

NCVHS Standards Subcommittee Hearing - March 26, 2018

Testimony of:

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NCPDP Telecom version F2 has multiple enhancements to improve the efficiency of LTC pharmacy claim billing.



Enhancements to the Eligibility Verification (E1) Transaction

- Obtaining accurate resident coverage information is many times difficult for LTC pharmacies.
- LTC pharmacies rely heavily on the E1 transaction.
 - New admissions
 - Start of Part D plan year
- Response Other Related Benefit Detail Segment added to the E1 response in F2
 - Supports CMS' enhancements to the eligibility data being provided to the Transaction Facilitator for Medicare Part D beneficiaries
 - Supports commercial insurance benefits and has built in flexibility to support future benefit details

Enhancements to the Eligibility Verification (E1) Transaction

- Response Other Related Benefit Detail Segment content
 - Low Income Subsidy (LIS) information
 - End-Stage Renal Disease (ESRD) coverage information
 - Hospice coverage information
 - Other benefit information
- These enhancements will significantly improve the efficiency of LTC pharmacy billing departments.

LTPAC Dispense Frequency Field

- Available in version F2 claims
- Code indicating the frequency of dispensing medication to a LTPAC patient.
- Replaces the short cycle Submission Clarification Code values.
- Required on short cycle eligible claims to meet CMS reporting requirements.
- Examples
 - Every 14 days
 - Every 7 days
 - Every day
 - Per med pass dispensing



LTPAC Billing Methodology Field

- Available in version F2
- Code indicating the billing methodology used for the claim.
- Value descriptions
 - Full quantity dispensed on date of service.
 - Post-consumption where date of service represents date of earliest dispensing. One or more dispensings make up the total quantity on the claim and the total quantity on the claim has been dispensed.
 - Pre-consumption where date of service represents date of earliest dispensing. One or more dispensings make up the total quantity on the claim, but all dispensings that make up the total quantity on the claim have not yet occurred.

Number Of LTPAC Dispensing Events

- Available in version F2
- Value indicating the number of times pharmacy dispensed product or service for the claim period requested.

Use of Quantity Prescribed Field (460-ET) in Claims Billing/Rebilling

- Current claim format (D.0) has no way to distinguish a partial fill from a refill.
- Schedule II controlled substance prescriptions cannot be refilled.
- 121 C.F.R. § 1306.13(b) permits partial filling of a schedule II controlled substance prescription for a LTC resident or a terminally ill patient for a period not to exceed 60 days.
- September 2012 HHS' OIG issued a report¹ stating that “Medicare Part D inappropriately paid \$25 million for Schedule II drugs billed as refills in 2009” and that “three-quarters of Part D sponsors paid for Schedule II drugs billed as refills.”

Use of Quantity Prescribed Field (460-ET) in Claims Billing/Rebilling

- The OIG report¹ states that 75% of the schedule II refills originated from LTC pharmacies.
- The OIG report¹ further states that “CMS should use this information to develop guidance to sponsors to prevent Schedule II refills and to ensure accurate billing of partial fills.”
- This problem continues.
- Use of the Quantity Prescribed field available in version F2 claims would allow distinguishing a partial fill from a refill.

¹ <https://oig.hhs.gov/oei/reports/oei-02-09-00605.asp>

Use of Quantity Prescribed Field (460-ET) in Claims Billing/Rebilling

- The Comprehensive Addition and Recovery Act of 2016 permits partial fills of schedule II prescriptions for outpatients for up to 30 days upon request of patient or prescriber.
 - This will create increased occurrences of this issue.

Thank You

