



P R O V I D E R B U L L E T I N

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To: All Pharmacy Providers and Prescribing Practitioners

Subject: Significant Changes to Pharmacy Claims Processing

Note: The information in this bulletin is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system

Overview

On January 1, 2003, ACS State Healthcare will assume pharmacy claims processing for the Indiana Health Coverage Programs (IHCP). The purpose of this bulletin is to detail the significant changes that providers need to be aware of to continue to successfully submit pharmacy claims for the IHCP. This information will also be presented at the Provider Training Meetings that will be held at various locations throughout Indiana during the week of December 9, 2003. These meetings are designed to complement this bulletin and provide a forum for providers who have questions regarding the changes. If a provider is not able to attend one of these meetings, and has questions about one or more of the new processes, the provider should send an e-mail with a detailed description of the questions to: Indiana.ProviderRelations@acs-inc.com or call the ACS Point of Sale (POS) Help Desk at 1-866-645-8344.

This bulletin addresses the significant changes to the following methods of pharmacy claim submission:

- Paper claims using the Indiana Family and Social Service Administration (IFSSA) Drug Claim Form
- *Provider Electronic Solutions*
- National Electronic Claims Submission (NECS)
- Point of Sale (POS)
- Batch claims
- Other procedural changes

Paper Claims Using the IFSSA Drug Claim Form

The only significant change to the paper claim process is an address change. Please continue to use the current IFSSA Drug Claim Form and the IFSSA Compound Claim Form. Complete these forms following the directions in Chapter 9 of the *IHCP Provider Manual*. The appropriate completed forms

and necessary supporting documentation must be mailed to the following address beginning December 18, 2003:

Indiana Pharmacy Claims
C/O ACS
P.O. Box 502327
Atlanta, GA 31150

Provider Electronic Solutions

Currently, *Provider Electronic Solutions* can be used to verify eligibility, submit pharmacy batch claims, and submit POS claims. Effective January 1, 2003, the IHCP will not accept pharmacy claims submissions from *Provider Electronic Solutions*. *Provider Electronic Solutions* is custom configured for the EDS IndianaAIM system and is not compatible with the ACS claim processing system. Providers may continue to use *Provider Electronic Solutions*, which is custom software available only through EDS, for all claim types other than pharmacy. Providers using this software for the submission of pharmacy batch or POS claims are encouraged to contact one of the many commercial pharmacy software vendors. For additional information about commercial pharmacy software vendors, providers should contact their drug wholesaler or their pharmacy association. Although the IHCP does not endorse any one software vendor, the following is a partial list of software vendors from which providers can purchase software or services:

Tech RX
530 Lindbergh Drive
Coropolis, PA 15108
1-800-860-2372
www.techrx.com
info@techrx.com

QS1 Data Systems
P.O. Box 6052
Spartanburg, SC 29304
1-800-882-3815
www.qs1.com

SpeedScript – Digital Simplistics
14807 W 95th Street
Lenexa, KS 66215
1-800-569-1175
www.speedscript.com

PDX-NHIN
101 Jim Write Freeway South
Suite 200
Fort Worth, TX 76108
1-817-246-6760
www.pdxinc.com
info@pdxinc.com

Healthcare Computer Corp.
2601 Scott Avenue, #600
Fort Worth, TX 76106
1-888-727-5422
www.hcc-care.com

Rescot Systems Group
One Neshaminy Interplex
Suite 207
Trevose, PA 19053
1-888-737-2681
www.rescot.com

Providers that use *Provider Electronic Solutions* to submit pharmacy batch claims, should refer to the *Batch Claims* section of this bulletin. Providers are encouraged to share this information with either a software vendor or in house programming department. Providers using *Provider Electronic Solutions* to submit POS pharmacy claims need to communicate the information found in the *Point of Sale* section of this bulletin to their software vendor.

National Electronic Claims Submission

Currently, NECS can be used to verify eligibility, submit pharmacy batch claims, and submit pharmacy POS claims. Effective January 1, 2003, the IHCP will not accept pharmacy claims submissions from NECS. NECS is custom configured for the EDS IndianaAIM system and is not compatible with the ACS claim processing system. Providers using this software to submit pharmacy batch or pharmacy POS claims are encouraged to contact one of the many commercial pharmacy software vendors for assistance in submitting IHCP pharmacy claims. Although the IHCP does not

endorse any one software vendor, a partial list of software vendors is provided in the *Provider Electronic Solutions* section of this bulletin.

