

## Work Group Recaps:

### Work Group 1 Telecommunication

#### Ballots:

- Ballot WG010028 - DERF 741 (Other Payer Coverage Type supporting 9 occurrences), DERF 734 (Internal Control Number), DERF 749 (LTC fields, values), DERF 753 (Estimated Generic Savings), DERF 754 and 755 (Appendix G guidance) for Telecommunication Standard Implementation Guide Version C.4. The ballot was valid at 62.45%. Negative With Reason comments were categorized. The ballot will be recirculated with modifications made.

#### DERFs (see DERF Resolution [http://www.ncpdp.org/frame\\_members\\_mc.htm](http://www.ncpdp.org/frame_members_mc.htm)):

- DERF 000739 requests to adopt the Protocol document for Telecommunication Standard and Batch Standard. The DERF was withdrawn by the submitter due to the third pend. A new DERF will be submitted for the next work group meeting.
- DERF 000750/ECL 000023 requests "Amount of Copay/Coinsurance (Field # 518-FI) recently became two fields: "Amount of Copay" (Field # 518-FI) and "Amount of Coinsurance" (Field # XXX-XX), in the current version of the Telecommunication Standard. As a result of that change, a membership request was made to review all documented references to the term copay for clarity of intent as a result of the recent definition changes. As a result, the Balancing & Pricing Task Group reviewed the current NCPDP Implementation Guide, Data Dictionary, and External Code List documents to validate all references to the term "Copay". The recommendations of the Task Group form the basis for this DERF." The DERF was approved with modifications by WG1 Telecommunication and WG9 Government Programs jointly.
- DERF 000751 requests, "Create a new field in the Response Pricing Segment called Spending Account Amount Remaining. This field will be sent back on an approved transaction with a payable response. This field will not be part of the patient pay amount calculation. It is being requested to report back to the provider and the patient amount remaining on the spending account after the current claim updated the spending account." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 000752 requests "Create a new field in the Response Pricing Segment called Spending Account. This field will be sent back on an approved transaction with a payable or response. This field will be part of the patient pay amount calculation. It is being requested to report back to the provider the portion of the patient pay amount that was reduced due to patient using their spending account." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 000757 requests "HIPAA has imposed a significant limitation on the ability to update the Telecommunication and Batch Standards to accommodate new fields to meet the demand of new and changing industry needs. The current TCS version was approved in early 2000 and the industry has been frozen there for 6 years. The most optimistic estimates would require this version to be used until at least 2007, with more moderate estimates extending another year or two beyond. During the past 18 months there have been two urgent needs that have been made necessary by the MMA/Medicare Part D implementation and have only been possible to facilitate by developing structured, codified text and placing it in the available free text areas. The capacity of these text areas has effectively been reached and cannot be expected to accept more. This potentially places the industry at a point where needed extensions to the data passed in our transactions will have no place to be included. There is reason to believe that there will be future significant needs after the next version of the Telecommunication and Batch Standards are named in a HIPAA TCS update, but before another update will follow it. In order to eliminate the risk of running out of needed text areas in future versions, this DERF is provided to support repetition of the free text field implemented at the transaction level. While the current crisis is not resolved by this DERF, it provides future relief from similar issues." The DERF was pended by WG1 Telecommunication. Interested parties should contact the submitter to work on this further.

- DERF 000758 requests "During the past 18 months there have been two urgent needs that have been made necessary by the MMA / Medicare Part D implementation and have only been possible to facilitate by developing structured, codified text and placing it in the available free text areas. In an effort to improve the ability to define the structure of future implementations of similar free text extensions outside of the text field itself, a separate qualifier field is suggested. To further facilitate controls on these extensions implemented through free text, the ECL update process would also be incorporated to add new field values." The DERF was pended by WG1 Telecommunication. Interested parties should contact the submitter to work on this further.
- DERF 000759 requests "Medicare Part D supports a cost share assessment for patients receiving a prescription at retail vs. Mail Order (i.e. 90 Day at Retail). When processing a Medicare Part D claim the processor must determine where and how the patients "cost share" is reflected in the financial fields of the NCPDP claim response. The following fields were deemed inappropriate: "Amount of Copay" (Amount to be collected from a patient that is included in 'Patient Pay Amount' (505-F5) that is due to a per prescription copay). 'Amount of Copay' represents a 'Flat Dollar Amount' and assigned regardless of their current benefit status and/or product selection. "Amount of Coinsurance" (Amount to be collected from the patient that is included in 'Patient Pay Amount' (505-F5) that is due to a per prescription coinsurance. 'Amount of Coinsurance' represents a 'Percentage Dollar Amount' and assigned regardless of their current benefit status and/or product selection." The DERF was pended by WG1 Telecommunication and WG9 Government Programs jointly due to lack of time. The DERF was reviewed and approved in MC.
- DERF 000760 requests "There is a current need for standardized Transition and Emergency Fill Claim Handling and Messaging for claims submitted during a transition period or claims that are eligible for an emergency supply, as required by CMS." The DERF was approved with modifications by WG1 Telecommunication and WG14 Long Term Care jointly.
- DERF 000761 requests "When Telecom Version 5.0 was created, the intent for processing compounds was to use one method – Option 1 (preferred) - the use of the Compound Segment with the Claim Segment. Two alternatives (Scenario A (Most expensive legend drug) and Scenario B (Billing codes)) were inadvertently left in the implementation guide in a Frequently Asked Question. The support of multiple methods was never the intention. Multiple methods of billing compounds create problems in the coordination of benefits process when one payer requires the compound claim submitted using one method and downstream payers use another method. This request is to remove the alternative method information from the implementation guide. The preferred method will be the only method allowed. See attached information for a list of sections to be modified in the Telecom Imp Guide." The DERF was approved by WG1 Telecommunication.
- DERF 000762 requests "To create a benefits inquiry transaction for a provider to assist the patient in determining if a given prescription would be covered under their program and to provide guidance on costs to make an informed decision about whether patient would proceed." The DERF was pended by WG1 Telecommunication for the task group to work on situational review of response fields.
- DERF 000763 requests "The existing Medicaid Subrogation Implementation Guide (2.0) uses some fields for certain data information that are not appropriate. We are adding 4 fields to rectify this discrepancy. Field 524-FO- (Plan ID) references the Medicaid Agency #; Field 330-CW- (Alternate ID) references the ICN/TCN #; Field 431-DV- (Other Payer Amount) is in the COB segment; Field 464-EX (Intermediary Authorization ID) references the Medicaid ID #. New data elements for this process would create situations specific to Medicaid Subrogation. These are batch submission between the Medicaid entity and the responsible party for the payment of claims that have been paid by the Medicaid entity that is the payer of last resort." The DERF was pended by WG1 Telecommunication and WG9 Government Programs jointly for more review by the task group.

