

## Health Information Compliance Alert

### **Industry Notes: Don't be too quick to blame PECOS for all the informational messages you receive about claims lacking valid physician NPIs.**

Last year CMS caused a panic among Part B providers by setting deadlines for so-called PECOS edits to begin on claims. In the first stage, which was implemented, the edits pay claims but send providers an informational message if the claim's referring/ordering physician doesn't have a valid National Provider Identifier number and/or isn't enrolled in the online Provider Enrollment, Chain and Ownership System (PECOS). The second stage, which will return claims without valid NPIs or PECOS enrollment, got yanked at the last minute due to physicians failing to enroll.

Failure to enroll in PECOS is the number-one reason for the informational messages being issued, with 79 percent of claims with such messages being due to PECOS, CMS confirms in a new fact sheet about Medicare enrollment guidelines for ordering and referring providers.

But that's not the only reason. About "11 percent of informational messages are generated for organizational NPIs," CMS reveals in the fact sheet. "Orders must be written by eligible individual physicians or non-physician practitioners. Organizations are not eligible to order and refer.

Tip: "Some eligible professionals have both a Type 1 (individual) and Type 2 (organizational) NPI," CMS explains. "You must use a Type 1 NPI for ordering and referring." And "10 percent of the informational messages are generated for individual providers who are of a specialty that is not eligible to order and refer," CMS adds. Only Doctors of Medicine or Osteopathy and Doctors of Podiatric Medicine may order or refer, the fact sheet says.

The fact sheet is at [www.cms.gov/MLNProducts/downloads/MedEnroll\\_OrderReferProv\\_FactSheet\\_ICN906223.pdf](http://www.cms.gov/MLNProducts/downloads/MedEnroll_OrderReferProv_FactSheet_ICN906223.pdf). CMS has not yet set a date for the PECOS stage 2 edits to take effect.