Health and Wellness

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Walmart would like to thank the NCVHS for the opportunity to respond questions concerning the NCPDP Telecommunications Standard Version F2 and NCPDP Batch Standard Implementation Guide Version 15.

Wal-Mart Stores, Inc. represents over 5,000 retail pharmacies across 50 states and territories. We are able to serve our patients in a number of different formats including over 4,000 Supercenters and Discount stores, 700 Neighborhood Markets, and 600 Sam's Club Pharmacies across the nation.

1. **What are the anticipated changes to the administrative, technical, business, operational, or workflow processes when the new standard becomes mandatory for use?**

The prior version change from 5.1 to D.0 was a significantly larger technical shift and overall undertaking then what will be expected when moving to the F2 standard. The administration and operational workflow processes will be relatively the same and potentially enhanced by the additional data elements exchanged between the provider and processor.

2. **What are the anticipated benefits to business, operational or workflow processes of implementing this new version of the pharmacy standard?**

Some of the gained efficiencies will include being able to send multiple prescriber identifiers on the claim to identify the prescriber with greater accuracy. A new field in the response from the processor called the adjudication program type to properly identify government funded programs to apply additional requirements more accurately. In addition there are several fields that are more defined to certain situations. For example, the next available fill date would have previously been sent in a free text field. With the F2 standard, there is a specific field dedicated to this information allowing more clear communication to the pharmacy and patient.

3. **What are the anticipated barriers to implementing the new version of the pharmacy standard?**

There will certainly be a need to apportion development resources, from both a talent and budgetary perspective in order to stand up a technical team solely dedicated to implementing the F2 standard. Typical barriers to this process will include other prioritized business development, a technical learning curve, possible lost or delayed opportunities due to competing resources, time constraints, and coordinating Quality and User Acceptance Testing availability. However, our paramount expectation throughout the development span will be one that if any hurdles arise along the way, the process will remain seamless from the patient perspective and they will not experience any gap in care.

4. **What if anything, would be difficult about implementing version F2 for small pharmacies? What about the new version would be difficult for small pharmacies to adjust to?**

Most small chains and/or independents will typically utilize commercially available pharmacy software and as such do not take on any of the development work. Once the development and testing is completed they will receive the new standard as a program update. However, I am unable to speak to whether or not any fees will ultimately be occurred or if it is already accounted for as part of their monthly software fees. And while it is a more robust platform, the core utility is the same and shouldn't present any significant adjustments to workflow.

5. **The HIPAA statute provides for a two year implementation window for health plans and providers after publication of a final rule. Is this time frame sufficient for your industry sector? Does the pharmacy industry want or need an overlap of the current and new standards? Thinking about the changes in health care, is there an ideal time frame for the adoption of new versions of standards, and of their implementation?**

We would recommend that a two year implementation window represent more of a floor than a ceiling timetable, but still we should be able to accommodate a two year implementation cut off. However, due to the increased demands around new healthcare plans and cardholder changes, any proposed implementation at the first of the year would

likely be disruptive. It would also be beneficial to provide an overlap for version transition to provide for different stakeholders to synch up and migrate over once development and testing is complete.

6. **Which industry stakeholders are impacted by implementing a new version of this pharmacy standard? Can you offer a verbal or pictorial description of the flow of the transaction, e.g. prescribers, health plans (including self-funded health plans and Flexible Spending Accounts if relevant), pharmacy benefit managers, pharmacies, pharmacy management programs, and other parties?**

Pharmacies, Switch providers, Intermediaries, Payers, software vendors, and clearinghouses would all be necessarily impacted by a new version. Most, if not all would need to either remap or add a number of fields to meet the new version requirements. This will require scope planning and testing coordination that spans across industry stakeholders

7. **Please provide evidentiary information (qualitative or quantitative) to support the need for a recommendation to adopt version F2 at this time. If you wish to send this under separate cover because it is proprietary, that is acceptable. Should NCVHS render an affirmative recommendation to the Secretary, cost benefit data will be necessary for the regulatory process to move forward by HHS in accordance with requirements of the Office of Management and Budget?**

Speaking from a purely qualitative perspective, the new version will deliver to our pharmacies richer REM's specific fields providing for corresponding improvement to patient safety, greater prescriber identification and a subsequent reduced audit exposure on claims with the ability to send multiple license types on the same claim, and finally, further opportunities to automate prescription fill scheduling by syncing prescription fill logic to the next available fill date field. This will result in a more efficient process using technology that will ultimately benefit the patient.

8. **What are the costs involved in implementing a new version of a standard, and by whom and to whom are they paid? For example, hardware system and software upgrades vendor fees, real time or batch transaction fees, processing fees, clearinghouse or PBM charges, etc. Do these costs place burdens on any individual stakeholder group?**

Typical internal costs for a multiyear project would center on administration costs and resource budget allocation. However, those outlays are anticipated and typical as part of normal software and enhancement cycles. Much of this development and testing is mutually supported so Walmart would not expect other stakeholders to send us development costs.

9. **What are the patient service and care impacts to implementing version F2? For example, is there patient service and care impacts version F2 will solve/resolve, or are there potential service issues the new standard could create?**

We do not anticipate significant patient service changes with this version. And, since the development of standards is an on-going process, with small changes over time resulting in a big impact with accumulation, there shouldn't be any meaningful patient care impact.

10. **What are the consequences to industry if NCVHS does not recommend adoption of Version F2 to the Secretary?**

This could ultimately delay any of the continuous improvement the NCPDP forum provides to the industry. The process to migrate over to the new standard is about a two year undertaking so any delay would extend this timeline further out. During that time, pharmacies would not have the benefit of the latest F2 functionality that could have helped mitigate various prescriber issues, reduce audit exposure by identifying claims properly, and access to a more defined REM's messaging platform.

11. **Is there any opposition to the upgrade to Version F2?**

NCPDP provides a forum to identify, develop, and work through any potential concerns. The actual workgroups meet often to discuss standard development and this is very much an iterative process through which both open dialog and continuous improvement will lead to consensus. The results are often cumulative so potential opposition is minimized with this process while also being able to meet the specific needs of the various stakeholders.

12. **What is the burden reduction to your stakeholder group for use of Version F2?**

Greater efficiency gains are anticipated by fewer claim submission review and enhanced communication with the additional fields and situations increased by the F2 version

Questions related to both standards:

1. **Is there anything else you deem relevant, important and appropriate to inform the committee and HHS about adoption and implementation for each of these standards?**

   The development of the telecommunication standard is very much a continuous improvement effort as evidenced by the current D.0 having twenty plus version updates. Adopting the standard will ensure that this iterative process is continued.

2. **What testing has been done of the standards to demonstrate that they are ready for use?**

   We go through comprehensive Quality Assurance (QA) testing and parallel User Acceptance Testing (UAT) to ensure that development of the new version is both fundamentally and foundationally sound. We also use testing as a means to evaluate potential internal enhancements, identify possible fixes needed, uncover gaps in requirements, and as possible new business cases to bring to the NCPDP standard committees for future development considerations.