- DERF 000766 requests "This is the year of the Protocol Document therefore; WG 1 created a number of task groups to help in the task of completing this document. This DERF is the result of the work of the WG1 Protocol Data Dictionary Task Group. This task group was asked to review the comments column of the Data Dictionary for relevance, correctness and redundancy. Please see attached document that the task group determined were changes need to the Data Dictionary." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 000767 requests "The "Business Environment / Industry Participants" section of the NCPDP Telecommunication Implementation Guide does not support the current Payer-to-Payer business environment." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 000768 requests "The Medicare Part D Prescription Drug Benefit supports three type of patient payments: (a.) deductible, (b.) co-insurance, and (c.) initial coverage limit. After the initial coverage limit is met, the patient moves into the "Medicare Coverage Gap" or "Donut Hole". In the "Medicare Coverage Gap" the patient is responsible for the full cost of their medicines. The patient remains in the "Medicare Coverage Gap" until they reach their limit in out-of-pocket costs (currently \$3600) for drugs, at which time they move into Catastrophic Coverage. This DERF seeks the NCPDP Telecommunication Standard's identification and support of the patient's financial responsibility when it is due to the Medicare Part D Coverage Gap." The DERF was pended by WG1 Telecommunication and WG9 Government Programs jointly due to lack of time.
- DERF 000769 requests "To clarify the usage of Other Coverage Codes in the COB process along with removing duplicate values." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 000770 requests "Pharmacy providers have been instructed to use DAW 1 on MS Brand claims in which the Plan is mandating the branded product. Use of DAW 1 in this instance is in violation of the NCPDP data dictionary definition. Pharmacy providers must validate that the prescriber has signed and authorized brand medically necessary on the prescription form, before DAW 1 can be used. When the prescriber has not provided this documentation, the pharmacy provider cannot submit DAW 1. Providers have also been requested to submit DAW 0 and DAW 5, which are also in violation of the current definitions and present significant financial risks. This DERF is being submitted to define the use of DAW 9 as Plan Requested Brand, facilitating consistency within the industry and appropriate reimbursement." The DERF was pended by WG1 Telecommunication due to lack of time. The DERF was reviewed and approved in MC.
- DERF 000771 requests "Payers today can utilize the NCPDP chain code to determine contract pricing and check handling when a claim is submitted by the pharmacy utilizing the 5.1 format. The NCPDP chain code was a unique identifier in the 1.0 NCPDP pharmacy file. A new field is needed to be submitted by the pharmacy in the next HIPAA compliant version of the pharmacy telecom standard. The need is that NCPDP has changed the chain code field from a unique field per NCPDP number to multiple codes per NCPDP number. A pharmacy may participate in multiple contracts for a variety of functions (reconciliations, rates, etc.), thus the need for a field to be transmitted to the payer by the pharmacy in the HIPAA transaction in order to identify the appropriate contract to be used." The DERF was pended by WG1 Telecommunication and WG3 Standard Identifiers jointly for more work by the WG3 task group and the submitter.
- DERF 000772/ECL 000026 requests "To add the NCPDP HCID to the appropriate qualifiers in the standard to allow for it's use in the standard with an unique qualifier verses using the "Other" qualifier." The DERF was approved with modifications by WG1 Telecommunication.

