REQUIREMENT FOR NATIONAL PROVIDER IDENTIFIER AND TAXONOMY CODES

1. REASON FOR ISSUE: This Veterans Health Administration (VHA) directive provides policy for assigning VHA Taxonomy Codes in the new person file and establishes the requirement that all individual health care providers providing billable health care services must obtain a National Provider Identifier (NPI) and designate an appropriate Taxonomy Code(s) (Specialties and Subspecialties) on their NPI application.

2. SUMMARY OF MAJOR CHANGES: This VHA directive updates references for NPI and Taxonomy Code(s). This VHA directive incorporates information from VHA Directive 1095, Provider Person Class/Taxonomy File, dated July 18, 2018.


4. RESPONSIBLE OFFICE: The Deputy Under Secretary for Health (10A) is responsible for the contents of this directive. Questions may be addressed at VHA10AAAction@va.gov.

5. RESCISSIONS: VHA Directive 1066, Requirement for National Provider Identifier (NPI) and Taxonomy Codes, dated November 7, 2013; and VHA Directive 1095, Provider Person Class/Taxonomy File, dated July 18, 2018, are rescinded.

6. RECERTIFICATION: This VHA directive is scheduled for recertification on or before the last working day of February 2026. This VHA directive will continue to serve as national VHA policy until it is recertified or rescinded.

BY THE DIRECTION OF THE OFFICE OF
THE UNDER SECRETARY FOR HEALTH:

/s/ Steven L. Lieberman MD, MBA, FACHE
Acting Deputy Under Secretary for Health

NOTE: All references herein to VA and VHA documents incorporate by reference subsequent VA and VHA documents on the same or similar subject matter.

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REQUIREMENT FOR NATIONAL PROVIDER IDENTIFIER AND TAXONOMY CODES

1. PURPOSE

This Veterans Health Administration (VHA) directive maintains the requirement that all individual Department of Veterans Affairs (VA) health care providers providing billable VA health care services must obtain a National Provider Identifier (NPI), designate an appropriate Taxonomy Code on their NPI application, and provide this information to the designated locally appointed NPI point of contact for their VA medical facility, who enters this information in the electronic health record (EHR). **AUTHORITY:** Title 38 United States Code (U.S.C.) §§ 1729, 7301(b); 45 Code of Federal Regulations (C.F.R.) 162.406 - 162.410.

2. BACKGROUND

a. VHA’s authority to bill third-party insurance carriers (payers) for Veterans’ non-service-connected care is 38 U.S.C. § 1729. Consistent with Health Insurance Portability and Accountability Act of 1996 (HIPAA) guidelines, billers must provide third-party health insurers the NPI of a health care provider who provided services for which payment is requested.

b. This directive requires all individual VA health care providers providing billable VA health care services to obtain an NPI and describes and outlines the provider classification system related to NPI and third-party insurer billing. HIPAA requires VHA to use NPIs where applicable. The NPI is a unique nationwide 10-digit numeric identifier assigned to health care providers by the Centers for Medicare and Medicaid Services (CMS), intended to streamline electronic health care transactions by using a consistent identifier across payers.

c. The term person class is also referred to as Taxonomy Code. Taxonomy Code is a supplement to the person class maintained in the EHR new person file. National Uniform Claim Committee (NUCC) maintains the Provider Taxonomy Code List, which is used in the transactions specified by HIPAA, and revises it periodically. This directive incorporates the updates to the taxonomy listing. **NOTE:** Information regarding NUCC can be found at [http://www.nucc.org/](http://www.nucc.org/). This website provides definitions for each category and sub-category of providers. This website is outside VA control and may not conform to Section 508 of the Rehabilitation Act of 1973.

(1) Under the HIPAA NPI Final Rule (45 CFR part 162), HIPAA-standard electronic transactions must include NPIs for individual health care providers including physicians, physician assistants, advanced practice nurses, pharmacists, behavioral health, and social service providers. NPIs are essential to VHA third-party reimbursement revenue, as VHA claims that do not reflect NPIs will be rejected by the payers.

