



State of New Jersey  
Department of Human Services  
Division of Medical Assistance & Health Services

# NEWSLETTER

---

Volume 24, No. 08

July 2014

---

**TO:** All providers – **For Action**  
Health Maintenance Organizations – **For Information Only**

**SUBJECT:** **Enhanced Claims Editing for NPI**

**EFFECTIVE:** Immediately

**PURPOSE:** To update all providers regarding the Affordable Care Act requirements for New Jersey Charity Care (NJCC)/NJ FamilyCare (NJFC)/Medicaid fee-for-service (FFS) beneficiaries. This became effective on or about January 1, 2013. The Patient Protection and Affordable Care Act (PPACA) of 2010 (42 CFR 455 Subpart E) requires that State Medicaid Programs utilize federally-approved databases to screen their provider files to identify ineligible providers of NJCC/NJFC/Medicaid FFS-covered healthcare services.

**BACKGROUND:** PPACA requires that all healthcare professionals who operate, order, prescribe, refer, supervise or attend to the healthcare needs of a NJCC/NJFC/Medicaid FFS beneficiary enroll in the NJFC/Medicaid program by no later than January 1, 2013 as a 'non-billing' provider, unless already enrolled in the NJFC/Medicaid program as a 'servicing' or 'billing' provider. **Additional information may be found at [www.njmms.com](http://www.njmms.com) under *Newsletters and Alerts* (see Newsletter Vol. 22, No. 20, dated December 2012).**

Healthcare claims are denied payment by the NJCC/NJFC/Medicaid programs when the NPI is not appropriately reported as part of a healthcare claim for any professional who operates orders, prescribes, refers, services, supervises or attends to the healthcare needs of a NJCC/NJFC/Medicaid FFS beneficiary. Failure to include a valid NPI on your claim results in a denial of claim payment.

The New Jersey Division of Medical Assistance and Health Services continues to enhance its claims processing procedures to ensure a stronger compliance with ACA requirements. These enhanced procedures require that the relationship between the Medicaid Provider ID number and the NPI reported on submitted claims are appropriate and accurately represent the identity of the professional operating, ordering, prescribing, referring, servicing, supervising or attending to the healthcare needs of the NJCC/NJFC/Medicaid FFS beneficiary, as well as billing providers requesting payment from the State of New Jersey.

**This Newsletter is intended to announce enhanced screening procedures for Medicaid Provider IDs and NPIs reported on all claims.** It is important to note that for electronic or HIPAA claims, reporting a Medicaid Provider ID is not a requirement. The taxonomy and zip codes reported on these claims are used to establish a

relationship between the NPI and the Medicaid Provider ID reported. However, if a Medicaid Provider ID is reported on electronic or HIPAA claims, the requirements described below shall apply.

**ACTION:** Effective immediately, enhanced screening procedures shall be applied to **all claims** to improve the quality of identifiers used to identify providers reported on submitted claims. These new procedures include the following:

- The submitted National Provider Identifier (NPI) for all providers associated with a claim must be registered with the NJ FamilyCare/Medicaid fee-for-service program. The claims system will compare the reported NPI(s) with a table of NPIs previously reported to the State fiscal agent to determine if the NPI(s) is registered with the State of New Jersey.
- The claims system will compare the reported NPI to the Medicaid provider ID reported on all claims to determine if an established relationship exists. If no relationship is found, the claim shall be denied payment. The relationship between the Medicaid provider ID and the NPI reported on all claims must be consistent with that previously identified to the State of New Jersey. Providers with multiple NPIs must ensure that the correct NPI is reported for the Medicaid Provider ID reported on a claim.
- New Error Codes shall post to denied claims resulting from the application of these enhanced screening procedures:

Error Code	Type	Error Code Description
1404	Billing provider	NPI not registered with New Jersey Medicaid
1405	Servicing provider	NPI not registered with New Jersey Medicaid
1406	Attending provider	NPI not registered with New Jersey Medicaid
1410	Referring provider	NPI not registered with New Jersey Medicaid
1411	Operating provider1	NPI not registered with New Jersey Medicaid
1412	Operating provider2	NPI not registered with New Jersey Medicaid
1413	Prescribing provider	NPI not registered with New Jersey Medicaid
1414	Supervising provider	NPI not registered with New Jersey Medicaid
1415	Billing provider	Relationship between NPI & Provider ID not documented
1418	Servicing provider	Relationship between NPI & Provider ID not documented
1419	Attending provider	Relationship between NPI & Provider ID not documented
1420	Referring provider	Relationship between NPI & Provider ID not documented
1421	Operating provider1	Relationship between NPI & Provider ID not documented
1422	Operating provider2	Relationship between NPI & Provider ID not documented

1423	Prescribing provider	Relationship between NPI & Provider ID not documented
1427	Supervising provider	Relationship between NPI & Provider ID not documented

Providers who need to update the NPI information registered with Molina Medicaid Solutions shall submit to Molina a cover on letterhead that includes their Medicaid Provider ID and a copy of their National Plan & Provider Enumeration System (NPPES) screen print. This documentation must be mailed to: Provider Enrollment Unit, Molina Medicaid Solutions, P.O. Box 4804, Trenton, N.J. 08650; or may be faxed to 609-584-1192.

If you have any questions concerning this Newsletter, please contact Molina Medicaid Solutions Provider Relations at 800-776-6334.

**RETAIN THIS NEWSLETTER FOR FUTURE REFERENCE**