



STATEMENT ON THE ISSUE

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CONTACT: Dennis Kitterman
(480) 477-1000 ext. 109
dkitterman@ncpdp.org
www.ncpdp.org

NCPDP RELEASES ENHANCEMENTS FOR THE BILLING UNIT, TELECOMMUNICATION AND SCRIPT STANDARD IMPLEMENTATION GUIDES

SCOTTSDALE, AZ - The National Council for Prescription Drug Programs' (NCPDP) Board of Trustees has approved the release of a new publication of the Billing Unit Standard Implementation Guide Version 2 Release Ø, Telecommunication Standard Implementation Guide Version C Release Ø, and SCRIPT Standard Implementation Guide Version 8 Release Ø.

Billing Unit Standard

What is the Billing Unit Standard and why is it needed?

The NCPDP Billing Unit Standard establishes a "common billing unit language" for the submission of prescription claims. It is intended to meet two needs within the pharmaceutical drug claim industry: 1) to provide practical guidelines for software developers throughout the industry and 2) to ensure a consistent implementation of standardized billing units. Use of this standard reduces the chance for rejected claims, payment errors, and delayed payments for both claim submissions and rebate billings.

What enhancements have been made?

Requests for changes to the Standard, resulting in Billing Unit Standard Implementation Guide Version 2.Ø, were approved by WG2 Product Identification, and approved by the Board. WG2 Product Identification is currently co-chaired by Karen Eckert, R.Ph., Director, eRx, Regulations, and Standards, Wolters Kluwer Health; John Klimek, R.Ph., Manager – RxView, Albertson's, Inc.; and Kay Morgan, Vice President of Drug Product Pricing, Gold Standard Multimedia.

New Publication of the Billing Unit Standard Implementation Guide Version 2.Ø

For this publication of the Version 2.Ø Billing Unit Standard Implementation Guide two questions were added to the Frequently Asked Questions to provide guidance.

Telecommunication Standard

What is the Telecommunication Standard and why is it needed?

The Telecommunication Standard defines the record layout for real-time prescription claim transactions and provides practical guidelines for software developers. The standard not only provides a format for billing of pharmacy transactions, it also encompasses certifying eligibility and prescription drug benefits for traditional, managed care and government programs; response detail information defining the reimbursement or denial of compensation with explanations; and concurrent drug use review. Every year billions of pharmacy claims are formatted using the Telecommunication Standard for electronic data interchange at the point-of-sale. In addition, the Telecommunication Standard provides the framework for the Detail Record in the NCPDP Batch Standard. Work Group 1 Telecommunication maintains the Telecommunication Standard.

What enhancements have been made?

Requests for changes to the Standard, resulting in Telecommunication Standard Version C.0, were approved by WG1 Telecommunication, balloted, and approved by the Board of Trustees. WG1 Telecommunication is currently co-chaired by Annette Gabel, Executive Director HIPAA Transaction Standard Compliance with Medco; Damon Tressler, Manager, Industry Standards & Relations with Caremark, Inc.; and Paul R. Wilson, Manager, Special Projects with Express Scripts, Inc.

Telecommunication Standard Version C.0

In Version C.0 new segments, fields, and values were added to support the submission of Certificates of Medical Necessity forms within the transaction.

SCRIPT Standard

What is the SCRIPT Standard and why is it needed?

SCRIPT is a standard in widespread use by the industry for electronic prescribing. It was created to facilitate the transfer of prescription data between pharmacies and prescribers, intermediaries, and payers. The current standard supports messages regarding new prescriptions, prescription changes, refill requests, prescription fill status notification, prescription cancellation, and medication history. Enhancements have been added for DUR alerts and formulary information. A pharmacy can send requests to many prescribers and a prescriber can send requests to many pharmacies, thereby reducing the time involved in this process and reducing the chances of errors that could occur from oral or written communication. NCPDP estimates that 75 percent of pharmacies have the capability to receive messages using the SCRIPT Standard.

The NCPDP SCRIPT Standard was recommended by the National Committee on Vital and Health Statistics (NCVHS) as a foundation standard for electronic prescribing. The NCVHS was called upon to advise the Department of Health and Human Services (HHS) for the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA). The NCVHS heard testimony over several months on electronic prescribing standards and published a letter of recommendation in September 2004. The recommendation letter can be found at <http://www.ncvhs.hhs.gov/>.

What enhancements have been made?

Requests for changes to the Standard, resulting in SCRIPT Standard Implementation Guide Version 8.0 was approved by WG11 Prescriber/Pharmacist Interface, balloted, and approved by the Board. WG11 Prescriber/Pharmacist Interface is currently co-chaired by Rusty Keith, Director of Pharmacy Relations, SureScripts; Mike Simko, R.Ph.,

Manager of Pharmacy Technology Systems, Walgreen Company; and Teresa Strickland, Applications Analyst, Healthcare Computer Corporation.

SCRIPT Standard Implementation Guide Version 7.0

In Version 8.0 two new message types were added to the SCRIPT Standard Implementation Guide for Medication History.

Getting involved

NCPDP Standards are developed by the membership. Without membership involvement and participation, further development of the standards would be halted. For more information on the NCPDP Standards, other NCPDP activities, and how you may get involved, visit the NCPDP website at www.ncdp.org. The next NCPDP Joint Technical Work Group meetings are August 17-19, 2005 at the Westin Philadelphia - Philadelphia, PA and November 9-11, 2005 at the Hilton Long Beach – Long Beach, CA. Prior to the JTWG meetings on August 16, 2005 and November 8, 2005, NCPDP will host Educational Programs entitled, 'Future Standards Under HIPAA and MMA: New & Unfinished Business' and 'Innovation and the Prescription Drug Benefit', respectively. For more information on these meetings, please visit www.ncdp.org or call (480) 477-1000 to register.

About NCPDP

Founded in 1977, NCPDP is a not-for-profit, ANSI-accredited, Standards Development Organization with approximately 1400 members representing virtually every sector of the pharmacy services industry. Our diverse membership provides leadership and healthcare business solutions through education and standards, created using the consensus building process. NCPDP has been named in federal legislation, including HIPAA and the MMA. NCPDP members have created standards such as the Telecommunication Standard and Batch Standard, the SCRIPT Standard for e-Prescribing, the Manufacturers Rebate Standard and more to improve communication within the pharmacy industry. Our data services include the NCPDP Provider Identification Number, a unique identifier of over 68,000 pharmacies and HCIda, "*The Prescriber Identity Solution*". For more information about NCPDP Standards, Educational Programs and Work Group meetings, go online at www.ncdp.org.