

consultant, who directly or indirectly manages, advises, or supervises any element of the practices, finances, or operations of the facility.

*Managing organization* means an entity that exercises operational or managerial control over, or that directly or indirectly conducts, the day-to-day operations of the provider or supplier, either under contract or through some other arrangement.

*NPI* stands for National Provider Identifier.

*Officer* means an officer of a corporation, regardless of whether the provider or supplier is a non-profit entity.

*Operational* means the provider or supplier has a qualified physical practice location, is open to the public for the purpose of providing health care related services, is prepared to submit valid Medicare claims, and is properly staffed, equipped, and stocked (as applicable, based on the type of facility or organization, provider or supplier specialty, or the services or items being rendered), to furnish these items or services.

*Organizational structure* means, with respect to a skilled nursing facility defined at section 1819(a) of the Act, in the case of any of the following:

(1) *A corporation.* The officers, directors, and shareholders of the corporation who have an ownership interest in the corporation which is equal to or exceeds 5 percent.

(2) *A limited liability company.* The members and managers of the limited liability company including, as applicable, what percentage each member and manager has of the ownership interest in the limited liability company.

(3) *A general partnership.* The partners of the general partnership.

(4) *A limited partnership.* The general partners and any limited partners of the limited partnership who have an ownership interest in the limited partnership which is equal to or exceeds 10 percent.

(5) *A trust.* The trustees of the trust.

(6) *An individual.* Contact information for the individual.

*Owner* means any individual or entity that has any partnership interest in, or that has 5 percent or more direct or indirect ownership of the provider or

supplier as defined in sections 1124 and 1124A(A) of the Act.

*PECOS* stands for Internet-based Provider Enrollment, Chain, and Ownership System.

*Physician or nonphysician practitioner organization* means any physician or nonphysician practitioner entity that enrolls in the Medicare program as a sole proprietorship or organizational entity.

*Private equity company* means, for purposes of this subpart only, a publicly traded or non-publicly traded company that collects capital investments from individuals or entities and purchases a direct or indirect ownership share of a provider.

*Real estate investment trust* means, for purposes of this subpart only, a real estate investment trust as defined in 26 U.S.C. 856.

*Reject/Rejected* means that the provider or supplier's enrollment application was not processed due to incomplete information, or that additional information or corrected information was not received from the provider or supplier in a timely manner.

*Revoke/Revocation* means that the provider or supplier's billing privileges are terminated.

*State oversight board* means, for purposes of §§ 424.530(a)(15) and 424.535(a)(22) only, any State administrative body or organization, such as (but not limited to) a medical board, licensing agency, or accreditation body, that directly or indirectly oversees or regulates the provision of health care within the State.

*Supplier* means, for purposes of this subpart, all of the following:

(1) The individuals and entities that qualify as suppliers under § 400.202.

(2) Physical therapists in private practice.

(3) Occupational therapists in private practice.

(4) Speech-language pathologists.

*Voluntary termination* means that a provider or supplier, including an individual physician or nonphysician practitioner, submits written confirmation

to CMS of its decision to discontinue enrollment in the Medicare program.

[71 FR 20776, Apr. 21, 2006, as amended at 73 FR 69939, Nov. 19, 2008; 75 FR 70464, Nov. 17, 2010; 75 FR 73628, Nov. 29, 2010; 76 FR 5962, Feb. 2, 2011; 79 FR 72531, Dec. 5, 2014; 82 FR 53368, Nov. 15, 2017; 84 FR 47852, Sept. 10, 2019; 84 FR 63203, Nov. 15, 2019; 86 FR 65682, Nov. 19, 2021; 87 FR 70231, Nov. 18, 2022; 88 FR 77877, Nov. 13, 2023; 88 FR 79540, Nov. 16, 2023; 88 FR 80168, Nov. 17, 2023]

#### **§ 424.505 Basic enrollment requirement.**

To receive payment for covered Medicare items or services from either Medicare (in the case of an assigned claim) or a Medicare beneficiary (in the case of an unassigned claim), a provider or supplier must be enrolled in the Medicare program. Except for those suppliers that complete the CMS-855O form or CMS-identified equivalent, successor form or process for the sole purpose of obtaining eligibility to order or certify Medicare-covered items and services; once enrolled the provider or supplier receives billing privileges and is issued a valid billing number effective for the date a claim was submitted for an item that was furnished or a service that was rendered. (See 45 CFR part 162 for information on the National Provider Identifier and its use as the Medicare billing number.)

[71 FR 20776, Apr. 21, 2006, as amended at 79 FR 72531, Dec. 5, 2014]

#### **§ 424.506 National Provider Identifier (NPI) on all enrollment applications and claims.**

(a) *Definition.* *Eligible professional* means any of the professionals specified in section 1848(k)(3)(B) of the Act.

(b) *Enrollment requirements.* (1) A provider or a supplier that is eligible for an NPI must do the following:

(i) Report its NPI on its Medicare enrollment application.