- DERF 000773 requests "A skilled nursing facility is reimbursed for Part A based on the MDS and RUGS score which is a per-diem reimbursement system that focuses on time-and-motion of a nurse's attention to the resident. The medications that a patient receives during that stay are also paid for using the same Medicare Part A funds. Part A reimbursement ceases as of the Part A benefit expiration date for the resident. Where trading partner agreements do not forbid, the next covering business entity (insurance, PDP, family, estate) is billed for the rest of the medication days supply. Scenario: A Medicare Part A resident is dispensed a 30 day supply of medications on September 6th. 11 days into that 30 day supply, the resident's Part A benefit expires. Rather than return the unused medications to the pharmacy, and then redispense a fresh supply to the resident, the resident keeps the meds. 11 days supply is billed to the Part A stay. 19 days are then billed to the next payer using a date of service of September 17th for a 19 days supply of ingredient cost and no dispensing fee." The DERF was approved with modifications by WG1 Telecommunication and WG14 Long Term Care jointly.
- DERF 000774 requests "Add new fields to the Eligibility transaction Version 2 see attached." The DERF was pended by WG1 Telecommunication due to more work needed by the task group.

Task Groups:

- The **Coupon Task Group** has worked on clarifications of coupon processing based on ballot comments. They submitted DERF 716 in the past and since August 2005 have made modifications and clarifications to the DERF. The DERF was withdrawn. Clarification on coupons was added to the Version 5 Editorial document. The Task Group has built a new DERF (to be submitted for November) offering clarification on coupon processing in the updated Telecommunication Standard. They also completed review of the Protocol Document for coupon language.
- The **Prior Authorization Transfer Task Group** is creating a standard format and code set for transferring prior authorizations between Pharmacy Benefit Managers (PBMs). This format would be used when clients change PBMs/Claims Processors and request that their prior authorizations transfer from their previous PBM/Claim Processor to their new PBM/Claim Processor. This task group is working on the implementation guide.
- The work group discussed one item from the **Version 5 Questions Task Group**. See documents on WG1 page. Discussion time was limited due to remaining Work Group meeting time. Other items were not reviewed.
- The **Predetermination of Benefits Task Group** is creating a mechanism for a pharmacy to submit a claim to an adjudicator to receive a response without causing a claim payment (benefits inquiry). This need is especially important for specialty pharmacies to allow physicians to plan the course of action with the patient when the medications are very expensive. They have brought forth modifications to the Telecommunication Standard Implementation Guide in DERF 000762.
- The **Eligibility Response Task Group** provided a report of the fields they have been discussing to be added to responses in Medicare eligibility requests. They have created an enhanced eligibility response for the current version and are working to incorporate this into a future Telecommunication version via a DERF 000774.
- The **Coordination of Benefits Task Group** provided a report of the questions they have been working on. They have reviewed COB guidance for the future Telecommunication version and Protocol Document. They brought forward DERF 000769.
- The **Protocol Task Groups** reported (see WG1 website):
  - WG1 Data Dictionary Review Task Group (DERF 000766)
  - WG1 Capture Review Task Group
  - WG1 Information Reporting Task Group
  - WG1 Review Fields Task Group
  - These task groups will begin working and need volunteers:
    - WG1 Example Review Task Group
    - WG1 Rebill Task Group

Updates:

- **NCPDP SNIP Committee** is discussing NPI issues such as determining when there is a need for a pharmacy to have multiple NPIs, the impact of the NPI and the Medicare 8551 on the pharmacy industry, and new eprescribing guidance for the White Paper. They have also reviewed enhancements to the Payer Template for COB needs.
- There were no Designated Standards Maintenance Organization (DSMO) Change Requests.
- A report was given that the 2006 WG1 Scope and Goals were approved by the Board of Trustees and are posted on the NCPDP web site.
- The **WG9 Balancing and Pricing/Payer-to-Payer Task Group** – see the WG9 report and DERFs submitted.
- WG1 representatives are working with a **WG7 task group** on updates to the Manufacturer Rebates Standard Implementation Guide.

New Items:

- Use of the Transaction Reference Number in all transactions – since there was no response to the multiple inquiries to the membership, this field will be not used in all but Information Reporting transactions.
- **The Protocol Document will be incorporated into Telecom Version D.Ø. The DERF will be presented for approval during November Work Group meeting. Balloting would take place in January timeframe. Coming out of the August Work Group meeting, all WG1 DERFs approved will be held. Telecom Version D.Ø will be prepared with the August approved DERFs. During the November Work Group meeting, only WG1 DERFs related to the Protocol Document or are needed for regulation etc will be discussed. This is to put a freeze on the documents so that Telecom D.Ø can go forward for ballot. WG1 DERFs not approved in November (pending) will not be included in Telecom D.Ø.**

**WG1 Telecommunication will be holding extra meetings at the Intercontinental Dallas during the November Work Group Meetings to continue work on the Protocol Document.**

**They will meet on**

- Monday, November 13 from 8am – 6pm.
- Wednesday, Thursday and Friday mornings as usual.
- One afternoon (Wed, Thu) when WG11 doesn't meet.
- Following MC on Friday, November 17, WG1 will meet until 6pm.
- MC will reconvene at 6pm or after the work on the Protocol Document is complete, to approve the Protocol DERF.

