90.2 - Prescriber Identifiers

(Rev. 14, Issued; 09-30-11, Effective: 09-30-11, Implementation: 09-30-11)

Sponsors must report on PDE records one of the following four prescriber identifiers:

- *NPI,*
- *DEA number*
- *UPIN*
- *State license number*

Beginning January 1, 2012, sponsors must ensure these identifiers are active and valid.

Sponsors may not reject a pharmacy claim solely on the basis of an invalid prescriber identifier in order to not impede Medicare beneficiary access to needed medications unless the issue can be resolved at point of sale. In other words, sponsors may not reject a pharmacy claim at point of sale without prompt follow-up to ensure that the claim has been resubmitted with a corrected and valid prescriber identifier, or new information has been otherwise received to correct the sponsor's information. If this is not possible, pharmacies can fill prescriptions and sponsors can pay the associated drug claims with an unvalidated prescriber ID at the point of sale. However, sponsors are then responsible for verifying and reporting a valid prescriber ID on the PDE record, and, whichever type of identifier is reported on the PDE, the identifier must be valid. Therefore, if an active and valid prescriber ID is not included on the Part D claim, either the sponsor, or the pharmacy if in accordance with the contractual terms of the network pharmacy agreement, must follow up retrospectively to acquire a valid ID of one of the four acceptable types before the PDE is submitted to CMS.

Follow-up may require review of the prescription, contact with the prescriber, use of the multiple sources of state and federal data on providers, or the purchase of prescriber ID validation services from a commercial vendor. Among the available state and federal sources are individual state licensing board data on licensing and sanctions, Drug Enforcement Agency registrant files, the Social Security Administration death file, OIG and state Medicaid program excluded provider lists, and the CMS National Plan & Provider Enumeration System (NPPES) database. Periodically updated files are available from these databases, in some cases directly from these agencies, or otherwise through the Department of Commerce's National Technical Information Service (NTIS). In addition to these resources, CMS understands that multiple commercial firms compile databases and offer services for validation of prescriber identifiers, so an alternative approach would be for sponsors to purchase prescriber identifier validation services from commercial vendors who already have access to these sources of data and are currently providing these services to pharmacy, health plan, and pharmaceutical manufacturer clients. Thus, sponsors have the option to either build their own systems or contract with commercial vendors for prescriber ID validation services.

Although the requirement for validation of prescriber identifiers is imposed on Part D sponsors, CMS expects that network pharmacies may either contractually agree to provide some of these services themselves, or will fully support any retrospective review of the prescription and other records necessary to identify the prescriber and obtain a valid identifier. Contractual negotiations between sponsors/their agents and network pharmacies should address the terms and conditions as to responsibilities for these processes and any penalties for failure to perform. However, any requirement for a pharmacy to acquire and utilize its own automated validation capability should be a result of mutual agreement between the parties, since such a requirement may be impractical for many smaller pharmacy organizations. Also, CMS would expect that pharmacies will have the opportunity to correct any invalid data before payment for a claim is reversed whether or not the applicable contract delegates any sponsor duties.

90.2.1 - Foreign Prescribers

(Rev. 14, Issued; 09-30-11, Effective: 09-30-11, Implementation: 09-30-11)

Certain border states permit prescriptions from foreign (e.g., non-U.S. or U.S. territory licensed) prescribers under their applicable pharmacy laws.

The only exception to the guidance in section 90.2 of this manual is that the identifier of a foreign prescriber cannot practically be validated. Therefore, sponsors should use the license number assigned by the foreign jurisdiction and report it on the PDE without validation against any official database, if the Part D claim was submitted in a state that recognizes prescriptions from foreign-located prescribers. By license number, CMS means the one assigned by an appropriate licensing board in the foreign jurisdiction in which the prescriber practices/resides on the claim with the State license qualifier.

90.2.2 - Beneficiary Requests for Reimbursement

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Beginning 2012, a valid prescriber identifier must be reported on the PDE record of non-standard format claims, such as requests for reimbursement ("paper" claims) submitted by

Medicare beneficiaries. Sponsors may require members to furnish the prescriber's name and address or phone number, or the pharmacy information, to assist the sponsor in obtaining the prescriber ID. Once the prescriber or pharmacy contact information is acquired, the sponsor must process the request for reimbursement and the sponsor, or the pharmacy (if doing so is in accordance with its contract terms), must follow up retrospectively to acquire a valid ID. Follow-up may entail a review of the prescription, prescriber contact, use of state or federal data on providers, or purchase of prescriber ID validation services from a commercial vendor.

Payment to the beneficiary cannot be made dependent upon the sponsor's acquisition of the prescriber ID, itself. Sponsors may withhold reimbursement to the beneficiary only if there is a reason to suspect fraud or if there are coverage issues. In the absence of fraud, if the sponsor is unable to retrospectively acquire a valid prescriber ID, the sponsor may not seek recovery of the Part D payment from the beneficiary.

90.2.3 - National Provider Identifiers (NPIs)

(Rev. 14, Issued; 09-30-11, Effective: 09-30-11, Implementation: 09-30-11)

CMS will begin validating the format of all prescriber identifiers on PDEs that are coded as an NPI and will exclude from payment reconciliation PDEs with invalid NPIs. CMS will also be assessing each sponsor's performance regarding NPI use and validity and will be notifying plan sponsors of their performance level. While section 90.2 of this manual has specifically addressed prescriber identifiers, CMS reminds both Medicare Advantage organizations and Part D sponsors that they are also required to obtain valid provider NPIs on claims. NPIs may be deactivated for reasons such as provider death or fraud related to identity theft and other forms of fraud. The NPPES database is updated monthly to reflect these changes. Therefore, in addition to verifying the reported NPI is valid, sponsors must also periodically confirm the identifiers are active. In those instances when the NPI is found to have been deactivated, sponsors must follow up with the provider to determine the reason for the deactivation.

90.2.4 - Controlled Substances

(Rev. 14, Issued; 09-30-11, Effective: 09-30-11, Implementation: 09-30-11)

In 2012, sponsors are required to confirm the validity of DEA numbers on Schedule II-V drug claims or map NPIs on these claims to the prescriber's DEA numbers. In addition, sponsors will be required to confirm that the controlled substance prescribed is consistent with the prescriber's DEA Schedule registration. As noted in section 90.2 of this manual, sources of state and federal data on providers are available to support sponsor efforts in this regard in addition to prescriber identifier validation services from commercial vendors. Sponsors should understand that this requirement supports (and does not supersede or alter) existing pharmacy obligations relative to DEA registrants under the Controlled Substances Act and DEA rules.