(2) VHA follows current industry standards by adopting CMS taxonomy code practices. Taxonomy Codes (designations of specialty and subspecialty) must be specified for individual health care provider NPIs (obtained through the National Plan and Provider Enumeration System (NPPES)). Taxonomy Code information is essential
to the continuity of VHA third-party revenue. Certain third-party payers require provider Taxonomy Codes and NPIs on electronic transactions and will reject electronic transactions that do not include appropriate provider Taxonomy Codes and NPIs.

d. VA Billing and Collections System of Records covers collection of NPI information and disclosure for routine purposes, to include third-party billing.

3. DEFINITIONS

a. **Electronic Health Record.** EHR is the digital collection of patient health information resulting from clinical patient care, medical testing, and other care-related activities. Authorized VA health care providers may access the EHR to facilitate and document medical care. The EHR comprises existing and forthcoming VA software including CPRS, VistA, and Cerner platforms. **NOTE:** The purpose of this definition is to adopt a short, general term (EHR) to use in VHA national policy in place of software-specific terms while VA transitions platforms.

b. **Provider Categories.** The hierarchy of provider categories incorporates four areas of provider classifications that, when used in concert with one another, create the capability to sort providers into broad and specific categories. The provider category hierarchy consists of the following:

   (1) **Major Grouping or Provider Type.** A major grouping or provider type is a code identifying a major grouping of service(s) or occupation(s) of health care providers. For example, Allopathic and Osteopathic Physicians is a broad category grouping State-licensed providers in allopathic or osteopathic medicine whose scope of practice is determined by education.

   (2) **Classification Code.** The Classification Code is a code identifying more specific services(s) or occupation(s) within the health care provider type. The coding is based on licensed provider classifications. For example, Dental Service Providers includes dentists, dental hygienists, and dental laboratory technicians.

   (3) **Area of Specialization Code.** The Area of Specialization code is a code identifying a provider’s specialization, a segment of the population that a health care provider chooses to service, a specific medical service, a specialization in treating a specific disease, or any other descriptive characteristic about the provider’s practice relating to the services rendered. For example, a provider who trained in internal medicine and specializes in cardiology. In assigning the correct taxonomy, the most specific area of specialization within the category needs to be selected. In this example, the correct assignment is:

   (a) Broad Category or Provider Type: Allopathic and Osteopathic Physicians.
   (b) Classification Code: Internal Medicine.
   (c) Area of Specialization: Cardiovascular disease (Cardiology).
(4) **Taxonomy Code.** The Healthcare Provider Taxonomy Code Set is a hierarchical code set that consists of codes, descriptions, and definitions. Taxonomy Codes are designed to categorize the type, classification, and specialization of health care providers.

4. **POLICY**

It is VHA policy that, as a condition of employment, all billable VA health care providers shall furnish to VHA both NPI and Taxonomy Code information upon request. All VA providers must be assigned an appropriate, specific Taxonomy Code according to the data definitions as published and maintained by NUCC.

5. **RESPONSIBILITIES**

a. **Under Secretary for Health.** The Under Secretary for Health is responsible for ensuring overall VHA compliance with this directive.

b. **Deputy Under Secretary for Health.** The Deputy Under Secretary for Health is responsible for providing oversight for the fulfillment of this directive.

c. **Assistant Under Secretary for Health for Operations.** The Assistant Under Secretary for Health for Operations is responsible for:

   (1) Communicating the contents of this directive to each of the Veterans Integrated Service Networks (VISNs).

   (2) Assisting VISN Directors resolve implementing and compliance challenges in all VA medical facilities within that VISN.

   (3) Providing oversight of VISNs to ensure compliance with this directive and its effectiveness.

d. **Veterans Integrated Service Network Director.** Each VISN Director is responsible for ensuring all VA medical facilities within their respective VISN are in compliance with this directive.

e. **VA Medical Facility Director.** Each VA medical facility Director is responsible for:

   (1) Designating a locally appointed NPI Coordinator. This may be assigned as a collateral duty. Candidates for the NPI Coordinator include staff from the VA medical facility’s Chief of Staff office. **NOTE:** This operational duty cannot be assigned to the Facility Compliance Officer because it is a conflict of interest for compliance officers to perform a task if their primary role is to provide oversight of that task.