Work Group 2 Product Identification

Updates:

- Discussion of Control Solutions was continued. The compendia completed the work on the spreadsheet of all of the NDCs and recommended that all Glucose Control Solutions be considered as a one each. QUIC Form #2004014 was adjudicated a ml in November 2004 and will be updated to reflect the action taken by the WG to categorize as one each. Control Solutions will be specifically addressed under a new line item in section 5.1.14 that will be presented on a DERF at the November 2006 WG meetings. The change will be effective by the compendia at the end of the year (2006). The work by this group is completed.
- An update on DERF756 was given. A request was sent in June 2006 to the Board of Trustees for approval of a new publication of the Billing Unit Standard Implementation Guide Version 2 Release Ø. The Board approved the new publication and it is now available on the website with a publication date of June 2006.
- Pended QUIC Form #200604 Pulmicort Inhalers was reviewed. This was pended in order to determine how large the problem was. The WG agreed to leave, as is—one each. This would not meet the standard and an exception would need to be made. An FAQ will be submitted on a DERF for review at the November 2006 WG meetings.
- An update on NDC/NCVHS was provided.

Task Groups updates were provided:

- Manufacturer Form Review Task Group—developed a Fact Sheet that can be freely distributed. It is posted on the WG2 webpage. Comments should be sent to Patsy McElroy, [pmcelroy@ncpdp.org](mailto:pmcclroy@ncpdp.org), by the end of August 2006. Should there be no comments, the final document will be posted to the website in the public area.
- Billing Unit Descriptor Task Group—developed a starting list of NDCs proposed to be placed on the NCPDP website. A Decision Tree was also developed and presented. Next steps will be to develop a list of decisions that need to be made regarding where this information will reside, maintenance, etc. Guidance from MC will be requested at the November WG meetings.
- Structure Product Labeling Task Group-- The TG will continue to review the SPL and offer suggestions as it impacts the Billing Unit Standard and the goals of WG2. A letter was drafted and sent to Randy Levin of the FDA concerning inclusion of the Billing Unit Standard into the Structured Product Labeling.
- Standard Package Sizes Task Group—the goal was to develop a strategy for assuring standardization of billing unit to package size but the TG has not met since early 2005. Madeleine Francescatti contacted NCPDP on August 11, 2006. The OIG Report released in July 2006 reveals concerns about government reporting of package size versus pharmaceutical industry reporting of package size. The full report is available at: <http://oig.hhs.gov/oei/reports/oei-05-02-00073.pdf>. There is interest in pursuing whether there is an industry need for NCPDP guidance to assure that package size reporting across all venues. Additional Workgroups that have a stake in assuring proper billing and reimbursement were identified and a request for participation was announced at the WG meeting. The work groups are: Workgroup 7 Manufacturer Rebates, Workgroup 9 Government Programs, and Workgroup 5 Payment Reconciliation. The task group will actively solicit new members and meet via teleconference before the November workgroup meeting to determine if there is a need to standardize package size reporting.
- Pulmicort Identification and Analysis Task Group-- This Task Group was formed at the May 2006 meeting based on the pended QUIC form #200604 Pulmicort Inhalers. The compendia have all been reporting Pulmicort Inhalers as a billing unit of each and a package size of 1 or 2 (Eaches) since the item was added in 1997. Pulmicort is an aerosol, powder Breath Activated inhaler. Under the current billing unit standard the package size should be the quantity of grams and the billing unit be represented in grams. See above for Pended QUIC Form #200604 Pulmicort Inhalers.
- Change in Existing/New Products Review Task Group -- This Task Group was formed at the May 2006 meeting to develop a structured/formalized/consistent process by which we review issues that result from changes to existing products and the release of new products. This TG will do pre QUIC Form reviews prior to the WG review of the form. A letter was drafted, approved by the Standardization Co-Chairs and sent to the Compendia explaining the process to them so that they are aware and can participate. One QUIC form was reviewed for submission to the WG for review at this meeting.

New Items:

- 1 New QUIC form was reviewed and discussed
  - #2006 INTRON A Solution for Injection in Multidose Pens – approved as a KIT— one each. The compendia will make the change at the end of fourth quarter. The existing FAQ, 7.19, will be adjusted and a new FAQ submitted on a DERF for review at the November 2006 WG meeting.
- Discussion of FAQ for Asmanex and Exubera – new FAQs regarding the billing units of these products will be submitted on a DERF for review at the November 2006 WG meeting.

#### Work Group 3 Standard Identifiers

DERFs:

- DERF 000764 to update the Pharmacy ID Card implementation Guide to version 2.0 was discussed. The Work Group reviewed the Implementation Guide paying particular

attention to the new sections on the combined card. Editorial changes were made. The DERF was approved with modifications.

- DERF 000765 that requests the addition of an appendix to the ECL for the Health Care ID Card Qualifier Code List. Several additional qualifiers were added to conform to the work done by WEDI in their analysis of identification card requirements. The DERF was approved with modifications.
- DERF000771 that requests a new field to identify contract affiliation. A pharmacy may participate in multiple contracts for a variety of functions (reconciliations, rates, etc.), thus the need for a field to be transmitted to the payer by the pharmacy in the HIPAA transaction in order to identify the appropriate contract to be used. This DERF was reviewed with Work Group 1 Telecommunication.

