

Work Group Recaps:

Work Group 1 Telecommunication

Ballots:

- Ballot WG010028R - 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 67.35% and received 90% approval. Negative With Reason commenters will be sent appeal letters. After the appeal, the ballot will go to the Board of Trustees for approval.

DERFs (see DERF Resolution www.ncpdp.org/frame_members_wgmc.htm):

- 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 in May and August. Since August, interested parties worked on modifications to this DERF. The DERF was approved with modifications by WG1 Telecommunication.
- 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 in May and August. Since August, interested parties worked on modifications to this DERF. The DERF was approved with modifications 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 in May. The DERF was pended in August by WG1 Telecommunication for the task group to work on situational review of response fields. The modifications were brought forward in November and the DERF was approved as modified by WG1 Telecommunication.
- 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 in August for more review by the task group. The task group brought forth changes that were discussed in WG9 Government Programs during the November meeting. See the WG9 report.
- 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 in August by WG1 Telecommunication and WG9 Government Programs jointly due to lack of time. The task group brought forth changes that were discussed in WG9 Government Programs during the November meeting. See the WG9 report.
 - 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 in August by WG1 Telecommunication and WG3 Standard Identifiers jointly for more work by the WG3 task group and the submitter. WG1 and WG3 reviewed the DERF jointly in November. The submitter withdrew the DERF in November.
 - DERF 000774 requests "Add new fields to the Eligibility transaction Version 2 see attached." The DERF was pended in August by WG1 Telecommunication due to more work needed by the task group. The task group met many times since August. In November, WG1 Telecommunication reviewed the modifications and approved the DERF with modifications.
 - DERF 000775 requests "Created FAQs and Examples by the Coupon Task Group and verbiage to clarify the billing of Coupons for the Version 5 Editorial and the Implementation Guide, as appropriate. (Removed any reference to Coupons in the COB segment in the Protocol document. – this has been reviewed already in WG1.)" The DERF was approved with modifications by WG1 Telecommunication.
 - DERF 00776 requests "Request to approve the newest version of the Telecommunication Standard Implementation Guide (called DØ as reference), which incorporates the Protocol document. This version DØ will incorporate any applicable DERFs approved during the November work group meeting and those that were approved during the August Work Group meeting. This will be the next version of Telecomm to be taken through the HIPAA process. The Batch Standard, also named in HIPAA, supports Telecom 3.2 and above, so this version would be applicable as well." The DERF was approved with modifications by WG1 Telecommunication.
 - DERF 00777 requests "In the pre-NPI environment, a pharmacy provider can provide multiple services from a common location, and be reimbursed differently by the same payer for each of those distinct services. For example mail delivery, LTC, and specialty could be performed at a single pharmacy location. The payer generally has assigned different provider Ids to the same provider to distinguish among those services. In the post-NPI environment, a pharmacy provider will have a single NPI and the payer must be able to determine on the claim which service is being provided in order to properly adjudicate the claim. Per the HIPAA NPI Final Rule, a health plan is not permitted to demand a provider obtain a second NPI for contractual reasons. The transaction

standard does not satisfy all conditions by which a payer needs to make this determination. This DERF requests the addition of a new data element to be used by the pharmacy provider to indicate on the claim the type of service being performed." The DERF was approved jointly by WG1 Telecommunication and WG3 Standard Identifiers.