   (2) Designating NPI Liaisons in Credentialing and Privileging, Nursing Services, Medical Services, Behavioral Health Services, Pharmacy, Social Services, Community Care, and Education Service that will work with the NPI Coordinator to ensure all billable providers NPI and Taxonomy are entered into the EHR.
(3) Ensuring each provider obtains an NPI and Taxonomy Code by working with the designated NPI Liaison and provides this information to the VA medical facility prior to hire. **NOTE:** *No health care provider seeking employment by VHA can be appointed to provide billable health care services at a VA medical facility without first furnishing the correct NPI and Taxonomy Code information.*

(4) Ensuring that each provider is assigned a Taxonomy Code from the Taxonomy classification file according to the definitions provided at the NUCC Website, which define each category and sub-category of provider. The NUCC website can be accessed at: [http://www.nucc.org/](http://www.nucc.org/). **NOTE:** This website is outside VA control and may not conform to Section 508 of the Rehabilitation Act of 1973.

(5) Ensuring that the NUCC website is used as the official source for Taxonomy Codes to be assigned to providers and other staff.

(6) Ensuring that Taxonomy Codes are reviewed in the EHR and updated by the NPI Coordinator and NPI Liaisons following the release schedule from NUCC.

(7) Ensuring that as providers enter or leave employment or change from one clinical discipline to another, their assigned Taxonomy Codes are updated by the NPI Liaison to reflect the appropriate status. See Appendix B for additional information. **NOTE:** *The specialty and credentials of the provider are required for VHA clinical encounter reporting and to meet CMS billing requirements.*

(8) Ensuring all VA health care providers providing billable health care services on behalf of the VA medical facility provide both NPI and Taxonomy Code information to the designated locally appointed NPI Liaison when requested.

(9) In the event VA health care providers providing billable health care services at a VA medical facility (to include outpatient clinics or any other health care locations associated with their VA medical facility) fail or refuse to provide NPI and Taxonomy Code information to VHA, taking appropriate disciplinary measures in accordance with VA Handbook 5021, Employee/Management Relations, dated April 15, 2002 (see Appendix A) in the case of employees, and in accordance with contractual stipulations in the case of contracted health care providers.

(10) Ensuring updated contact information for the NPI Coordinator and NPI Liaisons at the VA medical facility is maintained and updated as changes occur.

(11) Ensuring that a quarterly review of NPI and Taxonomy code is completed by the NPI Coordinator to ensure accuracy and completeness, corrective actions are taken as indicated, and findings and corrective actions are reported to the Facility Compliance Committee.

f. **Locally Appointed NPI Coordinator.** Each locally appointed NPI Coordinator is responsible for:

(1) On an as needed basis, checking the NUCC Website for the most up to date
Taxonomy Code information. This website can be accessed at http://nucc.org/index.php/code-sets-mainmenu-41/provider-taxonomy-mainmenu-40/csv-mainmenu-57. NOTE: This website is outside VA control and may not conform to Section 508 of the Rehabilitation Act of 1973.

(2) Quarterly reviewing the Taxonomy File and working with Liaisons to ensure the required changes are accurately completed. (see Appendix B paragraph 4).

(3) Report review findings and corrective actions to the Facility Compliance Committee quarterly.

(4) Updates NPI and taxonomy issues presented by Revenue Operations within 7 days.

g. **Locally Appointed NPI Liaisons.** Each locally appointed NPI Liaison is responsible for:

1. Assisting appointed billable VA health care providers as needed (to include new hires and those returning from military or sick leave) in obtaining NPIs and designating their specialties and subspecialties by means of Taxonomy Codes on the NPI application. The NPI application is available at: https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/NationalProvIdentStand/apply.html. **NOTE:** Providers must have an NPI prior to hire.

2. When billable providers are credentialed through the VA medical facility, confirming that the individual has a current NPI and Taxonomy Code. **NOTE:** The provider being credentialed must provide the NPI and Taxonomy Code to the NPI point of contact or equivalent through VetPro or subsequent software system used to verify the provider’s credentials.

