

HIPAA 2

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Highlights of the Final Rule

- **5010 adopted for existing X12 HIPAA standards**
 - 270/271, 276/277, 278, 820, 834, and 835
- **NCPDP D.0 adopted for pharmacy eligibility inquiry**
- **NCPDP D.0 and Batch Standard 1.2 adopted for pharmacy claim transactions**
- **NCPDP Medicaid Subrogation 3.0 adopted for pharmacy claim subrogation**
- **The billing of retail pharmacy supplies and services can use either the NCDPP claim standard or the X12 claim standard**

Highlights of the Final Rule

- **3/17/09 – Effective date of Rule**
- **2010 – Level One Compliance - defined as HIPAA covered entity can create and receive compliant transactions**
- **2011 – Level Two Compliance - defined as HIPAA covered entity has completed all end to end testing and moved into production with all trading partners**
- **1/1/2012 – Compliance date for X12 5010, NCPDP D.0, batch standard 1.2 and Medicaid subrogation 3.0 for all covered entities**

Highlights of the Final Rule

- **During Level 1 and Level 2 testing periods either standard can be used in production**
- **Trading partners can agree to use updated and new standard as of 3/17/09**
- **All trading partners must be in compliance by 1/1/2012**
- **There will be no extension granted**
- **CMS will perform audits to ensure compliance**

Highlights of the Final Rule

- **ICD 10 compliance date is 10/1/2013**
 - Pharmacy industry did not testify at NCVHS
 - NPRM comments were submitted
 - No exceptions were made for pharmacy refills
 - Additional time will allow for refill issues
 - HHS expects that one to one mapping can be achieved on most codes
 - Reimbursement mappings on CMS website
 - ICD 9 approximately 13,500 to 68,000 ICD10
 - Large project for Doctors and Hospital

Pharmacy Standards

- **Version upgrade:**
 - Telecommunication Standard Implementation Guide Version D.Ø (from Version 5.1) Request and Response
 - Batch Standard Implementation Guide Version 1.2 (from Version 1.1) Request and Response
- **New standard:**
 - Medicaid Subrogation Standard Implementation Guide Version 3.Ø Request and Response

Pharmacy Standards Version Upgrade 5010

- **ASC X12 835 (remittance advice), 837 (professional claim), and the 270/271 (eligibility) used in electronic prescribing**
 - The new version of the HIPAA standards - Version 5010 - includes structural, front matter, technical, and data content improvements. Because the updated version is more specific in requiring the data that is needed, collected, and transmitted in a transaction, its adoption will reduce ambiguities. Version 5010 also addresses a variety of currently unmet business needs, including, for example, providing on institutional claims an indicator for conditions that were “present on admission.” Version 5010 also accommodates the use of the ICD-10 code sets, which are not supported by Version 4010/4010A1.

Pharmacy Standards Version Upgrade 837P 5010

- **Field Sizes Increased**
 - First Name 25 – 35, Patient Last Name 35 -60
 - Prescription number 30 -50
 - ASC X12 835 (remittance advice), 837 (professional claim), and the 270/271 (eligibility) used in electronic prescribing
- **New Segments Added**
 - COB
 - Prior Auth
 - DTP – Prescription date
- **Field Usage**
 - From Situational to Mandatory
 - From Situational to Not Used
- **Field Name changes**
 - Prescription number to Prescription or Compound Drug Assoc. #

Pharmacy Standards Version

- **Updated Front Matter**
 - Explained reversals, adjustments and forward balance
- **New Segments**
 - Payer Technical Contact Information
 - Payer Website
- **Better Defined situations on fields**
 - Payee Name from situation to required
- **Field Name Changes**
 - Monetary Amount to Total DRG amount
- **New Elements**
 - Additional CAS Repetitions added
 - Product Service ID added to SVC segment
- **Field Size increased**
 - Match 837 sizes
 - Provider ID field from 30 -50
- **Codes deleted**
 - CAS segment Claim adjusted group code CR (correction and reversal)

NCPDP Publication Change

- **Since the advent of HIPAA, NCPDP has modified the publication of documents to allow industry flexibility in addressing new business needs in a regulated environment. In the past NCPDP created three types of documents. They were:**
 - Standard
 - Implementation Guide
 - Data Dictionary
- **In old publications of documents, the above three documents were needed for implementation**

NCPDP Publication Change

- **In the current environment, NCPDP publishes the following three types of documents:**
 - Standard Implementation Guide
 - Data Dictionary
 - External Code List
- **The documents are used together, to provide a complete picture of the implementation of the standard.**
- **See the “read me” document on the member CD or**
 - http://www.ncpdp.org/members/members_download.asp

What changed in Telecom?