- DERF 00778 requests "Redefine DAW 1 to better clarify its use. Current Definition: DAW 1 - Substitution Not Allowed by Prescriber – This value is used when the prescriber indicates, in a manner specified by prevailing law, that the product is to be Dispensed As Written. Change to: DAW 1 - Substitution Not Allowed by Prescriber – This value is used when the prescriber indicates, in a manner specified by prevailing law, that the product is to be Dispensed As Written. DAW 1 is based on prescriber instruction and not on the generic indicator of the drug at time of dispensing." The DERF was approved as modified by WG1 Telecommunication.
- DERF 00781 requests "MC formed a task group to define the values that exist in the data dictionary and ECL. The attached document is the work product of the task group." The DERF was approved as modified by WG1 Telecommunication, WG7 Manufacturer Rebates and WG11 ePrescribing & Related Standards.
- DERF 00782 requests "We propose that the Prescription/Service Reference Number be expanded from a 9-byte field to a 12-byte field in order to support rebate processing. Listed below are some of the current issues identified when using a 9 byte Rx number for rebate processing and payment: As you may know, the Sarbanes-Oxley Act of 2002 ("SOX") requires publicly traded companies to adhere to internal controls that protect the interests of shareholders. These controls address all critical areas; but, in particular, the manner in which a company handles cash disbursements, reporting and forecasting. Controls regarding any accounts payable process require that the company confirm, prior to issuing the requested payment that the units supplied as transaction detail total to the amount summarized. In the rebate processing area of US pharmaceutical manufacturers, in order to maintain their SOX controls and pay rebates accurately (neither under nor over-paying), a manufacturer in many cases needs to assure that each prescription claim itself is unique and otherwise payable under contractual terms. Manufacturers will then ensure that commercial, State and Federal rebate claims are accurate, non-duplicative with other discount programs, and sufficiently auditable. Three key fields (as well as others in the NCPDP Manufacturer Rebate Standard) drive this assurance: the date the prescription was filled, the NCPDP provider ID, and the prescription number. If the prescription number submitted to the processor under the telecommunication standard does not conform to that being submitted by the trading partner for a rebate, as is frequently the case, the fact that the claim is duplicated is obscured. To illustrate: a Long Term Care or Mail Order pharmacy may have a 12-digit prescription number, but when processed through the current telecom standard, it is truncated to 7-digits. Two different parties submit that same prescription--one using the 7-digit processed number--the other using the 12-digit number, extracted from the pharmacy's dispensing system without going through telecom processing. (This example assumes the current HIPPA mandated Telecom v. 5.1 field length.) To summarize, the rebate data submitted from each party must conform in the NCPDP rebate standard--if at all possible--to the actual unique prescription claim transaction--containing the accurate prescription number used by the provider to identify the transaction in the dispensing system. An expansion of the Prescription/Service Reference Number to a 12-byte field would assure that these duplicates could be properly identified and payment issued in accordance with contract terms and SOX requirements." The DERF was approved by WG1 Telecommunication, WG7 Manufacturer Rebates, and WG14 Long Term Care.
- DERF 00783 requests "There are 2 payer sheets that were created by the NCPDP Emergency Payer Sub Committee of the NCPDP Emergency Readiness Committee (Board created) to assist the industry in emergency situations. The first payer sheet is to be used in emergency situations when the provider knows the patient's payer for prescription benefits. The second payer sheet is used in emergency situations when the

provider has determined that the patient does not have insurance or any other means to pay for the prescription. There is a need for standardized values of the Prior Authorization Number-Submitted (462-EV) in emergency situations. The actual values are only suggested here. Any standardized values could be used, as long as they are unique for these situations across parties involved." The DERF was approved with modifications by WG1 Telecommunications.

- DERF 00785 requests "California and Texas are moving toward adopting the NCPDP UCF form and the NCPDP 5.1 electronic format for the electronic billing of workers' compensation pharmacy claims. With the adoption by states of new billing standards in the workers' compensation pharmacy area, the current UCF and 5.1 standard do not have sufficient fields to fulfill the data elements being required by the various state jurisdictions. This DERF addresses those deficiencies and proposes some potential solutions. This DERF also addresses the needs for adopting a "Property Casualty" specific paper claim form that includes necessary fields for both workers' compensation and automobile medical payment claims." The DERF was approved in WG1 Telecommunication.
- DERF 00786 requests "On E1 Transactions there is a problem with the population of the mandatory field, Cardholder ID (3Ø2-C2). Frequently, Long Term Care pharmacy providers only have the SSN of a newly certified Medicaid eligible patient. As a processor, we would allow the submission of the SS# in Cardholder ID (3Ø2-C2), but the definition prevents that. It currently is "Insurance ID assigned to the cardholder" In order to process eligibility transactions when the Cardholder is not known, we request one of two options: Option 1) – Change the definition of Field 3Ø2-C2 Cardholder ID to – "Insurance ID assigned to the cardholder or identification number used by the plan". This would allow the requester to submit the patient's SSN in Field 3Ø2-C2. If the processor finds a match, the Cardholder ID would be returned in Field 526-FQ – Additional Message Information. Option 2) – Allow for a default value to be populated in Field 3Ø2-C2 – Cardholder ID on an E1 transaction and allow in the Protocol Document for the submission of Field 331-CX – Patient ID Qualifier and Field 332-CY – Patient ID for an E1 transaction (where the SS# would be populated). If the processor finds a match, the Cardholder ID would be returned in Field 526-FQ –Additional Message Information." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 00787/ECL 000027 requests "The proposed new reject code provides clarity to why a third party processor is rejecting a reversal request from a provider. The new reject code will reduce attempted re-submissions of reversals." The DERF was denied by WG1 Telecommunication because reversals should not be rejected in this situation.
- DERF 00792 requests "This DERF includes addition of comments to fields and a revised definition of data elements in the data dictionary. These changes were recommended by the FAQ task group to the WG1 Protocol Data Dictionary Task Group. See attached modifications document for these additional changes." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 00796 requests "1. Standards should allow for the consistency of use of fields and segments and the balancing of the Total Amount Paid Amount, regardless if the claim is primary or non-primary (coordination of benefits). Adding a new response pricing field, "Balancing Adjustment Amount" will meet these needs. 2. In order for provider systems to complete the claim balancing process on multi-payer claims, the claim response needs to identify when the other payer patient financial responsibility amount was leveraged for final payment determination. Adding a new value to Basis of Reimbursement to identify payment based on Other Payer Patient Responsibility Amount will meet this business need. Please refer to additional detail below, and attached claim examples." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 00797 requests "Benefits Stage Loop was added to Version D.0 to support coordination of benefit for Medicare D claims. The situation is defined as follows: "Required if the previous payer has financial amounts that apply to Medicare Part D beneficiary benefit stages. This field is required when the plan is a participant in a Medicare Part D program that requires reporting of benefit stage specific financial

