entire front of the prescription.
(2) A watermark shall be printed on the backside of the prescription blank; the watermark shall consist of the words "California Security Prescription."
(3) A chemical void protection that prevents alteration by chemical washing.
(4) A feature printed in thermochromic ink.

(5) An area of opaque writing so that the writing disappears if the prescription is lightened.
(6) A description of the security features included on each prescription form.
(7) (A) Six quantity check off boxes shall be printed on the form so that the prescriber may indicate the quantity by checking the applicable box where the following quantities shall appear:

1–24
25–49
50–74
75–100
101–150
151 and over.

(B) In conjunction with the quantity boxes, a space shall be provided to designate the units referenced in the quantity boxes when the drug is not in tablet or capsule form.
(8) Prescription blanks shall contain a statement printed on the bottom of the prescription blank that the "Prescription is void if the number of drugs prescribed is not noted."
(9) The preprinted name, category of licensure, license number, federal controlled substance registration number, and address of the prescribing practitioner.
(10) Check boxes shall be printed on the form so that the prescriber may indicate the number of refills ordered.
(11) The date of origin of the prescription.
(12) A check box indicating the prescriber's order not to substitute.
(13) An identifying number assigned to the approved security printer by the Department of Justice.
(14) (A) A check box by the name of each prescriber when a prescription form lists multiple prescribers.
(B) Each prescriber who signs the prescription form shall identify himself or herself as the prescriber by checking the box by his or her name.
(b) Each batch of controlled substance prescription forms shall have the lot number printed on the form and each form within that batch shall be numbered sequentially beginning with the numeral one.
(c) (1) A prescriber designated by a licensed health care facility, a clinic specified in Section 1200, or a clinic specified in subdivision (a) of Section 1206 that has 25 or more physicians or surgeons may order controlled substance prescription forms for use by prescribers when treating patients in that facility without the information required in paragraph (9) of subdivision (a) or paragraph (3) of this subdivision.
(2) Forms ordered pursuant to this subdivision shall have the name, category of licensure, license number, and federal controlled substance registration number of the designated prescriber and the name, address, category of licensure, and license number of the licensed health care facility the clinic specified in Section 1200, or the clinic specified in Section 1206 that has 25 or more physicians or surgeons preprinted on the form. Licensed health care facilities or clinics exempt under Section 1206 are not required to preprint the category of licensure and license number of their facility or clinic.
(3) Forms ordered pursuant to this section shall not be valid prescriptions without the name, category of licensure, license number, and federal controlled substance registration number of the prescriber on the form.
(4) (A) Except as provided in subparagraph (B), the designated prescriber shall maintain a record of the prescribers to whom the controlled substance prescription forms are issued, that shall include the name, category of licensure, license number, federal controlled substance registration number, and quantity of controlled substance prescription forms issued to each prescriber. The record shall be maintained in the health facility for three years.
(B) Forms ordered pursuant to this subdivision that are printed by a computerized prescription generation system shall not be subject to subparagraph (A) or paragraph (7) of subdivision (a). Forms printed pursuant to this subdivision that are printed by a computerized prescription generation system may contain the prescriber's name, category of professional licensure, license number, federal controlled substance registration number, and the date of the prescription.
(d) This section shall become operative on January 1, 2012. Prescription forms not in compliance with this division shall not be valid or accepted after July 1, 2012.

MEDICAID REQUIRES NEW Rx FORMS APRIL 1, 2008

Starting April 1, 2008, all written, non-electronic prescriptions must be on tamper-resistant forms in order for Medicaid outpatient drugs to be reimbursed by the federal government. Pharmacies that accept non-compliant forms may not be reimbursed or may have paid, non-compliant reimbursements reclaimed in the future.

This requirement applies to all outpatient drugs, including over-the-counter drugs in States that reimburse for prescriptions for such items, regardless of whether Medicaid is the primary or secondary payor. The new

Medicaid requirement can be satisfied by using the tamper-resistant forms used in states that required tamper-resistant prescription forms prior to this new law.

CMS has outlined three baseline characteristics of tamper-resistant prescription forms, but each State will define which features it will require to meet those characteristics in order to be considered tamper-resistant. CMS defines the baseline characteristics as one or more industry-recognized features that prevent:

(1) Unauthorized copying of a completed or blank prescription form
(2) The erasure or modification of information written on the prescription by the prescriber
(3) The use of counterfeit prescription forms

On April 1, 2008, States must require at least one of these baseline requirements.
No later than October 1, 2008, States must require all three characteristics on prescription forms in order to be considered tamper-resistant.

This requirement does not apply when:

- The prescription is electronic, faxed, or verbal *(although controlled-substance regulations may require a written prescription)*
- A managed care entity pays for the prescription
- In most situations, drugs are provided in certain institutional and clinical facilities
- Refills of written prescriptions are presented at a pharmacy before April 1, 2008

Emergency fills are allowed as long as a prescriber provides a verbal, faxed, electronic, or compliant written prescription within 72 hours after the date on which the prescription was filled. This new law has no additional record-keeping requirements. Each state must establish its own enforcement plan for ensuring compliance with the payment restrictions. Failure of a State to enforce the tamper-resistant form requirement may result in the loss of Federal financial participation.

MEDICARE CLAIMS NOW REQUIRE AN NPI

Pharmacies need prescriber NPI numbers to meet new requirement!

See the examples below in the National Provider Identifier (NPI) HIPAA rule that explain why every prescriber should have an NPI. Prescribers don't know where prescriptions will be filled. To avoid unnecessary calls and/or faxes from pharmacies, NPIs can be preprinted on Rx blanks. *Competitive PR4* provides Rx blanks that can be used to prescribe any drug or device in California, including controlled substances. Rx blanks should be ordered at https://www.nationsprint.com/clients/competitivepr4/ (ordering only) or www.cpr4rx.com (ordering, price list & other information) by clicking "Order Online." Payment methods are VISA or MasterCard.

