

SUBPART BILLING AND MOLINA

If you received a letter from Molina Healthcare of Washington like the one below, you may be wondering what 'subpart billing' means and whether you need to submit the change document for your practice.

Subpart Billing is new concept to be introduced with the ANSI 5010 standard when it is implemented in January of 2012. (in reality, it is a formalization of an existing situation.)Subpart billing allows a legal entity to obtain and use multiple billing NPIs for different practice locations or specialties that are covered under a common tax id. When submitting claims after January 1, 2012, each billing NPI must be accompanied by the physical address registered with NPPES for that billing NPI. There is another record called the 'billing pay to' record that will contain any PO Boxes or lock boxes where remittance will be sent.

So unless you are a practice with multiple locations or specialties that you wish to keep separate as a medical billing entity, but practice under a common tax id, you do not need to apply for the subpart billing. And you do not need to submit the change form for Molina.

If you are a practice that wishes to do subpart billing, or already have multiple billing NPIs under one tax id, then you should talk to Molina to determine if the change document is appropriate for your practice.

If you wish to apply for Billing NPIs, you must do so with the National Plan and Provider Enumeration System (NPPES) at this web address: <https://nppes.cms.hhs.gov/NPPES/Welcome.do>. They issue and control the issuing of NPIs for providers and practices.

A copy of the letter is below:



May 20, 2011

Dear Provider:

Please see the enclosed information regarding Electronic Data Interchange (EDI) transition from ANSI X 12 Version 4010A1 to 5010. The mandated changes will be implemented and required effective January 1, 2012.

Molina Healthcare is committed to paying you correctly and timely. In order to ensure your claims are submitted appropriately per the 5010 transaction requirements, please review and respond if you will be changing to subpart billing per the enclosed form.

The enclosed documents include information on:

- Impacts to providers due to the 5010 changes
- What to do to prepare for the 5010 implementation
- Impact of billing subpart NPI's
- Provider information change form to be completed if you are changing to subpart billing ←
- Readiness testing

Thank you,

Provider Services
Molina Healthcare of Washington