amounts. Required if necessary for state/federal/ regulatory agency programs.” Although the values in the Benefit stage amount fields are informational, they do provide details confidential to the provider and that payer. The situation clearly defines these fields as needed for Medicare D COB claims to state/federal/regulatory programs. To support the situation, and eliminate the confidentiality disclosure, the field names must be updated to include the term “Medicare D.” The DERF was denied by WG1 Telecommunication to not rename the field since the definition and situations are clearly for Medicare Part D.

- DERF 00798 requests “OTHER PAYER COVERAGE TYPE 99 / OTHER PAYER AMOUNT PAID QUALIFIERS 08 AND 99. To standardized COB processing, Composite Billing with Other Payer Coverage Type 99, and Other Payer Amount Paid Qualifiers of 08 and 99 must be eliminated. Similar to multi-ingredient compound processing, COB processing should be consistent across all systems, leveraging the repeating loop functionality. With the repeating loops, attributes specific to each previous payer will be reported, eliminating the need for the other payer amount paid qualifier of 08 – Sum of all reimbursements. Additionally, version D.0 offers various new fields with defined situations of use. Defined situations eliminate the need for the other payer amount paid qualifier of 99 – Other. COORDINATION OF BENEFITS OTHER PAYMENTS COUNT – Section 21.1.6 of the Imp Guide states: “In the situation where there are more than 9 coverage’s for a patient, the composite must not be used. Each loop of the COB must show the payment or rejection from the payer. After the 9th payer, the claim is handled manually to subsequent payers.” Section 30.22 of the Imp Guide states: “*Repeating Fields – Maximum Occurrences*”, subsection “*Usage*” was modified from a recommended support count of ≤ 3 to support of 9 for the Coordination of Benefits/Other Payments Count (337-4C). Business concern: The use of 9 COB loops in a point of service claim has not been adequately tested throughout the industry. Processing one claim to 10 different payers can result in performance issues, conflicting benefits which place the provider in a loop, and remittance nightmares. The cost to administer 9 COB loops does not balance to current industry need. Request is to change the Implementation Guide “recommendation to support,” form 9 to a maximum of 3 COB loops, allowing for current processing times to be maintained and adhere to customer service standard levels of agreement.” The DERF was approved with modifications by WG1 Telecommunication.
- DERF 00799 requests "Redefine DAW 0 to better clarify its use. Current Definition: DAW 0 - No Product Selection Indicated. This is the field default value that is appropriately used for prescriptions *where product selection is not an issue*. Examples include prescriptions written for single source brand products and prescriptions written using the generic name and a generic product is dispensed. Change to: DAW 0 - No Product Selection Indicated. This is the field default value that is appropriately used for prescriptions for single source brand or generic products. Product selection is not an issue because a generic can be dispensed or in the case of a single source brand, this is the ONLY product available. Once a Branded product is identified as multi-source, DAW 0 can no longer be used." The DERF was approved with modifications by WG1 Telecommunication.
- DERF 00800 requests "With the inclusion of the protocol document into the Implementation Guide and fields now defined for use, there should be no need for “Blank” or “Ø” (not specified) values. Optional fields must only be submitted when required and contain valid values. It is requested that the values of “Blank” and “Ø” that = “Not Specified”, on the attached list of fields, be removed or comments added to those values where noted. For those data elements that reside strictly in the Telecommunication Standard, the values should be removed. For those data elements that are shared with other standards noted, the comment for non-use in the Telecommunication Standard should be added to the “Blank” and “Ø” values as noted.“ The DERF was approved with modifications by WG1 Telecommunication.

Task Groups:

- The **Coupon Task Group** has worked on clarifications of coupon processing based on ballot comments. The Task Group has built DERF 000775 offering clarification on coupon processing in the updated Telecommunication Standard.