- **Field and Segment Defined Situations**
 - Fields and segments displayed as optional were reviewed and determined, according to the transaction type and its associated response, to be “Not Used”, “Required if”, “Required”, or “Optional”. Fields and segments cannot be used in a manner other than as stated in the situations.
 - Patient First Name is now required
- **Request and Response Matrices**
 - The industry expanded the segment usage matrices to help clarify which segments and fields are sent for each transaction type. The segments and the fields within each transaction type have been very specifically defined
 - Message field (526-FQ) expanded and repeats with message count and qualifier

What changed in Telecom?

- **Medicare Part D enhancements –**
 - A new entity of Facilitator and the process of Informational Transactions enhanced.
 - Eligibility Transaction enhanced for the Facilitator to provide patient eligibility information for Medicare Part D and other insurance coverage.
 - New fields added to support the benefit
 - Benefit stage count, qualifier, amount (deductible, initial coverage, etc)
 - Estimated Generic savings
 - Long Term Care Pharmacy claim processing enhancements to appropriately identify and process Medicare Part D claims.
- **Medicare Part B enhancements –**
 - Three segments were added to allow for the processing of Medicare certificates of medical necessity. Additional Documentation Segment
 - New data elements were added to allow for the items needed to process Medicare Part B transactions and assist in the crossover of

What changed in Telecom?

- **The only method for billing of compounds is by submitting all of the ingredients used in the compound.**
 - Compound segment must be sent along with fields
 - Compound dispensing unit form indicator
 - Compound ingredient component count
 - Compound dosage form description code
 - Compound Product
 - Compound Service ID
 - Compound Service ID Qualifier

What changed in Telecom?

- **Clarification for pricing guidelines. New fields were added and existing fields redefined to clarify/correct the balancing of transactions.**
 - Patient pay amount has many new components
 - Components must add up to patient pay amount
 - Copay and Coinsurance have distinct fields
 - Rules created for returning pricing fields in response
- **Coordination of Benefits (COB) –**
 - Clarification added to the Implementation Guide for Coordination of Benefits processing. COB is more complicated with more complex rules than in the past.
 - New COB Other payments segment rules
 - COB segment added new fields, Other payer Patient responsibility amount and qualifier
 - Insurance Segment added new fields, Other payer Bin number,

What changed in Telecom?

- **New fields added**
 - Patient sales tax and Plan sales tax amounts
 - Health Plan-funded assistance amount
 - Amount attributed fields added such as product/selection
 - CMS Part D defined facility
 - Place of Service was Patient Location
 - Patient Residence
 - Prescriber address fields

What changed in Telecom?

- **Existing Fields new values or change to values**
 - Submission Clarification code
 - Values 14 to 17 added for LTC
 - Other Payer Coverage Type
 - Added values of 04 for Quaternary through 09 Nonary
 - Other Coverage Code
 - Modified definitions
 - Other Payer Patient Responsibility amount qualifier
 - Added values 09-13 changed value 2 and 8
 - Dispense as Written
 - Value of 9 defined
 - Value of 0 changed definition

What changed in Telecom?

- **Prior Authorization additional guidance was given for the Prior Authorization transactions with the addition of a new section to the implementation guide.**
- **Service Billings now have their own Transaction Code (S1, S2, S3)**

NCPDP SNIP

Strategic National Implementation Process

White Paper Timeline for NCPDP Standards

▪ Telecommunication and Batch Standards

Start Date	August 2008	January 2009	March 17, 2009	July 2010	January 2011	July 2011	January 1, 2012
	Business Planning	Development	Regulatory Effective Date	Formal and Informal Testing	Transition To Full Use of Upgraded NCPDP Standards	NCPDP Recommended Full Use of Upgraded Transactions	Regulatory Compliance Date
Length of Time	5 Months	18 Months		6 months	6 months	6 months	