#### Task Groups:

- The **Letters to States/State of States Task Group** has completed the format revisions and enhancements to the State of States document and is updating the database in the new format. There has been little legislation during the past quarter. The task group is still working on an educational letter to the Florida Board of Optometry encouraging Florida optometrists to explore the benefits of obtaining NPIs. May extend to additional groups. The task group meets every other Friday.
- The **Pharmacy ID Card Implementation Guide Task Group** has worked on a new version of the implementation guide and produced two DERFs (DERF 000764 and DERF 000765). The Implementation Guide and DERFs were reviewed, modified and approved during the meeting.
- The **Combination Identification Card Task Group** that is participating in the WEDI Uniform health care ID card and working to harmonize the WEDI Guide with the Pharmacy ID Card Implementation Guide. The work group will be commenting on the WEDI draft. Updates will be required to the ANSI INCITS standard. A new company Enumeron has acquired a block (leading digit 9) of NPI numbers and will be providing an interim plan identification enumeration service. This number can be used in the issuer ID field.
- The **Processor/Pharmacy Entity Relationship Issues Task Group** focuses on the multiple contracting issues and how it impacts payments and remittances. The issue was discussed with SNIP and it was determined that a contract field would be the long-term option of choice. A draft DERF was created and rejected by the task group. Subsequently DERF 00771 was developed and was reviewed with Work Group 1.

#### Updates:

- **WEDI Medical ID Card Implementation Guide.** Many health plans and providers attended the WEDI Forum on Health ID Cards, July 10-12, 2006 in Chicago. They are interested in a combination health savings accounts and the health ID card. The health plans favored use of a magnetic stripe and the providers preferred use of the PDF 417. WEDI is seeking input and suggestions before the final implementation guide is posted.
- **HCidea.** Cathy Graeff gave a brief update. The website is [www.hcidea.org](http://www.hcidea.org). The database contains 960,000 providers and is available for purchase through NCPDP. They are adding information to support NPI such as UPINs and state license. The contract with the technical partner comes up in January of 2007. A Request for Information has been issued and a new contract is anticipated in October. Any changes required will be implemented between October and January. The file will be populated with NPIs.
- **EFIO Initiative** (Bulk Enumeration Update). Guest presentation by Cathy Graeff detailing the process and progress to date on enumerating pharmacies. The presentation is available on the Members Only/Work Group Materials/Presentation web page.
- **WEDI White Papers.** There have been no changes to the published white papers. There are numerous white papers available under [www.wedi.org](http://www.wedi.org) including "The Impact of the NPI on the Pharmacy Services Sector Using the NCPDP Standards" (Jointly Developed by WEDI and NCPDP)
- **NCPDP Pharmacy Database Enhancements Project.** Cathy Graeff gave a brief update. There was discussion around specifying contract type and exclusive affiliations.

No changes will be made to the database until after NPI is complete. The new Pharmacy Application/Update form is available at [www.ncpdp.org/PDF/Provider\\_number\\_app.pdf](http://www.ncpdp.org/PDF/Provider_number_app.pdf). A standard Excel file is available for use by pharmacy chains. The Pharmacy Database. Files Standard Implementation Guide v2.0 is also available on the website.

- **International Committee on Information Technology Standards (INCITS)** This ANSI NCITS 284-1997 Health Care Identification Cards Standard vote was deferred in May pending a resolution to the card issuer ID since the plan identifier is not available. Alternate solution has been identified. There are also some issues related to the technology to be used for encoding the information. Anticipate resolution by November and would like input from NCPDP regarding the technology.
- **Medicare Marketing Guidelines** Contract Year (CY) 2007 Medicare Marketing Guidelines were published July 31, 2006. The guidelines had many references to the current implementation card that will be outdated in 2007. The task group met with CMS and was successful in getting some changes made to the guidance document. The updates made to the document include reference to the combination card for medical and pharmacy benefit information. Notes were also added regarding the expanded application of the machine-readable PDF417 two-dimensional bar code to include demographics and dependant information and the relocation of the dependant information.

#### Work Group 4 Provider/Member Enrollment

##### Task Groups:

- **Task Group 1 - 274 Paper** The task group completed 59 comments on the White Paper. When the Standardization Co-Chairs reviewed the White Paper and responses to comments, there was concern that no changes had been made as a result of the comments. The task group then returned the white paper with responses to NMEH, the source of the comments for further input. They are currently awaiting the response.
- **Task Group 2 - 834 and Medicare Part D** The task group submitted comments to the 834 Implementation Guide during the public comment period. The task group continues to work with the X12N work group to resolve issues with using the enrollment standard in the pharmacy environment.

##### New Items:

- A new state survey is being planned to assess the use of the ASC X12 274. The plan will be presented in November.
- A member of the work group brought up a concern regarding the timeliness of provider information in payer systems. This led to a discussion of the NCPDP Pharmacy Database and the options for purchasing updates. The work group consensus was that effort should be made to encourage the use of weekly updates and to make it more cost effective especially for small organizations. The work group drafted a memorandum to the NCPDP Board of Trustees expressing the concern and requesting consideration of alternative pricing structures.