The U.S. Department of Health and Human Services now requires that standard transactions ***(insurance claims)*** **must include prescriber NPIs to be processed and paid.** The Center for Medicare and Medicaid Services (CMS) encourages all health care providers to obtain an NPI, which is free.

> *"The use of the NPI will improve the Medicare and Medicaid programs, and other Federal health programs* ***and private health programs, and the effectiveness and efficiency of the health care industry in general, by simplifying the administration of the health care system and enabling the efficient electronic transmission of certain health information.*** *This final rule implements some of the requirements of the Administrative Simplification subtitle F of the Health Insurance Portability and Accountability Act of 1996 (****HIPAA****)."*
>
> *-- Federal Register, Vol. 69, No. 15, Page 3434, Column 1*

Many health care claims filed after May 22, 2007 require providers to be identified using a National Provider Identifier (NPI) to be processed and paid. NPIs are free and are obtained from the National Provider System (NPS). NPIs with an "Entity Type Code" of 1 are individual human beings, such as physicians, nurses, dentists, and other individual providers. NPIs with an "Entity Type Code" of 2 are health care providers other than individual human beings, such as hospitals, clinics, pharmacies, home health agencies, suppliers of durable medical equipment, group practices, labs, etc. Prescription blanks that include NPIs enable pharmacies to file insurance claims that meet the new claim processing requirement.

The following information on this page is from the 45 CFR Part 162, HIPAA Administrative Simplification: Standard Unique Health Identifier for Health Care Providers; Final Rule, http://www.cms.hhs.gov/NationalProvIdentStand/Downloads/NPIfinalrule.pdf.

Here are examples that illustrate the desirability for a health care provider that is not required to be enumerated to obtain and disclose an NPI:

(1) **A pharmacy claim** that is a standard transaction must include the identifier (which, as of the compliance date, would be the NPI) of the prescriber. Therefore, the pharmacy needs to know the NPI of the prescriber in order to submit the pharmacy claim. The prescriber may be a physician or other practitioner who does not conduct standard transactions. The prescriber is encouraged to obtain an NPI so it can be furnished to the pharmacy for the pharmacy to use on the standard pharmacy claim.

(2) **A hospital claim** is a standard transaction and it may need to identify an attending physician. The attending physician may be a physician who does not conduct standard transactions. The physician is encouraged to obtain an NPI so it can be furnished to the hospital for the hospital to use on the standard institutional claim.

In the examples above, **the NPI of a health care provider that is not a covered entity is needed for inclusion in a standard transaction**. The **absence of NPIs** when required in those claims by the implementation specifications **may delay preparation or processing of those claims, or both.** Therefore, we strongly encourage health care providers that need to be identified in standard transactions to obtain NPIs and make them available to entities that need to use them in those transactions.

Under § 162.410 (Implementation specifications: Health care providers), we require each covered health care provider to:

- Obtain from the NPS, by application if necessary, an NPI for itself and, if appropriate, for its subparts.
- Use the NPI it obtained from the NPS to identify itself in all standard transactions that it conducts where its health care provider identifier is required.
- Disclose its NPI, when requested, to any entity that needs the NPI to identify that health care provider in a standard transaction.
- Communicate to the NPS any changes to its required data elements in the NPS within 30 days of the change.
- If it uses one or more business associates to conduct standard transactions on its behalf, require its business associate(s) to use its NPI and the NPIs of other health care providers appropriately as required by the transactions the business associate(s) conducts on its behalf. (For example, a claim for a laboratory service will require the NPI of the laboratory and may also require the NPI of the referring physician. If a business associate prepares the laboratory claim, the business associate must use the laboratory's and the referring physician's NPIs. If the business associate does not already know the NPI of the referring physician, it may have to contact the referring physician to obtain his or her NPI.)
- If it has been assigned NPIs for one or more subparts, comply with the above requirements with respect to each of those NPIs.

Under § 162.412 (Implementation specifications: Health plans), we require health plans to: use the NPI of any health care provider (including subparts of organization health care providers) that has been assigned an NPI to identify that health care provider (or subpart) in all standard transactions where the health care provider's (or subpart's) identifier is required. Health plans may not require health care providers that have been assigned NPIs to obtain additional NPIs.

Under § 162.414 (Implementation specifications: Health care clearinghouses), we require health care clearinghouses to use the NPI of any health care provider (including subparts of organization health care providers) that has been assigned an NPI to identify that health care provider (or subpart) in all standard transactions where that health care provider's (or subpart's) identifier is required.

Reporting of NPIs on Claims Sent to Medicare

Electronic Claims sent to Carriers, DME Contractors or Fiscal Intermediaries
X12 837 and NCPDP electronic claims submitted without an NPI will be rejected. Medicare legacy provider identifiers may no longer be reported on electronic claims sent to Medicare.

Professional Paper Claims sent to Carriers & DME Contractors

Revised CMS-1500 (08/05) forms received without an NPI to identify each provider for which data is reported on a claim, such as a rendering, referring or ordering physician, in addition to the billing provider, will be rejected by Medicare. Medicare legacy provider identifiers may no longer be reported on paper claims sent Medicare.

Institutional Paper Claims sent to Fiscal Intermediaries

UB-92 forms received will be rejected by Medicare whether or not they include an NPI. UB-04 forms received by Medicare will be rejected if an NPI is not used to identify each provider for which data is reported on the claim. UB-04 submitters may no longer send Medicare legacy provider identifiers on these paper claims.

Special Instructions for Paper Claims Submission

CMS systems will only accept NPI numbers. Small health plans have an additional year to be NPI compliant.