

# Pharmacy Industry Implementation for HIPAA Transaction Standards and Code Sets

NCVHS Subcommittee on Standards

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## ***What is NCPDP?***

- An ANSI-accredited standards development organization.
- Provides a forum and marketplace for a diverse membership focused on health care and pharmacy business solutions.
- A member driven organization that has been named in various government legislation and rulings, such as HIPAA and the Medicare Prescription Drug Benefit.
- One of several Standards Development Organizations (SDOs) involved in Healthcare Information Technology and Standardization.
- Focus on pharmacy services, and has the highest member representation from the pharmacy services sector of healthcare.

**NCPDP**  
**Strategic National Implementation Process**  
**(SNIP)**  
**Industry Survey**

# ***SNIP Survey Results***

## ***Telecommunication Standard D.0 and Batch Standard 1.2***

- Total survey respondents 91:
  - Pharmacy – 26%
  - Health Plan/Payer/Processor/PBM – 53%
  - Software Vendor – 14%
  - Clearinghouse/Switch/Intermediary - 7%
  
- What stage of impact assessment policy/processes/systems are you currently in?
  - *42% have completed 46% are in the process of completing.*
- Of the companies completing their impact assessment:
  - *80% used internal resources*
- Key issues found during the impact assessment include:
  - *59% - Resources (such as financial and FTE)*
  - *32% - Data Sources (such as reference files from external entities)*
  - *29% - Deployment*
  - *29% - Telecommunication v5.1 to vD.0 cross-walk*
- What stage of implementation is your organization currently working on?
  - *17% are in Transition to Full Compliance*
  - *40% are still in Development*
  - *31% are in the Formal and Informal Testing stage*

# ***SNIP Survey Results***

## ***Telecommunication Standard D.0 and Batch Standard***

- What percentage of external trading partner testing have you completed?
  - *89% of respondents have started testing with 40% or less of their trading partners.*
  - *Obstacles for testing include:*
    - *29% of pharmacy respondents are waiting on software from vendor*
    - *22% of all respondents are waiting on trading partners*
    - *30% of all respondents development is not complete*
  
- When will you exchange production claims with your external trading partners?
  - *60% of all respondents will be ready to exchange live transactions by October 30, 2011*
  
- With what percentage of trading partners are you currently exchanging production claims?
  - *50% of all respondents are exchanging a minimum of 10% of their transactions*
  
- For the respondents exchanging less than 50% of claims in production the major obstacles include:
  - *26% of respondents reported trading partners are not ready*
  - *42% of respondents reported production environment not ready*

# ***SNIP Survey Results***

## ***Medicaid Subrogation Standard***

- Total survey respondents 68:
  - Health Plan/Payer/Processor/PBM – 82%
  - Software Vendor – 7%
  - Clearinghouse/Switch/Intermediary - 11%
  
- What stage of impact assessment policy/processes/systems are you currently in?
  - *39% have completed 50% are still in the process of completing*
  
- Of the companies completing their impact assessment:
  - *60% completed using internal resources*
  
- Key issues found during the impact assessment include:
  - *60% - Resources (such as financial and FTE)*
  
- What stage of implementation is your organization currently working on?
  - *15% are in Transition to Full Compliance*
  - *68% are in Development and Testing*
  - *17% are in the Business Planning stage*

# ***SNIP Survey Results***

## ***Medicaid Subrogation Standard***

- What percentage of external trading partner testing have you completed?
  - *84% of respondents have started testing with 10% or less of their trading partners.*
  - *Obstacles for testing include:*
    - *22% of all respondents are waiting on trading partners*
    - *30% of all respondents development is not complete*
- When will you exchange production claims with your external trading partners?
  - *21% of all respondents will be ready to exchange live transactions by September 30, 2011*
- With what percentage of trading partners are you currently exchanging production claims?
  - *8% of all respondents are exchanging 50% of their transactions*
- For the respondents exchanging less than 50% of claims in production the major obstacles include:
  - *27% of respondents reported trading partners are not ready*
  - *27% of respondents reported production environment not ready*

# SNIP Survey Results

## ASC X12 Survey

- Total survey respondents 59:
  - Pharmacy – 17%
  - Health Plan/Payer/Processor/PBM – 69 %
  - Software Vendor – 7%
  - Clearinghouse/Switch/Intermediary - 7%
- What stage of impact assessment policy/processes/systems are you currently in?
  - *31% have completed 37% are still in the process of completing*
- Of the companies completing their impact assessment:
  - *82% completed using internal resources*
- Key issues found during the impact assessment include:
  - *39% - Resources (such as financial and FTE)*
  - *60% - Version 4010A1 to 5010 mapping*
- What stage of implementation is your organization currently working on?
  - *2% are in Full use of Upgraded Standard*
  - *15% are in Transition to Full Compliance*
  - *66% are in Development and Formal and Informal Testing*
  - *17% are in the Business Planning stage*