NCPDP SNIP

- **Status of Timeline**
 - Business planning is underway
 - Development underway
 - Software Vendors
 - Some completed development
 - Pharmacies
 - Requirements identified
 - Some stages of development underway
 - Plans and Processors
 - Requirements identified
 - Some development underway

- **What about Payer Sheets**

- SNIP created instructions to Payers
- High Level workflow for completing a template
- Payer sheet must contain submission, response, and reversal requirements
- Payer sheet should be released 90 days prior to testing/certification begin date
- Payer sheet should be created for each request and response for
 - Plan Differentiation
 - Payer Support Multiple Plans
 - Payer Support Multiple BINS/PCNS

- **What about Payer Sheets**

- SNIP created instructions to Payers
 - Segments on the payer sheet must include mandatory segments
 - Situational segments must state if they are required or list situations when they are required
 - Optional segments do not exist
 - All mandatory fields should be listed on payer sheets
 - Situational fields should be listed as required or further define situations when they are required
- Include specific Topic discussion
 - Partial fill Processing
 - COB processing
 - Compound Processing

NCPDP SNIP

- **Payer Sheet Training via webcast**

- **D.0 Tracking Document**
 - Pharmacies, Vendors, Plans/Processors
 - Self Reporting Status
 - Payer Sheet/Companion Guides sent
 - Ready to test
 - Contact information for testing
 - Ready for production transaction

- **Determine Industry Readiness**
 - Use information to identify outliers
 - Out Reach, Educate, and move outliers to Readiness state

NCPDP SNIP

- **NCPDP SNIP Whitepaper**
 - http://www.ncdp.org/news_hipaa_trans_current.asp
- **NCPDP HIPAA References for Pharmacy**
 - http://www.ncdp.org/news_hipaa_snip.asp

- **Educational Web casts**

- **Telecommunication Version D.0**
 - http://www.ncpdp.org/news_outreach.asp

- **NCPDP Public Site**
 - http://www.ncpdp.org/news_hipaa_snip.asp

http://www.cms.hhs.gov/ElectronicBillingEDITrans/18_5010D0.asp

FOR YOUR INFORMATION

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ASAP

NCPDP

- **Standard Implementation Guide**

- The Standard Implementation Guide contains the business and technical definition of the transactions
 - the actual transaction layouts, the syntax and formatting rules, the transaction rules, usage,
 - further information about the implementation of the standard by the use of descriptive paragraphs, business situations, examples, and frequently asked questions.
- This one document combines what was in the Standard and in the Implementation Guide in previous versions

- **Data Dictionary**

- The Data Dictionary contains the actual field descriptions
 - sizes, formats, comments, and usage instructions
- Which Data Dictionary do I use?
 - See the Matrix <http://www.ncpdp.org/PDF/Matrix.pdf> (or on the member CD)
- Use of the correct publication of the data dictionary for a version of a standard is critical as each publication directs the proper use of a data element and data element values where applicable

NCPDP

▪ **External Code List**

- The External Code List is a list of value codes with descriptions for data elements.
 - The actual data elements still appear in the main Data Dictionary.
- The External Code List process allows values to be added to a data element without going through a ballot.
 - The timeline to incorporate a value into a business need is shortened.
- Versions are upgraded quarterly if needed and are available for business use
- Use of the correct publication of the External Code List for a version of a standard is critical as each publication directs the proper use of a data element and data element values where applicable.
- Which External Code List do I use?
 - See the Matrix <http://www.ncdp.org/PDF/Matrix.pdf> (or on the member CD)
 - Important for understanding the rules for usage - See Understanding the External Code List Process at http://www.ncdp.org/members/members_download.asp

Reference for What Changed

- **Each document contains an appendix of the running list of changes**
 - Implementation guide
 - Data Dictionary
 - External Code List
- **Telecommunication Implementation Guide contains matrices with legends for assisting with changes**

Sections of Note in Telecom

- **Each transaction set (Eligibility Verification, Claim Billings, Service Billings, etc) have their own section of explanation. Section contains**
 - Business and technical rules
 - Segment diagrams for transmission
 - Segment and field request tables with mandatory/situational rules for usage
 - Segment and field response tables with mandatory/situational rules for usage
 - Transmission Examples

Sections of Note in Telecom

- **Response Processing Guidelines**
 - Appropriate use of each response
 - Pricing Guidelines
- **Appendix of Changes**
- **Important reference appendices**