

WellPoint, Inc. HIPAA NPI Readiness Statement
FINAL & REVISED – 4/10/07

The National Provider Identifier (NPI) is a component of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The NPI is a 10-digit single provider identification number the Centers for Medicaid and Medicare Services (CMS) will assign through the National Plan and Provider Enumerator System (NPPES) to uniquely identify a physician, other health care professional or institution within specified electronic HIPAA transactions. It is intended to improve the efficiency of the health care system and reduce fraud and abuse. Ultimately, the NPI will replace all existing identification numbers including the Medicare, Medicaid, Unique Physician Identification Number (UPIN) and plan provider identification numbers.

WellPoint's affiliated covered entities have reviewed the requirements of the NPI and a strategy has been implemented to integrate the NPI into our information systems (e.g., claims adjudication, financial, provider databases, etc.). Since October 1, 2006, we have been accepting the 10-digit NPI with the provider's current identification number in electronic claim transactions, CMS-1500 version 08/05, and UB-04 paper claim forms. WellPoint companies will be capable of accepting and processing NPIs in institutional, medical and dental claims as well as claim status and member status inquiries by the mandated deadline of May 23, 2007.

On April 2, 2007, CMS announced a contingency plan for covered entities (other than small health plans). The CMS guidance allows providers and health plans that show "good faith efforts" to take up to May 23, 2008 (one additional year) to complete testing and other activities in order to mitigate potential payment disruption. Pursuant to this guidance, after the May 23, 2007 deadline, WellPoint entities will accept either the NPI, current provider identification number (legacy identifier), or both in electronic and paper transactions until January 25, 2008 to avoid business disruption. This will help ensure maintenance of current service levels while our provider partners continue to pursue enumeration, and registration with health plans. We will no longer accept the legacy identifier after January 25, 2008. Providers will be sent a reminder notification approximately 60 days in advance of that date.

The requirement of the NPI in electronic transactions only applies to electronic transactions subject to the HIPAA requirements as set forth in the HIPAA Transactions and Code Sets Standards. For paper claims forms transactions, we strongly encourage the use of the NPI on the CMS 1500 form (version 08/05) and UB-04 claim forms to minimize any disruption to claims payment.

After receiving their NPI(s), providers are required to complete our online submission form, at <https://npi.wellpoint.com>, to register their NPI. Registration will help to ensure our internal system accurately reflects providers' NPI information in order to secure a seamless conversion to NPI and minimize potential payment disruptions.

To help meet the compliance efforts of our business partners, we've expanded our newsletters and provider Web sites to include the most up-to-date information about the NPI implementation, specific to WellPoint's companies. In addition, WellPoint's companies will continue to relay information from CMS regarding NPI and NPPES. The Web sites may be accessed to obtain the most up-to-date information.