- 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. Specific questions were available to the members in the WG1 website documentation that were discussed during the meeting.
- The work group discussed items from the **Version 5 Questions Task Group**. See documents on WG1 page.
- The **Predetermination of Benefits Task Group** has completed modifications requested in DERF 000762.
- The **Eligibility Response Task Group** an enhanced Medicare Part D eligibility response for the current 5.1 version and have worked 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 Telecommunication version DØ and reviewed DERF 000796, 000797, 000798.
- The **Protocol Task Groups** reported (see WG1 website):
 - WG1 Data Dictionary Review Task Group (DERF 000792)
 - WG1 Capture Review Task Group
 - WG1 Information Reporting Task Group
 - WG1 Review Fields Task Group
 - WG1 Example Review Task Group
 - WG1 Rebill Task Group
 - Medicaid Subrogation 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 a change of ownership on an NPI, the impact of the NPI and the Medicare 855I on the pharmacy industry, and new eprescribing guidance for the White Paper. They have also published enhancements to the Payer Template for COB needs. They are waiting an answer from CMS before publishing the updated version of the NPI white paper. They are now actively planning for electronic educational sessions on Telecommunication Standard Version DØ, and will be working on the WEDI Benefit Analysis Survey.
- There were no Designated Standards Maintenance Organization (DSMO) Change Requests.
- The **WG9 Balancing and Pricing/Payer-to-Payer Task Group** – see the WG9 report and DERFs submitted.
- WG1 representatives worked with a **WG7 task group** on updates to the Manufacturer Rebates Standard Implementation Guide (DERF 000793).

Work Group 2 Product Identification

Updates:

- An update on NDC/NCVHS was provided and the NCPDP response to the FDA's NPRM on NDC was reviewed and approved. The response letter will move forward to the Standardization Co-Chairs for approval and subsequent Board review and approval.

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 were to be received by Patsy McElroy, pmcelroy@ncdpd.org, by the end of August 2006. No comments were received and the final document was posted to the website in the non-members area. The task group will look at further ways to market the form and report back at the February 2007 meeting.
- **Billing Unit Descriptor Task Group** added the Billing Unit Decision Tree to the NCPDP website for testing, http://www.ncdpd.org/frame_standards_quic.htm Next steps were

discussed and a list of decisions that need to be made regarding where this information will reside, maintenance, etc. was developed and guidance from MC was requested. The Task Group was disbanded and the Change in Existing/New Products Review Task Group will perform the TG functions for the process of the spreadsheet maintenance.

- **Structure Product Labeling Task Group** will continue to review the SPL and offer suggestions as it impacts the Billing Unit Standard and the goals of WG2. The task group will spend time reviewing SPL Schema for possible data elements that may be needed in relation to SPL and communicate those needs to the FDA.
- **Standard Package Sizes Task Group** had a goal 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 was interest in pursuing whether there is an industry need for NCPDP guidance to assure that package size reporting occurs 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 August WG meeting. The task group gained 17 new members. The Task Group is awaiting input from OIG. The WG2 Co-chairs will reach out again to Madeleine Francescatti.
- **Change in Existing/New Products Review 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 all aware and can participate. Of the 4 QUIC forms presented at the November meeting, the TG reviewed all of them.

New Items:

- 4 New QUIC forms were reviewed and discussed
 - #200611-MoviPrep (NDCs 65649-201-75) – approved as a one each.
 - #200612-Nystatin Powder (NDCs: 50383-0589-05; 50383-0589-15; 50383-0589-50) - the compendia will list these products as 26mg, 10mg, and 90mg respectively for each NDC. No date for a change by the compendia was given. The QUIC form was pended. A task group was formed to look at Nystatin and Anne Johnston will lead the task group.
 - #200613 AnaMantle HC Cream & AnaMantle HC Cream Kit (NDCs: 00482-4800-14 and 00482-4800-20) - The products will be left as is and assistance will be given with the notification to the states that this is compliant.
 - #200614 Atridox - This is to be considered as a non-injectable and listed as a one each.
- DERF 794 that requests modifications to the Billing Unit Standard was reviewed and approved unanimously with one minor change.

Work Group 3 Standard Identifiers

DERFs:

- 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 and withdrawn by the submitter.
- DERF000777 that requests the addition of a new data element to be used by the pharmacy provider to indicate on the claim the type of service being performed. This DERF was reviewed with Work Group 1 Telecommunication and jointly approved.
- DERF000780 Version 2.0 of the Pharmacy and/or Combination ID Card Implementation Guide indicates in Table 1 that the NCPDP label on the ID card for cardholder

identification name be "a suitable label identifying this value or blank." This label description is too broad and should be more narrowly defined in order to promote industry standardization. While omitting a label for the cardholder's name is reasonable, there is substantial concern with allowing card issuers to define this label as they think is "suitable." As such, this DERF requests that the NCPDP label description for cardholder identification name be changed to "Name" or "blank." This DERF was reviewed and approved without modification by Work Group 3.