(ii) If the provider or supplier was in the Medicare program before obtaining an NPI and the provider's or the supplier's NPI is not in the provider's or supplier's Medicare enrollment record, the provider or supplier must update its Medicare enrollment record by submitting its NPI using either of the following:

(A) The applicable paper CMS-855 form.

(B) Internet-based PECOS.

(2) A physician or eligible professional who has validly opted-out of the Medicare program is not required to submit a Medicare enrollment application for any reason, including to order or certify.

(c) *Claims reporting requirements.* (1) A provider or supplier that is enrolled in Medicare and submits a paper or an electronic claim must include its NPI and the NPI(s) of any other provider(s) or supplier(s) identified on the claim.

(2) A Medicare beneficiary who submits a claim for service to Medicare—

(i) Must include the legal name of any provider or supplier who is required to be identified in that claim; and

(ii) May, if known to the beneficiary, include the National Provider Identifier (NPI) of any provider or supplier who is required to be identified in that claim.

(3) A Medicare contractor will reject a claim from a provider or a supplier if the required NPI(s) is not reported.

[75 FR 24448, May 5, 2010, as amended at 77 FR 25317, Apr. 27, 2012]

#### **§ 424.507 Ordering covered items and services for Medicare beneficiaries.**

(a) *Conditions for payment of claims for ordered covered imaging and clinical laboratory services and items of durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS)*—(1) *Ordered covered imaging, clinical laboratory services, and DMEPOS item claims.* To receive payment for ordered imaging, clinical laboratory services, and DMEPOS items (excluding home health services described in § 424.507(b), and Part B drugs), a provider or supplier must meet all of the following requirements:

(i) The ordered covered imaging, clinical laboratory services, and DMEPOS items (excluding home health services described in paragraph (b) of this section, and Part B drugs) must have been ordered by a physician or, when permitted, an eligible professional (as defined in § 424.506(a) of this part).

(ii) The claim from the provider or supplier must contain the legal name and the National Provider Identifier (NPI) of the physician or the eligible

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professional (as defined in § 424.506(a) of this part) who ordered the item or service.

(iii) The physician or, when permitted, other eligible professional, as defined in § 424.506(a), who ordered the item or service must—

(A) Be identified by his or her legal name;

(B) Be identified by his or her NPI; and

(C)(1) Be enrolled in Medicare in an approved status; or

(2) Have validly opted-out of the Medicare program.

(iv) If the item or service is ordered by—

(A) An unlicensed resident (as defined in § 413.75), or by a non-enrolled licensed resident (as defined in § 413.75), the claim must identify a teaching physician, who must be enrolled in Medicare in an approved status, as follows:

(1) As the ordering supplier.

(2) By his or her legal name.

(3) By his/her NPI.

(B) A licensed resident (as defined in § 413.75), he or she must have a provisional license or be otherwise permitted by State law, where the resident is enrolled in an approved graduate medical education program, to practice or order such items and services, the claim must identify by legal name and NPI the—

(1) Resident, who is enrolled in Medicare in an approved status to order; or

(2) Teaching physician, who is enrolled in Medicare in an approved status.

(2) *Part B beneficiary claims.* To receive payment for ordered covered items and services listed at § 424.507(a), a beneficiary's claim must meet all of the following requirements:

(i) The physician or, when permitted, other eligible professional (as defined § 424.506(a)) who ordered the item or service must—

(A) Be identified by his or her legal name; and

(B)(1) Be enrolled in Medicare in an approved status; or

(2) Have validly opted out of the Medicare program.

(ii) If the item or service is ordered by—

(A) An unlicensed resident (as defined in § 413.75) or a non-enrolled licensed resident, (as defined in § 413.75) the claim must identify a teaching physician, who must be enrolled in Medicare in an approved status as follows:

(1) As the ordering supplier.

(2) By his or her legal name.

(B) A licensed resident (as defined in § 413.75), he or she must have a provisional license or are otherwise permitted by State law, where the resident is enrolled in an approved graduate medical education program, to practice or to order such items and services, the claim must identify by legal name the—

(1) Resident, who is enrolled in Medicare in an approved status to order; or

(2) Teaching physician, who is enrolled in Medicare in an approved status.

(b) *Conditions for payment of claims for covered home health and hospice services.* To receive payment for covered Part A or Part B home health services or for covered hospice services, a provider's home health or hospice services claim must meet all of the following requirements:

(1) The ordering/certifying physician for hospice or home health services, or, for home health services, the ordering/certifying physician assistant, nurse practitioner, or clinical nurse specialist working in accordance with State law, must meet all of the following requirements:

(i) Be identified by his or her legal name.

(ii) Be identified by his or her NPI.

(iii)(A) Be enrolled in Medicare in an approved status; or

(B) Have validly opted-out of the Medicare program.

(2) If the services were ordered/certified by—

(i) An unlicensed resident, as defined in § 413.75, or by a non-enrolled licensed resident, as defined in § 413.75, the claim must identify a teaching physician who must be enrolled in Medicare in an approved status—

(A) As the ordering/certifying supplier;

(B) By his or her legal name; and

(C) By his or her NPI.