# ***SNIP Survey Results***

## ***ASC X12 835***

- What percentage of external trading partner testing have you completed?
  - *17% have started testing with 20% of their trading partners*
  - *Obstacles for testing include:*
    - *17% of all respondents are waiting on trading partners*
    - *43% of all respondents development is not complete*
- When will you exchange production claims with your external trading partners?
  - *58% will be ready to exchange live transactions by October 31, 2011*
- With what percentage of trading partners are you currently exchanging production claims?
  - *11% of all respondents are exchanging 40% of their transactions*
- For the respondents exchanging less than 50% of transactions in production the major obstacles include:
  - *47% waiting on trading partners*
  - *50% production environment not ready*

# **SNIP Survey Results**

## **ASC X12 834**

- What percentage of external trading partner testing have you completed?
  - *15% of respondents have started testing with more than 60% of their trading partners.*
  - *Obstacles for testing include:*
    - *18% are waiting on trading partners*
    - *41% development is not complete*
    - *23% limited resources*
- When will you exchange production files with your external trading partners?
  - *30% will be ready to exchange transactions by October 30, 2011*
- With what percentage of trading partners are you currently exchanging production claims?
  - *9% are exchanging 40% of their transactions*
- For the respondents exchanging less than 40% is the major obstacles include:
  - *14% trading partners not ready*
  - *25% production environment not ready*

# ***SNIP Survey Results***

## ***ASC X12 270/271***

- What percentage of external trading partner testing have you completed
  - *19% of respondents have started testing with 40% or more of their trading partners.*
  - *Obstacles for testing include:*
    - *38% waiting on trading partners*
    - *44% development is not complete*
  
- When will you exchange production transactions with your external trading partners?
  - *46% will be ready to exchange transactions by October 30, 2011*
  
- With what percentage of trading partners are you currently exchanging production transactions?
  - *3% are exchanging with more than 70% of their trading partners*
  
- For the respondents exchanging with less than 70% of their trading partners the major obstacles include:
  - *16% trading partners not ready*
  - *24% production environment not ready*

# SNIP Survey Results

## ICD 10

- Total survey respondents 56:
  - Pharmacy – 25%
  - Health Plan/Payer/Processor/PBM – 54 %
  - Software Vendor – 16%
  - Clearinghouse/Switch/Intermediary - 5%
- What stage of impact assessment policy/processes/systems are you currently in?
  - *9% have completed their impact assessment , 52% are still in the process of completing*
- Of the companies completing their impact assessment:
  - *80% completed using internal resources*
- Key issues found during the impact assessment include:
  - *60% - Resources (such as financial and FTE)*
- What stage of implementation is your organization current working on?
  - *66% are in Business Planning*
  - *21% are in Development*
  - *9% are in Internal Testing*
  - *4% are external testing with trading partners*

# SNIP Survey Results

## ICD 10

- What will your strategy be for processing transactions with ICD-10 codes after October 1, 2013?
  - 16% will obtain or re-obtain information provided by prescriber
  - 46% will start using ICD-10 codes on transactions with dates of service on or after October 1, 2013 and leave history files using ICD-9
  - 18% will use a cross-walk on a limited basis
  - 13% will use crosswalk and/or mapping tools prior to October 1, 2013 to convert existing history files
  - 4% will use compendia mapping of ICD-10 codes to their proprietary codes
  - 3% will use GEMs as a starting point in developing a crosswalk
  
- Pharmacy providers plan for obtaining the appropriate ICD-10 code for Medicare Part B, Medicaid DME and specialty pharmacy transactions?
  - 29% to be determined
  - 6% will reach out to prescriber prior to October 1, 2013
  - 7% will reach out to prescriber at time of service
  - Remainder state not applicable
  
- If you are a pharmacy provider, what is your plan for obtaining the appropriate ICD-10 codes for all other prescription drug transactions?
  - 26% to be determined
  - 9% will reach out to prescriber at time of service
  - Remainder state not applicable

# SNIP Survey Results

## ICD 10

- Are you planning on developing a training program for your organization?
  - *62% are planning on developing a training program.*
    - *29% Organizational wide*
    - *68% Department specific*
    - *3% Individual specific*
  
- When do you anticipate internal testing to begin?
  - *80% to begin by March 31, 2013*
  
- Due to the increased specificity relating to ICD-10, will business practices for the Health Plan/Payer/Processor/PBM change to include a greater use of the ICD codes?
  - *33% responded yes*
  - *17% responded no*

# ***NCPDP SNIP***

## ***Industry Awareness and Training***

- Training Webinars - [http://www.ncpdp.org/meeting\\_webinars.aspx](http://www.ncpdp.org/meeting_webinars.aspx)
- Creation of White Papers -
  - Transaction Timeline White Paper
  - ICD 10 Code sets Timeline White Paper
  - D.Ø Implementation White Paper
  - 835 5010 Implementation White Paper
  - D.Ø Transition White Paper
- Creation of Payer Sheet Implementation Guide
- NCPDP FAQ Editorial Document
- Track Progress via NCPDP SNIP

### Webpages:

- [http://www.ncpdp.org/news\\_hipaa\\_snip.aspx](http://www.ncpdp.org/news_hipaa_snip.aspx) and  
[http://www.ncpdp.org/news\\_hipaa\\_trans\\_current.aspx](http://www.ncpdp.org/news_hipaa_trans_current.aspx)

## *Thank You!*

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