Task Groups:

- The **Letters to States/State of States Task Group** presented proposed format revisions and enhancements to the State of States document for tracking legislation related to NPI implementation. The format will be updated to incorporate the changes suggested by the work group and any available information will be recorded. There was no new legislation to be reported. Since the last work group meeting the task group reviewed a North Carolina statute (NC 58-3-177) requiring a machine-readable pharmacy identification card. Although the statute is several years old the North Carolina Department of Insurance indicated that it has never been enforced and there are no enforcement plans. The task group recommended not taking any action to change the statute. In discussion, the work group concurred with the recommendation but also proposed proactively contacting all the states and providing information regarding the new identification card standard. The ID Card Implementation Guide Task Group will review and update the Fact Sheet for use in this endeavor.
- The **Pharmacy ID Card Implementation Guide Task Group** completed development of the new version of the implementation guide approved during the August meeting and subsequently approved for publication. The task group will now update the ID Card Fact Sheet to reflect the changes in the new version of the guide.
- The **Combination Identification Card Task Group** has completed its work and successfully incorporated the changes necessary to support a combination health care and pharmacy identification card into the new implementation guide. A motion was made and seconded to disband the task group. The motion was approved.
- The **Processor/Pharmacy Entity Relationship Issues Task Group** focuses on the multiple contracting issues and how it impacts payments and remittances. The task group presented a summary of the issues related to the NCPDP database with clarifications on timing, multiple contracts and exclusive contracts. In addition the contract declaration affidavit was presented and explained. The work group proposed no additional changes, so the affidavit will be forwarded to NCPDP for final approval and distribution to the PSAOs.

Updates:

- **HCidea.** Cathy Graeff gave a brief update. The website is 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 selection for the new the technical partner has been narrowed to three and the contract will be completed once the budget is finalized by the Board of Trustees.
- **NPI/EFIO:** Cathy Graeff reported that CMS statistics show that 1.3 million entities now have assigned NPIs with about 1 million left to go. NCPDP has enumerated about 89% of the chain pharmacies and 25% of the independents. NCPDP will be submitting a Data Use Agreement to CMS to gain access to the NPPES enumeration file in lieu of waiting for the Dissemination Rule.
- **WEDI White Papers.** There have been no changes to the published white papers. There are numerous white papers available under 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.** Cathy Graeff gave a brief update. An update to the database to reduce the file sizes by eliminating filler. No changes were made to the content. In part as an incentive for early acquisition and testing of the NPI, the price of the file will increase by 50 % for new subscribers after February. The Pharmacy Database.

Files Standard Implementation Guide v2.1 will be available on the website December 1, 2006.

- **International Committee on Information Technology Standards (INCITS)** there was no update on ANSI NCITS 284-1997 Health Care Identification Cards Standard.

Work Group 4 Provider/Member Enrollment

DSMO Requests

- DSMO CRS 1046 that suggested: Change usage for first name, NM104, data element 1036, Loop 2100, ASC X12N implementation guide from 'REQUIRED' to 'SITUATIONAL'. The work group reviewed the request and determined that the change has been made in the latest version of the guide. Therefore, it was moved and approved to recommend that the request be denied.
- DSMO CSR 1054 - A new task group under the leadership of Srinu Rupireddy of Express Scripts was formed to review the 5010 834 and make recommendations regarding its adoption for HIPAA.

Task Groups:

- The **274 White Paper 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. Arizona, with a totally managed care program, is the only state to respond to the task group. With the lack of response from the state Medicaid agencies, it was moved and approved to send the document to the Standardization Co-Chairs for submission to CMS.
- **834 and Medicare Part D Task Group** The leader of the task group was not available and no report has been submitted since the completion of comments to the 834 Implementation Guide during the public comment period that ended in May 2006.

Updates:

- A decision was made not to conduct a new state survey regarding the use of the ASC X12 274.
- At the August work group meeting the group drafted a memorandum to the NCPDP Board of Trustees requesting consideration of alternative pricing structures for the NCPDP Pharmacy Database to encourage the use of weekly updates and make it more cost effective for small organizations. The response to the request reported the creation of a committee to review the pricing structure and options. No target completion date was provided.

Work Group 5 Payment Reconciliation

Task Groups:

- The **DSMO 1042 Task Group** presented their review of DSMO 1042 and recommended that WG5 support the request for the adoption of the 005010X221 835 Health Care Claim Payment/Advice (TR3) along with the X12 005010 TR3 (Implementation Guide) to replace the current HIPAA mandated transaction version 004010 and its Implementation Guide designated as 004010X091A1. WG5 approved the recommendation.

New Items:

- WG5 reviewed DSMO Change Request 1053 which requested a modification to the format of the PLB segment by creating a new reference identification value to allow the CLM01 to be returned in the PLB segment. WG5 denied the request and recommended an alternative solution.

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 **Coordination of Benefits Task Group** continues to work with WG1 to understand how the MMA requirements will impact rebates. Julie Speer, task group leader, will be joining the COB task group out of WG1 Telecommunication so she can provide a better report to WG7 each meeting.
- 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 **LTC Pharmacy Rebate Reporting Task Group** out of WG14 Long Term Care presented the document they developed and will be proposing this as a guide on how to report long term care rebate claims. The task group is still asking for help from manufacturers to finalize this document.

