Unpacking taxonomy, provider classification

When an insurance carrier denies a procedure due to a doctor's degree or specialty – a scenario known as a degree of provider (DOP) denial – the issue may stem from the classification selected by the provider during enrollment in a payer's network or when applying for a National Provider Identifier (NPI) number.

Oral and maxillofacial surgeons should be aware of two types of codes and their implications: taxonomy codes and provider classification codes. Multiple codes in each category may apply to OMSs. The codes selected should align with the doctor's training, qualifications and areas of expertise, as these designations can impact billing and reimbursement for OMSs.

While a provider must apply for an NPI and select a "taxonomy" before enrolling in Medicare, Medicaid or any other insurance plan, it is important to understand the correlation between a taxonomy code and provider classification as they could impact reimbursement.

Purpose of taxonomy codes

Providers select a taxonomy code when applying for an NPI number. Mandated by HIPAA, these codes are essential for identifying a healthcare provider's specialty in various clinical transactions and are utilized in billing and claim processes. Taxonomy codes are used by Medicare, Medicaid and other payers to verify the appropriateness of reported services billed under a provider's NPI.

There are two taxonomy codes for "oral and maxillofacial surgery":

- Allopathic and Osteopathic Physicians – Oral and Maxillofacial Surgery
  Taxonomy Code 204E00000X
- Dental Providers – Oral and Maxillofacial Surgery (Dentist)
  Taxonomy Code 1223S0112X

These codes are categorized under medical physicians and dental providers, respectively, and include unique definitions and criteria for applicability.

The taxonomy codes used today were likely crosswalked to Medicare provider classifications when they were created. Therefore, the appropriate taxonomy code should correlate with the provider classification or specialty identified during Medicare or other commercial payer enrollment.

Selecting the dental taxonomy code, while not incorrect, can lead to potential payment disparities, as the types of procedures that may receive reimbursement under medical/surgical benefits may be limited. For example, a payer might deny a CPT code submitted by an OMS categorized as a dental provider, arguing that their licensure does not qualify them for certain medical procedures. This may result in denied claims and reduced reimbursement, impacting services that may otherwise be payable under the physician-based taxonomy code.

Healthcare providers may select more than one taxonomy code when applying for an NPI but must indicate one of them as the primary code. Therefore, OMSs are encouraged to select the physician-based oral and maxillofacial surgery code as their primary taxonomy, which is generally considered to reflect their training and scope of practice more accurately, provided they meet the specified criteria.

Provider classification codes

Provider classification codes are used during payer network enrollment – including Medicare – and categorize providers by area of expertise such as maxillofacial surgery or otolaryngology. These classifications or specialty codes directly impact the acceptance and reimbursement of claims.

CMS uses provider classification codes to specify the types of providers eligible for Medicare enrollment. The specialty categories for oral and maxillofacial surgery are:

- Category 19 – Oral Surgery (Dentist Only): This category encompasses oral and maxillofacial surgery and all dental specialties, including general dentistry. For this reason, the scope of services that are reimbursable under this category may be limited, impacting payment outcomes for major reconstructive procedures not typically performed by other dental specialists.
- Category 85 – Maxillofacial Surgery: This category is for surgeons working under a physician's classification, therefore enabling reimbursement for a broader scope of practice, including more complex procedures.

The taxonomy codes used today stem from these CMS classifications as follows:

codes to prevent degree of provider denials

- 204E00000X (Allopathic and Osteopathic Physicians – Oral and Maxillofacial Surgery) maps to Category 85 for Maxillofacial Surgery, applicable to physicians.
- 1223S0112X (Dental Providers – Oral and Maxillofacial Surgery [Dentist]) maps to Category 19, designated for dentists.

The crosswalking of provider classification codes to taxonomy codes plays a crucial role in determining eligibility for specific procedures under Medicare and other insurance plans. Inaccuracies in these classifications can lead directly to DOP denials, where claims are rejected due to perceived discrepancies between a provider's registered specialty and the services rendered.

Evolving provider classifications for OMSs

Before 2006, single-degree OMSs in states without specialty licensure were automatically classified under 19 – Oral Surgery (Dentist Only) during Medicare enrollment, while those in states with specialty licensure and those holding both dental and medical degrees were classified under 85 – Maxillofacial Surgery.

In 2006, AAOMS successfully advocated to CMS that the classification 19 – Oral Surgery (Dentist Only) – did not adequately capture the full scope of practice. Although this category could not be eliminated as it includes all of dentistry, CMS in 2007 introduced three new criteria for single-degree OMSs to qualify for the 85 – Maxillofacial Surgery classification. Single-degree OMSs who meet any of the following criteria are now eligible:

- Board certification from ABOMS.
- Malpractice insurance through OMSNIC.
- A current state specialty license in oral and maxillofacial surgery.

OMSs who meet any of the above criteria may consider classification under both allopathic and osteopathic physicians as well as under dentistry. For those eligible, it is recommended that the taxonomy code for allopathic and osteopathic physicians be designated as the primary classification.

If an OMS does not meet the above criteria, only the OMS taxonomy code listed under dentist may apply.

Managing DOP denials

Thirty-nine states have laws that prevent discrimination in medical reimbursement against any licensed healthcare professional performing procedures within their scope of practice. Under the Social Security Act, this type of discrimination based on the degree of the provider also is prohibited.

OMSs facing DOP denials should verify their provider classification and ensure their NPI is correctly linked to the appropriate specialty taxonomy code. Updates to taxonomy numbers and NPI classifications can be made via the National Plan & Provider Enumeration System at NPPES.CMS.HHS.gov. For reference, the complete taxonomy code set is available at Taxonomy.NUCC.org.

Additionally, OMSs can find more information on Medicare provider classification codes through the Medicare Provider and Supplier Taxonomy Crosswalk dataset at Data.CMS.gov/provider-characteristics/medicare-provider-supplier-enrollment/medicare-provider-and-supplier-taxonomy-crosswalk.

For assistance with DOP denials, members may request the AAOMS appeal packet by emailing coding@aaoms.org, which provides guidance and resources for the appeal process. ■