



When does a KY Medicaid claim or encounter need a taxonomy code?

Taxonomy code is required in Loop 2000A PRV segment *IF* the Billing Provider NPI is linked to multiple KY Medicaid Provider IDs and provider types in the KY Medicaid Partner Portal Application (KY MPPA) during enrollment.

A **claim rejection/denial** will occur if the Billing Provider cannot be uniquely identified by matching the NPI and taxonomy code in the claim transaction to a specific Medicaid Provider ID and provider type in the enrollment records. A recommended best practice is to always provide a billing taxonomy.

What you should know about taxonomy...

A provider wishing to submit claims to Kentucky Medicaid must submit an enrollment application which begins by selecting a "Provider type". Provider type (PT) is a line of business or specialty category such as; Dentist (PT 60), Hospital (PT 01), Nurse Practitioner (PT 78), Physician (PT 64) or Physician Group (65), or Podiatrist (PT 80).

A complete list of provider types can be found at [Provider Summaries - Cabinet for Health and Family Services \(ky.gov\)](#). Business rules exist in claims / encounter processing that use provider type to determine information such as covered services, pricing methods and reporting criteria. The provider summaries indicate whether a provider type requires a valid NPI and taxonomy code at the time a provider enrolls with Kentucky Medicaid. The taxonomy code reported in the application can be key in identifying the provider type during claims processing.

An organization that has multiple lines of business or specialties but only one Billing Provider NPI may need to complete multiple enrollment applications with a separate and unique taxonomy code as a way to distinguish between Medicaid Provider IDs and provider types.