DERFs

- DERF 000793 – requesting an update to the rebate standard so the utilization file matches the detail of reconciliation file and bring the standard into sync with current business practices and other NCPDP standards was reviewed. The DERF was approved with modifications.
- WG7 members met in the WG1 meeting to discuss DERF 000782 - proposing that the Prescription/Service Reference Number be expanded from a 9-byte field to a 12-byte field in order to support rebate processing. The DERF was approved.

Updates:

- Cathy Graeff of NCPDP gave an update 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 000763 requests the addition of 4 fields to the Medicaid Subrogation Implementation Guide (2.0) 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 #. The new data elements are specific to Medicaid Subrogation and are to be used for batch submission between the Medicaid entity and the responsible primary entity. During the August Work Group Meeting the DERF and Implementation Guide were reviewed and revised in WG1 Telecommunication and pended back to WG9. The Subrogation Task Group completed final revisions to the implementation guide and presented the changes to the work group. It was moved and seconded to approve the DERF and Subrogation Implementation Guide as modified by WG1 in August. The motion carried.
- Pended 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. The DERF was reviewed with WG1 Telecommunication, where it was recommended that Medicare be removed from the description to allow broader use of the data, and pended back to WG 9 for final approval. The work group reviewed the changes made in WG 1 in August and proposed an update to one of the examples. A motion was made and seconded to approve the DERF as modified. The motion was approved.

Task Groups:

- The **Payer-to-Payer Task Group** has continued to work on updates and clarifications to the Protocol Document. No official report was provided.
- The **Balancing and Pricing Task Group** has continued their review of patient responsibility elements for clarity of intent and accuracy of the balancing formulas. No official report was provided.
- The **State of the States Document Format Task Group** presented the recommended format and content changes based on the recommendations made during the August Work Group Meeting. Additional columns were added to the NPI tab to add information on the pharmacist and primary prescriber. The work group provided clarification on the

reporting of products to be reported for automatic crossover processing. The changes will be made and the known information transferred to the new format.

- The **Medicaid Subrogation Task Group** completed the review of the changes to DERF 000763 as a result of the review with WG 1 in August. The Subrogation Implementation Guide was updated and the Protocol Document was reviewed and updated to effect the changes resulting from the four new fields requested in DERF 000763.
- The **DSMO CRS 1044 Task Group** presented their recommendation on DSMO Change Request System 1044 regarding the proposal to move the 837 P version 5010 forward for HIPAA adoption. A motion was made and seconded to approve the recommendation of the task group. The motion was approved.

Updates:

- WG9 reviewed and updated the State of States document. Once the reformat of the tracking document is completed, the work group will do outreach to the states through NCPDP Now for updated information. The aim is to get contact people as well as updated data.

New Items:

- NPI Issues: No additional issues related to NPI were discussed.
- CMS Guidance on Surveying Beneficiaries Regarding Prescription Drug Coverage: This is actually an old issue but there continues to be issues regarding unmatched N1 transactions and bad contact information. A CMS representative was present and participated in the discussion providing clarification where possible. A related issue of inaccurate group identification information being passed by the TrOOP Facilitator was also put forward. During the discussion it was pointed out that the information is being provided to CMS by some source, but since the source is unknown, no definitive solution was possible. The result is that the beneficiary is not receiving appropriate TrOOP accounting.

Work Group 10 Professional Pharmacy Services

Task Groups:

- The **Structured and Codified Sig Task Group** is waiting for feedback from the pilot program participants. The work group also discussed the anticipated timeline until the final rule comes out, which is expected near the end of 2007.

New Items:

Randy Levin of Food and Drug Administration gave a guest presentation on Federal Medication Terminology as well as the expected business requirements for the structured and codified sig.

Work Group 11 ePrescribing & Related Transactions

Ballots:

- none

DERFs:

- DERF 00779 requests "For the SCRIPT Implementation Guide - The Census Update Transaction is originated by the facility in a long term care environment. The transaction notifies the pharmacy about census events. The transaction can be used in three cases - to notify the pharmacy of a new resident, a change to demographic information of a resident, or the discharge of a resident. See attached document for details." The DERF was approved by WG11 ePrescribing & Related Transactions and WG14 Long Term Care.
- DERF 00784 requests "In Long Term Care, prescription orders are typically open orders with no end date or a date far in the future. At times, a prescriber has the need to modify this order and notify the pharmacy. This process is accomplished through the CANCEL transaction and the NEWRX with some additional data requirements. This process differs from the Change Request (RXCHG) because it is initiated from the prescriber not the pharmacy. With the request coming from the prescriber, there is no need for a response approving the request." The DERF was approved by WG11 ePrescribing & Related Transactions and WG14 Long Term Care.

