



National Committee on Vital and Health Statistics (NCVHS)  
Subcommittee on Standards - Review Committee  
Hearing on Adopted Transaction Standards, Operating Rules, Code Sets & Identifiers

**Panel 1 – Health Plan Enrollment/Disenrollment and Health Plan Premium Payment**

The National Council for Prescription Drug Programs (NCPDP) is a not-for-profit ANSI-Accredited Standards Development Organization (SDO) consisting of more than 1,500 members who represent drug manufacturers, chain and independent pharmacies, drug wholesalers, insurers, mail order prescription drug companies, pharmaceutical claims processors, pharmacy benefit managers, physician services organizations, prescription drug providers, software vendors, telecommunication vendors, service organizations, government agencies, professional societies, and other parties interested in electronic standardization within the pharmacy services sector of the healthcare industry. NCPDP provides a forum wherein our diverse membership can develop solutions, including ANSI-accredited standards, and guidance for promoting information exchanges related to medications, supplies, and services within the healthcare system.

NCPDP processor/pharmacy benefit manager/payer members use the *ASC X12 Standards for Electronic Data Interchange Technical Report 3 (TR3) – Benefit Enrollment and Maintenance (834)*, June 2010, ASC X12N/005010X220A1 (hereinafter referred to as X12N 834) and there is little to no use of the *ASC X12 Standards for Electronic Data Interchange Technical Report 3 (TR3) Payroll Deducted and Other Group Premium Payment for Insurance Products (820)*, June 2010, ASC X12N/005010X218 (hereinafter referred to as X12N 820).

The X12N 834 is received by the processor/pharmacy benefit manager/payer from employers and other purchasers of pharmacy benefits.

NCPDP members were surveyed and conference calls were held to obtain input to the questions posed by the Review Committee.

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## Value

- Overall, does the currently adopted **transactions** meet the current (and near-term) business needs of the industry? Please provide as much as possible any evidentiary information (qualitative or quantitative) to support your viewpoints.
- Overall, do the **standards, code sets, and identifiers** adopted for each transaction meet the current (and near-term) business needs of the industry? Is the industry achieving the intended benefits from the transactions and their corresponding standards, code sets and identifiers? Please provide as much as possible any evidentiary information (qualitative or quantitative) to support your viewpoints
- Have there been any studies, measurement or analysis done that documents the extent to which the transactions and their corresponding standards, code sets and identifiers, as adopted and in

*use, have improved the efficiency and effectiveness of the business processes? Please provide, as much as possible, information for specific transactions.*

For the most part, the X12N 834 meets the pharmacy business needs. Any additional change requests submitted on behalf of the pharmacy industry have been accommodated in a future version.

## Volume

- *What is the current volume / percentage / proportion of business transactions being conducted electronically (each transaction) using the adopted standard?*

NCPDP members reported the following monthly volume ranges.

X12N 834: 26,000,000 – 28,000,000 transactions per month

## Barriers

- *Are there any known barriers (business, technical, policy, or otherwise) to using the transactions, standards, or operating rules?*
- *Is there any perceived or qualified degrees of variability in stakeholders' usage of adopted transactions and operating rules?*

	Extremely Variable	Moderately Variable	Slightly Variable	Not Variable
ASC X12N 834 Benefit Enrollment	0.00%	18.75%	0.00%	0.00%

- *What is the qualified or quantified degree of difficulty in adopting and expanding the usage of the transactions and operating rules*

	Extremely Difficult	Moderately Difficult	Slightly Difficult	Not Difficult
ASC X12N 834 Benefit Enrollment	0.00%	6.67%	6.67%	0.00%

Most of the trading partners engaged in member enrollment are not HIPAA covered entities and therefore do not have to use the X12N 834 transaction.

## Alternatives

- *Are there any known perceived or qualified availability and acceptance of other methods / approaches in achieving the same goal which the adopted transactions and operating rules intend to deliver*

There are no known alternatives.

## Opportunities

- *Are there any identified areas for improvement of currently adopted transactions and their corresponding standards, code sets and identifiers?*
- *What, if any alternatives exist for improving efficiency and effectiveness of the business process for each of the transactions adopted and in use?*
- *Are there additional efficiency improvement opportunities for administrative and/or clinical processes of these transactions and strategies to measure impact? Would they be addressable via new or different standards?*
- *What alternatives exist to achieve similar or greater efficiency and effectiveness between trading partners at lower administrative cost?*

We are not aware of any opportunities.

## Changes

- *Are there any changes that should be made to the current transaction standards, or the mandate to use them?*

We are not aware of any changes to be made to the standard that have not already been requested.

## Additional Question:

- *What is the usage of enrollment/disenrollment and premium payment transaction standard in health insurance exchanges?*

The processor/pharmacy benefit manager/payer is receiving the X12N 834 from employers but not for the sole purpose of health insurance exchanges.