#### Work Group 5 Payment Reconciliation

##### Task Groups:

- The **X12 835 Liaison Task Group** on behalf of WG5 submitted Code Change Requests to the ASC X12 Code Maintenance Committee for review during the June 4, 2005 meeting. Prior to the meeting, Brian Sill was contacted by a member of the X12 Code Maintenance Committee advising the Code Change Requests would be blocked if they moved forward. The Code Change Requests were withdrawn and the task group will work with X12 to revise and resubmit the requests for the September ASC X12 meeting.

##### Updates:

- ASC X12 Trimester Meeting. The Claim Adjustment and Status Code Maintenance Committee identified four remark codes (16, 17, 96 and 125) that should always have a claim adjustment reason code. These changes were approved and will be effective April 1, 2007. The code lists are available at [www.wpcedi.com/products/codelists/alertservice](http://www.wpcedi.com/products/codelists/alertservice).

##### New Items:

- Designated Standards Maintenance Organization (DSMO) Change Request 1042 was discussed and a **task group** was formed to review and comment on this request.

#### Work Group 7 Manufacturer Rebates

##### Task Group Updates:

- The **CMS Roundtable Task Group** continues to work on ways to encourage CMS to recommend the use of the Manufacturer Rebates standard in Medicare transactions.
- The **MMA Impacts and Rebates Task Group** continues to work with WG1 to understand how the MMA requirements will impact rebates.
- The **Implementation Survey Task Group** gave a brief update regarding the survey results and encouraged new members to fill out the survey.
- The **Reference Guide Task Group** reported that the document will be reviewed on a bi-annual basis for necessary updates. The group will be reviewing the document prior to the November work group meetings.
- The **Standards Update Task Group** provided an update on the changes being made to the standard. The work group members voted on the proposed standard changes. The next step will be for the task group leaders and the work group co-chairs to finish updating the implementation guide and to submit a DERF for the November work group meetings.
- The **MC ECL Task Group** presented a list of definitions for the rebate values in the external code list. The work group reviewed the definitions and made changes. The definitions will be submitted to the ECL task group from MC Maintenance and Control.
- The **OIG Standard Reporting Task Group** out of WG2 Product Identification will resume its work with the OIG. WG7 members were asked to participate on this task group.
- The **LTC Pharmacy Rebate Reporting Task Group** out of WG14 Long Term Care asked to have WG7 members participate on their task group to help represent the needs of manufacturers.

##### New Items:

- Cathy Graeff of NCPDP gave a presentation regarding the NPI. A copy of the PowerPoint presentation will be posted on the WG7 member's only page.

#### Work Group 9 Government Programs

##### DERFs:

- Pended DERF 000750 all changes to the Telecommunication Standard that must occur as a result of the division of the Amount of Copay/Coinsurance (Field # 518-FI) into two fields: "Amount of Copay" (Field # 518-FI) and "Amount of Coinsurance" (Field #XXX-XX). The Balancing & Pricing Task Group reviewed the current NCPDP Implementation Guide, Data Dictionary, and External Code List documents to validate all references to the term "Copay". The recommendations of the task group form the basis for this DERF. The DERF was reviewed, modified and approved by WG1 Telecommunication. The task group reviewed the modifications made by WG1 and approved the DERF as amended.
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- New DERF 000768 seeks the NCPDP Telecommunication Standard's identification and support of the patient's financial responsibility when it is due to the Medicare Part D Coverage Gap. After the initial coverage limit is met, the patient moves into the "Medicare Coverage Gap" or "Donut Hole". In the "Medicare Coverage Gap" the patient is

responsible for the full cost of their medicines. The patient remains in the “Medicare Coverage Gap” until they reach their limit in out-of-pocket costs (currently \$3600) for drugs, at which time they move into Catastrophic Coverage. The DERF was reviewed with WG1 Telecommunication.

#### Task Groups:

- The **Payer-to-Payer Task Group** has completed the work it was formed to address.
- The **Balancing and Pricing Task Group** has completed their review of all documented references to the term “copay” for clarity of intent as a result of the recent definition changes. The task group reviewed the current NCPDP Implementation Guide, Data Dictionary and External Code List and has brought forth DERFs 000750 and 000759. The task group also initiated new DERF 00768 to address the Medicare coverage gap.
- The **State of the States Document Format Task Group** presented the recommended format and content changes to the document and requested input from the work group on several items being captured. Additional requirements were added for NPI, subrogation vendor and crossover processing. Separate tabs will be added to the State of the States report for 835, NPI.
- The **Medicaid Subrogation Task Group** completed the subrogation business cases and submitted DERF 000763 to effect the changes needed to define the business scenarios.

#### Updates:

- WG9 reviewed and updated the State of States document. To obtain more input for the updates the work group will do outreach to the states in October. The aim is to get contact people as well as updated data.

#### New Items:

- Reviewed the DSMO Change Request System 1044 and established a task group to review and comment on the 837 P version 5010 for HIPAA adoption. Lead for the task group is Michele Vilaret.
- The chart depicting the impact of the NPI timeline was reviewed.