- DERF 00788 requests "On a new prescription, the prescribing application sends a "Prescriber Order Number" (UIH 030-S032-01-0300) (XML PrescriberOrderNumber) on a NewRx and this is echoed back by the pharmacy in a Refill Request. This value allows the prescribing application to have an exact match of the refill to the original order generated by the prescribing application. Need to be able to send the Prescriber Order Number with each medication in a RXHRES." The DERF was approved with modifications by WG11 ePrescribing & Related Transactions.
- DERF 00789 requests "In Version 8.1, the requirement for either a quantity or days supply was changed to quantity is mandatory. This has caused issues on the prescriber side when they wish to prescribe with instructions to the pharmacy of "quantity sufficient". Example would be an inhaler. Prescriber might have a sig of 3 to 4 puffs per day as the SIG and 30 days as the days supply. In these situations, the pharmacy determines the actual quantity based upon what they have in stock and their knowledge of what is required to fill the prescription correctly." The DERF was pended by WG11 ePrescribing & Related Transactions.
- DERF 00790 requests "Prescribers would like to receive a value of refills remaining as part of the information that comes with a medication history record." The DERF was approved by WG11 ePrescribing & Related Transactions.
- DERF 00791/ECL 000028 requests "The X12 Unit of Measure Table has approximately 160 values for a unit of measure. Most of these values are not relevant for the strength units or quantity of a medication and clearer direction needs to be given. Drop all reference to this table and create an appendix or ECL of appropriate qualifiers for this field." The DERF was approved with modifications by WG11 ePrescribing & Related Transactions.
- DERF 00795 requests "In the long term care environment there is a need to send a refill request from a facility to a pharmacy. An example use case is when a medication supply for a resident is running low (2-3 doses) and a new supply is needed from the pharmacy, the nurse needs a way to notify the pharmacy that a refill for the medication is needed. Typically, the physician is not involved in this process until the end of the month when all of the resident's orders are signed in batch." The DERF was approved with modifications by WG11 ePrescribing & Related Transactions and WG14 Long Term Care.

Task Groups:

- The **Prescription Transfer Task Group** is finalizing the implementation guide and will submit a DERF in February.
- 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. An HL7 prior authorization attachment is going through the approval process. Their initial guidance for the eprescribing pilots in 2006 is being tested and they are working with pilots.
- 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. They are awaiting the MMA Eprescribing Pilot findings.
- WG11 is assisting WG14 LTC/EHR in mapping the needs of long-term care into eprescribing standards. They are bringing DERFs forward.

Updates:

- A status was given on ANSI HITSP and AHIC.
- A status was given from the **MC Modeling and Methodology Task Group**.

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. Recently, the task group recommended that no action be taken on NC 58-3-177.

Updates:

- The work group received an update on “National Call to Mobilize Providers to Obtain, Share and Test their NPIs Now,” from Cathy Graeff
- An update was provided on the HITSP/NHIN.
- 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:
 - Food & Drug Administration Notice of Proposed Rule Making
 - The Future of Drug Safety: Action Steps for Congress
 - CMS Proposes to Require Nursing Homes Across America to Install Sprinklers
 - Government Studies How to Push Digital Health Records
 - Communication Priorities for Avian Flu Preparedness

Work Group 14 Long Term Care

DERFs:

- DERF 000779 requests “For the SCRIPT Implementation Guide - The Census Update Transaction is originated by the facility in a long term care environment. The transaction notifies the pharmacy about census events. The transaction can be used in three cases - to notify the pharmacy of a new resident, a change to demographic information of a resident, or the discharge of a resident. The DERF was approved in a joint session of WG11 ePrescribing & Related Transactions and WG14 Long Term Care.
- DERF 000784 requests “In Long Term Care, prescription orders are typically open orders with no end date or a date far in the future. At times, a prescriber has the need to modify this order and notify the pharmacy. This process is accomplished through the CANCEL transaction and the NEWRX with some additional data requirements. This process differs from the Change Request (RXCHG) because it is initiated from the prescriber not the pharmacy. With the request coming from the prescriber, there is no need for a response approving the request.” The DERF was approved in a joint session of WG11 ePrescribing & Related Transactions and WG14 Long Term Care.
- DERF 000795 requests “In the long term care environment there is a need to send a refill request from a facility to a pharmacy. An example use case is when a medication supply for a resident is running low (2-3 doses) and a new supply is needed from the pharmacy, the nurse needs a way to notify the pharmacy that a refill for the medication is needed. Typically, the physician is not involved in this process until the end of the month when all of the resident’s orders are signed in batch.” The DERF was approved with modifications in a joint session of WG11 ePrescribing & Related Transactions and WG14 Long Term Care.