3. Ensuring that NPIs and Taxonomy Codes are linked to the correct person in the VA medical facility’s EHR.

4. Collaborating with providers prior to their hire to ensure that the provider has an NPI and that the NPI is updated in the NPPES database within 30 days of hire.

5. Entering NPIs and Taxonomy Codes in the EHR and ensuring that they are kept up-to-date. Taxonomy Codes must be at the highest specificity for the job the provider is performing. Locally appointed NPI points of contact must refer to the Assigning Person Class to Providers User Guide located at: https://www.va.gov/vdl/documents/Infrastructure/Kernel/xu_8_0p671sp.pdf.

6. Reviewing NPI and any appropriate Taxonomy Code information and correctly entering them in to the EHR. Responding to requests for NPIs and Taxonomy Code information from non-VA providers and payers. See Appendix B for additional information.

7. Coordinating with Consolidated Patient Account Center (CPAC) and VA medical
facility billing staff as needed regarding NPI and Taxonomy Code needs for back-billing or for enrollment of new providers with payers.

(8) Assisting CPAC in the resolution of third-party reimbursement claim rejections relating to NPIs or Taxonomy Codes.

g. **VA Medical Facility Service Administrative Officers or Group Practice Managers.** Service Administrative Officers or Practice Managers at the VA medical facility level are responsible for ensuring that all VA providers under their supervision are assigned to an appropriate Taxonomy Code and NPI reflective of their position. **NOTE:** Service Administration Officers or Group Practice Managers, responsible for assigning Taxonomy Code designation, must be knowledgeable of the VA provider’s credentials and privileges; they must work in collaboration with credentialing and privileging staff (see Appendix B).

h. **VA Health Care Providers.** VA health care providers are responsible for:

(1) Applying for and obtaining an individual provider NPI number through the NPPES Website at: [https://nppes.cms.hhs.gov/#/](https://nppes.cms.hhs.gov/#/) (if not already registered) and utilizing this portal to keep all provider information current and accurate at all times. **NOTE:** When applying for NPI from the National Plan and Provider Enumeration System (NPPES), a health care provider must select the Healthcare Provider Taxonomy Code or code description that the health care provider determines most closely describes the health care provider’s type/classification/specialization, and report that code or code description in the NPI application. In some situations, a health care provider might need to report more than one Healthcare Provider Taxonomy Code or code description in order to adequately describe the type/classification/specialization. The most current Taxonomy Codes can be accessed at: [http://nucc.org/index.php/code-sets-mainmenu-41/provider-taxonomy-mainmenu-40/csv-mainmenu-57](http://nucc.org/index.php/code-sets-mainmenu-41/provider-taxonomy-mainmenu-40/csv-mainmenu-57). **NOTE:** This website is outside VA control and may not conform to Section 508 of the Rehabilitation Act of 1973.

(2) Providing the official NPI and Taxonomy Code notification issued by NPPES to the designated locally appointed NPI Liaison for the VA medical facility at which the provider seeks to be appointed and designating an appropriate Taxonomy Code on their NPI application. **NOTE:** No health care provider seeking employment by VA can be appointed to provide billable health care services at a VA medical facility (to include clinics and any other health care locations associated with that VA medical facility) without first furnishing the correct NPI and Taxonomy Code information to the designated locally appointed NPI point of contact for the VA medical facility at which the provider seeks to be appointed.

6. **TRAINING**

There are no mandatory training requirements associated with this directive.

7. **RECORDS MANAGEMENT**

All records regardless of format (e.g., paper, electronic, electronic systems) created
in this directive shall be managed per the National Archives and Records Administration (NARA) approved records schedules found in VA Records Control Schedule 10-1. Questions regarding any aspect of records management should be addressed to the appropriate Records Manager or Records Liaison.