### Work Group 10 Professional Pharmacy Services

#### Task Groups:

- The **Standard Sig Task Group** is waiting for feedback from the pilot program participants. The task group is hoping to have enough feedback from the pilot programs to make any necessary changes and submit a new DERF for the May 2007 work group meetings.
- The **Medication Therapy Management Task Group** has created a white paper, which was approved by the Board of Trustees. The paper is published on NCPDP’s website. The group will continue to make improvements to the document as necessary.

#### New Items:

- The work group reviewed the DUR/PPS related portions of the Protocol Document.
- The work group also reviewed two Telecommunication Version 5 FAQs that were related to DUR/PPS.

### Work Group 11 ePrescribing & Related Transactions

#### Ballots:

- Recirculation Ballot WG110024R for the SCRIPT Standard Implementation Guide Version 10.0 - DERF 728 requested the addition of new data elements and values in order to allow the storage and transmission of patient medical and physical data. DERF 743 requested the addition of new data elements and values in order to support the Long Term Care business model. The ballot was valid at 70.75% and received 90% approval. After the appeal process, the ballot will proceed to the Board of Trustees for approval.
- Recirculation Ballot WG110025R for the SCRIPT Standard Implementation Guide Version 8.1 companion guide document - DERF 742 requested the creation of an XML companion document to the existing Version 8.1 of the SCRIPT Standard Implementation Guide. The ballot was valid at 70.75% and received 90% approval. After the appeal process, the ballot will proceed to the Board of Trustees for approval.

DERFs: (none)

Task Groups:

- The **Prescription Transfer Task Group** provided an update. This is a new standard for a pharmacy-to-pharmacy transfer of prescriptions, for retail-to-retail transfers, or mail-order-to-mail-order transfers. The task group is finalizing the implementation guide and will submit a DERF in November.
- The **Prior Authorization Workflow-through-Transactions Task Group** is coordinating with other interested parties to define the workflow of prior authorization from the prescriber, pharmacy, payer, and other perspectives. They have examined over 350 forms, created a database, and have normalized the data. They have normalized 6 therapeutic categories and 1 general category. An HL7 attachment is going through the approval process. They have prepared initial guidance for the eprescribing pilots in 2006.
- The **RxNorm Task Group** is on hiatus at this time.
- **WG11 Sig Incorporation Into SCRIPT Task Group**, which is addressing incorporation of Sig fields into the SCRIPT Standard have created a draft structure of the incorporation of the Sig data into SCRIPT. The structure and other guidance have been incorporated into the Eprescribing Pilot Guidance document.
- WG11 is assisting WG14 LTC/EHR in mapping the needs of long-term care into eprescribing standards. They are bringing DERFs forward.

Updates:

- A report was given that HHS has released a final rule with comment to allow the use of SCRIPT version 8.1 in eprescribing, in addition to version 5.0. NCPDP submitted comments based on input from the task groups (on website).
- A status was given on the DEA eprescribing meeting in July.
- A status was given on ANSI HITSP work.
- A status was given from the **MC Modeling and Methodology Task Group**.

New Items:

- A report was given that the 2006 WG1 Scope and Goals were approved by the Board of Trustees and are posted on the NCPDP web site.

Work Group 12 Education – Legislation and Regulation

Task Groups:

- **WG3/WG12 State of States/Letters to States Task Group** provided an update to the state of states document which will be posted on the website. The task group is working with the Standardization Co-Chairs to finalize the educational letter to the Florida Board of Optometry.

Updates:

- The work group received an update on “Dissemination & NPI Information Exchange: *Strategies and Approaches.*”
- An update was provided on the American Health Information Committee Work Groups.
- An update was provided on the Health Information Technology Bill—H.R. 4157 and companion S.B. 1418.

New Items:

- The following documents were reviewed and will be available on WG12’s web page:
  - A Practical Approach to RHIO Formation (White Paper)
  - Institute of Medicine Report on E-Prescribing
  - An overview of the Medicare Marketing Guidelines for 2007
  - Information regarding the NUCC revised version of the 1500 Health Insurance Claim Form (version 08/05) that accommodates the reporting of the National Provider Identifier (NPI).
  - International Council for Information Technology Standards (INCITS) Update
  - Taxonomy Code Update
  - National Committee for Quality Assurance report on consumer-directed health plans

- Federal Register/ Vol. 71, No. 114 / Wednesday, June 14, 2006: Prescription Drug Marketing Act Pedigree Requirements; Effective Date and Compliance Policy Guide; Request for Comment

#### WG14 Long Term Care

##### DERFs:

- Pended DERF 000760 requests “There is a current need for standardized Transition and Emergency Fill Claim Handling and Messaging for claims submitted during a transition period or claims that are eligible for an emergency supply, as required by CMS.” In a joint session of WG1 and WG14, DERF 000760 was approved with modifications.
- DERF 000773 requests “A skilled nursing facility is reimbursed for Part A based on the MDS and RUGS score which is a per-diem reimbursement system that focuses on time-and-motion of a nurse's attention to the resident. The medications that a patient receives during that stay are also paid for using the same Medicare Part A funds. Part A reimbursement ceases as of the Part A benefit expiration date for the resident. Where trading partner agreements do not forbid, the next covering business entity (insurance, PDP, family, estate) is billed for the rest of the medication days supply. Scenario: A Medicare Part A resident is dispensed a 30 day supply of medications on September 6th. 11 days into that 30 day supply, the resident's Part A benefit expires. Rather than return the unused medications to the pharmacy, and then redispense a fresh supply to the resident, the resident keeps the meds. 11 days supply is billed to the Part A stay. 19 days are then billed to the next payer using a date of service of September 17th for a 19 days supply of ingredient cost and no dispensing fee.” In a joint session of WG1 and WG14, DERF 000773 was approved with modifications.