Task Groups:

- **Return Credit Task Group**— At the request of the Standardization Co-chairs new objectives were developed and added to the goal statement that will be submitted for approval at the February work group meeting. The task group recognized there might be some basic issues that will eventually need to be addressed such as product ownership, ownership transfer, indemnification, and federal standards and guidelines and agreed those should be researched and resolved separately. The task group will continue their work in identifying an initial set of transaction standard elements for the multiple transactions and will develop a DERF following the timeline included in the new objectives.
- **EHR/HL7 Task Group** – The task group developed and submitted three DERFs for the NCPDP SCRIPT Standard for LTC Messaging (Census Messages, Refills and Modifications to Orders).

- **Current LTC Billing Issues Task Group** – During this quarter the task group participated extensively in the work on the E1 revisions for D.0 and the FAQ rework of the E1 in 5.1. The task group will continue their discussions on copays for unit dose (7-day and 14-day rolling dispensing of routine meds, incorrect copays for LTC duals and Part D excluded drugs.
- **Consultant Pharmacist Task Group** – The task group completed their review of the September EHR Functional Model ballot and identified functions that will be applicable to the Consultant Pharmacist interface. This task group's initial goals have been met and further instruction from WG14 will be discussed during the February work group meeting.
- **LTC Pharmacy Rebate Reporting Task Group**— The task group has developed a draft LTC Rebate Reporting guide pending final documentation from CMS and determination of whether or not to include the enhanced definition of a rebate. The CMS reporting requirements, which include LTC rebates, are not in their final stage. CMS will be issuing additional (Final-Final) guidance in the near future.
- **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. Within the industry there are questions and concerns regarding DERF 000761. Ballot approval would eliminate the most expensive ingredient method of compound billing. The task group will be holding an educational discussion regarding this DERF. Industry clarification is needed from CMS as to whether the use of the most expensive NDC from the compound segment is altering the definition of a claim because the claim is defined as a claim segment on the PDE.

Updates:

- An update was provided on the CMS LTC E-Prescribing Pilot.

WG15 Sample Management

Updates: The WG completed the identification of sub-goals under its primary WG goals.

Task Group Updates Were Provided:

- **Physical Samples, Etc. Task Group** completed definitions and descriptions of sample types. The ultimate goal is to have the NDC as the unique identifier for samples and the TG will be reaching out to PhRMA and PDMA for assistance with this.
- **Alternative Distribution Task Group** examined the content of samples, vouchers, and coupons and identified data elements. It was determined that the TG's goal will be to get the data from the sample given at the physician's office into an electronic form of the medical record and the tools available for those that need to access it.
- **Outreach Task Group** has a call scheduled for December 11th and will develop a strategy on how to respond to the Institute Of Medicine's findings on medication errors.

MC Maintenance and Control

DERFs/ECLs:

- MC Maintenance and Control reviewed 7 pended and 25 new DERF/ECLs (see WG1, WG3, WG7, WG9, WG11, and WG14 above).
- DERF/ECL review and approval will result in:
 - The release of one new ballot: WG010029 for WG1 Telecommunication for November 2006
 - The release of one new ballot: WG070005 for WG7 Manufacturer Rebates for November 2006
 - The release of one new ballot: WG090007 For WG9 Government Programs for November 2006
 - The release of one new ballot: WG110026 For WG11 ePrescribing & Related Transactions for November 2006
 - Submittal for Board approval of a new publication of the Pharmacy and Combo ID Card Standard Implementation Guide Version 2.0 and a new publication of the Billing Unit Standard Implementation Guide Version 2.0

- An ECL update

Ballot Adjudication:

- Will result in:
 - Awaiting an appeal period, Telecommunication Standard Implementation Guide for Version C.4 will be sent to the Board for approval.

Task Groups:

- A **Values Definition Task Group** update was provided. A DERF was submitted to provide definitions for values within the ECL.
- An **Entities Task Group** update was provided. An updated document was submitted and reviewed by the WG and approved. The document was not voted on awaiting the outcome of DERFs that might impact data on the document. The task group will have a call to discuss.

Updates:

- Pended DSMO Change Request 1042 and the 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 was reviewed and approved.
- Pended DSMO Change Request 1044 and the 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 was reviewed and approved.

New Items:

- The attendees received daily Work Group recaps
- New DSMO Change Requests were reviewed:
 - 1046 was reviewed by WG4 and a recommendation of denying the request given to MC. MC also denied the request.
 - 1052 was reviewed by WG11 and a recommendation of approving the request given to MC. MC also approved the request.
 - 1053 was reviewed by WG5 and a recommendation denying the request given to MC. MC also denied the request.
 - 1054 was reviewed by WG4 and a recommendation of request an extension was brought forth to MC. MC agreed and approved the request for an extension.
- New Project Development Form #0025 on a Pharmacy Label Project was reviewed and a recommendation to form as a task group under WG10 to push it forward will be given to the Standardization Co-Chairs.
- A request to form a new Work Group for Workers' Compensation/Property and Casualty was discussed and a recommendation made to approve as WG16.