8. REFERENCES


g. NUCC, Provider Taxonomy Codes: http://www.nucc.org/. **NOTE:** This website is outside VA control and may not conform to Section 508 of the Rehabilitation Act of 1973.
HEALTH CARE PROVIDERS REQUIRING NATIONAL PROVIDER IDENTIFIERS

1. REQUIREMENT FOR NATIONAL PROVIDER IDENTIFIERS AND TAXONOMY CODES

Department of Veterans Affairs (VA) billable providers must have a National Provider Identifier (NPI) and designate their specialties and subspecialties, known as Taxonomy Codes. The following list provides guidance as to which VA health care providers require an NPI. This list is not meant to restrict current billing practices in any manner; current billing practices should continue as providers work to acquire an NPI. If a VA medical facility is currently billing for the services of a health care provider category not on this list, that provider must have an NPI.

a. Allopathic (Doctor of Medicine (M.D.) and equivalent degrees) and Osteopathic Physicians (D.O.).

b. Behavioral Health and Social Service Providers.

(1) Counselor;

(2) Psychologist; and

(3) Social Worker (Clinical Social Worker (CSW), Licensed Independent Social Worker (LISW) and equivalent certificates).


e. Dietary and Nutritional Services Providers. Registered Dietitian.


g. Pharmacy Service Providers. Pharmacist.

h. Physician Assistants and Advanced Practice Nursing Providers.

(1) Anesthesiologist Assistant;

(2) Clinical Nurse Specialist;

(3) Midwife, Certified Nurse;

(4) Nurse Anesthetist Certified Registered;

(5) Nurse Practitioner; and
(6) Physician Assistant.

i. **Podiatric Medicine and Surgery Providers.** Podiatrist.

j. **Respiratory, Rehabilitative, and Restorative Care Providers.**

   (1) Occupational Therapist (OT); and

   (2) Physical Therapist (PT).

k. **Speech, Language, and Hearing Providers.**

   (1) Audiologist; and

   (2) Speech Language Pathologists.

2. **SPECIAL CASES FOR NATIONAL PROVIDER IDENTIFIER AND SPECIALITY / SUBSPECIALTY INFORMATION**

   a. **Nurses.** Most general nursing services are not billable; however, home health care skilled nursing services may be billable, in which case the nurse providing those services would need an NPI. Advanced Practice Registered Nurses require an NPI.

   b. **Health Professions Trainees (HPTs) Needing NPIs.** Trainees who write outpatient pharmacy prescriptions in their own name need NPIs; this may include trainees who are physicians (residents in medicine, surgery, psychiatry, rehabilitation, pathology, dermatology, or other specialties/subspecialties), optometrists, podiatrists, dentists, nurse practitioners, physician assistants, and pharmacists. Physician Trainees who have clinical privileges as licensed independent practitioners and are performing billable services as VA health care providers need NPIs. Examples are Chief Residents in Quality and Safety, fellows "moonlighting" in the Emergency Department or as Hospitalists, and VA Advanced Fellows. Pharmacist trainees who are dual appointed as HPT and staff and "moonlight" need NPIs.

   c. **Research.** VA providers involved in research who also provide billable services must obtain an NPI.
FREQUENTLY ASKED QUESTIONS FOR ENTERING TAXONOMY CODES

1. What are the definitions of “Provider Categories” and “Taxonomy”? 

   For the most up-to-date definitions of Taxonomy Codes, refer to the National Uniform Claim Committee (NUCC) Website at: http://nucc.org/index.php/code-sets-mainmenu-41/provider-taxonomy-mainmenu-40/csv-mainmenu-57. **NOTE:** This website is outside VA control and may not conform to Section 508 of the Rehabilitation act of 1973.

2. Why do providers need to be assigned a Taxonomy Code when they are entered into the new person file prior to performing clinical duties? 

   Each provider must be assigned a Taxonomy Code in the electronic health record (EHR) in order to exercise clinical privileges, pass workload to the Patient Care Encounter application, and for use in applicable third-party billing cases. Credentials of all new providers must be verified by credentialing and privileging prior to appointment.

   a. There are three options to edit taxonomy data:

      (1) **Taxonomy Edit Option.** **NOTE: The Taxonomy Edit option needs to be utilized.** Once the taxonomy has been entered for any provider, an additional or new taxonomy can be entered by using the Taxonomy Edit option.