##### Task Groups:

- **Return Credit Task Group**—The task group will resume work in September on a long-term solution for return credit processing.
- **EHR/HL7 Task Group** –During this quarter, the task group developed information for the DEA Controlled Substance e-Rx Testimony and work continues on the SCRIPT 8.1 variances from LTC e-Rx Pilot, the EHR Functional Model, Standard Refill Transaction and the ADT messaging requirement.
- **Current LTC Billing Issues Task Group** – The task group developed additional documentation for DERF 000760 for claim responses for accepted and rejected claims during LTC transition period, created DERF 000773 to accommodate split billing and participated extensively in the Eligibility Task Group calls.
- **Consultant Pharmacist Task Group** – The task group is reviewing the September EHR Functional Model ballot and identifying functions that will be applicable to the interface.
- **LTC Pharmacy Rebate Reporting Task Group**—The task group is developing an industry standard reporting template and timeline for Long Term Care pharmacies to report rebates to Medicare Part D plan sponsors. The 60-day public comment period for 2007 Part D Reporting Requirements closed August 15. The Task Group has pended meeting until the public comment period closes and clarification is received from CMS.
- **Infusion Therapy and Compounding Task Group**—The task group is addressing the problems the pharmacy industry is having with submission and adjudication of infusion therapy claims and compounded claims under the current v5.1 standard. Objectives are to clarify what the current standards are; determine and document the problems; identify solutions either within the v5.1 standard or beyond and provide education and outreach to the pharmacy industry regarding infusion therapy.

##### Updates:

- The work group received updates on the activities of the American Health Care Association (AHCA), Office of National Coordination for Health Information Technology (ONCHIT), National Committee on Vital Health Statistics (NCVHS) and the Drug Enforcement Agency (DEA).
- An update was provided on the CMS LTC E-Prescribing Pilot.

## WG15 Sample Management and Activity Reporting Transactions for Safety

Updates: See Task Group Update

Task Group Updates Were Provided:

- Scope and Goals/Regulations/Sample Transaction Flow Prioritization TG – The TG was to develop the WG15 Scope and Goals, look at regulatory and accreditation issues, and prioritize the business transactions that the WG should start developing and draft data elements for the initial transaction identified. The WG approved the Scope and Goals and will continue to work on the sub-bullets of goals at the November 2006 WG meeting. Based on the work accomplished by this Task Group, two new task groups were formed—Alternative Sampling Task Group and Industry Outreach Task Group.

New Items:

- An overview of the NCPDP Work Groups, the standards that they maintain and the activities that they are currently involved in was given by NCPDP Standardization Co-Chair Steve Mullenix of Mallinckrodt, Inc.
- Carrie Tort of ID Health provided a presentation on ePrescribing Systems.

## MC Maintenance and Control

DERFs/ECLs:

- MC Maintenance and Control reviewed 8 pended and 14 new DERF/ECLs (see WG1, WG3, WG9, and WG14 above). Note: DERFs 759 and 770 were pended by WG1 due to a lack of time to review. MC approved both DERFs. See MC minutes for discussion.
- DERF/ECL review and approval will result in:
  - Board request to approve version 2.0 of the Pharmacy ID Card Implementation Card for WG3 Standard Identifiers
  - ECL update
  - The release of one new ballot (January 2007): WG010029 for WG1 Telecommunication, which will be combined with approved DERFs of November 2006

Ballot Adjudication:

- Will result in:
  - The release of one re-circulation ballot WG010028R for WG1 Telecommunication
  - Awaiting an appeal period, WG11 ePrescribing and Related Transactions SCRIPT Standard Implementation Guide for Version 10.0 and a supplemental XML Implementation Guide for Version 8.1 will be sent to the Board for approval

DSMO Change Request:

- Change Request 1042 was reviewed and a Task Group formed in WG5 Payment Reconciliation to review the 005010 version of the X12 835 transaction together with its X12 005010 TR3 (Implementation Guide) 005010X221 for the Health Care Claim Payment/Advice standard
- Change Request 1044 was reviewed and a Task Group formed in WG9 Government Programs to review the 005010 version of the X12 837 transaction together with the X12 005010 TR3 (Implementation Guide) 005010X222 for Health Care Claims

Task Groups:

- A Modeling and Methodology Task Group update was provided
- A Values Definition Task Group update was provided
- An Entities Task Group update was provided.
- A DEA Response Task Group update was provided and the Task Group disbanded

Updates:

- A HIPAA update was provided
- Health Informatics Technology Standards Panel (HITSP) Update was given

New Items:

- The attendees received daily Work Group recaps