      (2) **User Taxonomy Build Edit Option.**

      (3) **Edit Existing User Option on the User Management Menu.**

   b. Using the Taxonomy Edit option at the Select Taxonomy prompt: enter a “?” and the listing will be presented. Copying and pasting the listing into a word document is recommended as the listing is lengthy and has about 500 entries for various providers. Example listings from EHR are:

      (1) Physicians (M.D.) and Osteopaths (D.O.).

      (2) Physicians (M.D.) and Osteopaths (D.O.): Addiction Medicine.

      (3) Physicians (M.D.) and Osteopaths (D.O.): Allergy and Immunology.

      (4) Physicians (M.D.) and Osteopaths (D.O.): Allergy and Immunology, Clinical and Laboratory.

      (5) Physicians (M.D.) and Osteopaths (D.O.); Allergy.

   c. Choose the most specific entry from the listing and ensure it represents that individual’s certification or licensure. The entry listing is used at the prompt to enter the taxonomy designation.
d. If a general entry is used, e.g., “entry number 1” has been assigned for a provider, there is no specialization information, which is a key indicator that you need to review the assignment since the majority of taxonomy listings have an area of specialization, as in “entry number 2.” In cases where there is no specialty information, check the licensure or certification for the M.D. or provider, and determine if a more specific designation can be made as noted in the preceding. The most specific code must be assigned to represent a provider’s area of specialization.

e. Review all the assignments and make sure they are as specific as possible. The assignment of the Taxonomy Code is normally made when the individual is granted privileges and access to the computer system. The provider’s classification needs to be checked and modified, if necessary, when re-privileging and re-credentialing are done.

f. Once the Taxonomy Code has been entered for a provider, a new taxonomy can be entered by using either the TAXONOMY EDIT option or the Edit Existing User Option within EHR.

g. Previous entries need to remain on file for history; old entries cannot be deleted or replaced. Modifications cannot be made to the taxonomy field itself. However, the effective or expired date may be changed.

h. When a new Taxonomy Code entry is added to a provider who already has a Taxonomy Code entered, it is not necessary to enter the expired date for the previous Taxonomy Code. The program automatically inserts the effective date of the new Taxonomy Code as the expired date of the previous taxonomy, since only one Taxonomy Code can be active at any given time for a provider.

3. Can more than one Taxonomy Code be assigned to an individual?

Yes, however, any patient care episode (encounter) that occurs automatically includes the active Taxonomy Code for the provider. Only one Taxonomy Code can be active for a provider at one time. A provider, who trains in Internal Medicine and is specializing in Cardiology, would be assigned to the Cardiology Taxonomy.

4. Does the provider information need to be reviewed after the initial Taxonomy Code is created?

Yes, the Taxonomy File must be reviewed at least quarterly by the VA medical facility NPI Coordinator. As providers leave or change responsibilities, such as a Registered Nurse becoming a Nurse Practitioner, the Taxonomy File must be edited. This is required for Veterans Health Administration (VHA) clinical encounter reporting and to meet the Centers for Medicare and Medicaid Services (CMS) billing requirements. The active (specialty if applicable) taxonomy code in EHR/VistA should match the primary taxonomy code on NPPES.
5. Who should be responsible for assigning and reviewing and updating Taxonomy Code assignment for credentialed staff and review upon receipt of any changes?

Several groups need to be involved since taxonomy covers most providers. The staff responsible for medical staff credentialing and privileging or the service or product line administrative officers may be the best to assist in the identification of the appropriate Taxonomy Code(s) for independent providers. Offices like Nursing, Ancillary Services, or others may be the best in assisting with the identification of the appropriate Taxonomy code for those individuals within their programs. The assignment needs to be maintained and accurate for each provider and is a required field to pass workload and other functions.

6. Are there trainee categories for the Taxonomy File?

No. Health Professions Trainee (HPT) categories have been inactivated and should no longer be assigned.

7. Can students be assigned a Taxonomy Code?

No.