Providers that use NECS to submit batch claims, should refer to the *Batch Claims* section of this bulletin. Providers are encouraged to share this information with either a software vendor or in house programming department. Providers using NECS to submit POS pharmacy claims need to communicate the information found in the *Point of Sale* section of this bulletin to their software vendor.

Point of Sale

EDS will continue to accept POS claims through midnight December 31, 2002. Effective at noon January 1, 2003, POS claims must be submitted to ACS. After midnight December 31, 2002, the pharmacy claim processing system will be down for no more than twelve hours in order to transfer files necessary for the change of processor. If an emergency fill is required between midnight December 31, 2002, and noon January 1, 2003, providers must follow the current paper claim emergency dispensing procedures.

All POS pharmacy claim transactions will continue to follow the National Council for Prescription Drug Programs (NCPDP) version 3.2(3C) standard. The IHCP will implement the NCPDP 5.1 standard with the implementation of changes related to the Health Insurance Portability and Accountability Act (HIPAA) during 2003. As of October 16, 2003, the NCPDP 5.1 standard is required. Providers will receive a revised *IHCP Provider Manual* during 2003. In addition, provider training will be offered to familiarize providers with the enhancements included in the NCPDP 5.1 format.

The complete NCPDP claim format for the 3C transaction set to be used to submit POS Pharmacy Claims to ACS is included with this bulletin. The significant changes are highlighted and they must be implemented in POS software *prior to* submitting claims to ACS on January 1, 2003. Providers should consult with their software vendor to determine when it is appropriate to make these changes. If a provider fails to implement any or all of these changes, POS claims may reject.

The following are the significant changes to the 3C transaction set:

Field 101	BIN Number	Change the BIN number to 610084 to ensure that ACS can receive your claim.
Field 104	Processor Control Number	The PCN field is critical and required. The PCN and the Group Number are required for the Prescription Drug Claim System (PDCS) to determine eligibility and plan parameters. Submit either of the following: DRRXPROD for Production Claims DRRXTEST for Test Claims.
Field 301	Group Number	ACS uses the Group Number field in conjunction with the PCN to determine eligibility and plan parameters. Always submit Group Number "INCAID100" for IHCP pharmacy claims.
Field 308	Other Coverage Code	The Other Coverage Code is used by the provider to indicate whether the patient (member) has other insurance coverage. This field's status has changed from <i>Not Used</i> to <i>Conditional</i> .
Field 404	Metric Quantity	The Metric Quantity will no longer be used. Submit quantities in the Metric Decimal Quantity Field.

Field 431	Other Payor Amount	The dollar amount of any payment known by the pharmacy from other sources. For IHCP pharmacy claims, this field will indicate the amount paid by Other Primary Insurance. The status of this field has changed from <i>Not Used</i> to <i>Conditional</i> .
Field 442	Metric Decimal Quantity	The Metric Decimal Quantity is required. Use of the Metric Decimal Quantity allows for accurate fractional drug unit pricing. Quantity rounding is no longer accepted.
Field 443	Other Payor Date	The payment or denial date of the claim submitted to the other payor. This field is used for coordination of Other Third Party Liability. This field's status has changed from <i>Not Used</i> to <i>Conditional</i> .

Batch Claims

EDS will continue to accept electronic pharmacy batch claims through 5 p.m. December 31, 2002. Effective at noon January 1, 2003, batch formatted pharmacy claims must be submitted to ACS. Changes to the current NCPDP 1.0 batch format are required beginning on January 1, 2003, and are referenced at the end of this bulletin. NCPDP 1.1 batch format is required beginning October 16, 2003. Please note that pharmacy claims submitted from *Provider Electronic Solutions* and NECS will reject after 5 p.m. December 31, 2002.

Batch claim files may be submitted using two methods beginning January 1, 2003:

- Providers may submit claims using a secure Web site transmission. For this method, a personal computer (PC) connected to the Internet is required along with Internet Explorer version 5.0 or higher.
- Claims may also be accepted via tape cartridge.

Note: Asynchronous and bisynchronous communication methods for submitting batch pharmacy claims are discontinued as of 5 p.m. December 31, 2002.

All providers that wish to submit batch claims to ACS need to register with ACS to obtain a secure ID and password for the Web-based submission method. Those wishing to submit cartridges must also register with ACS. To submit batch claims after December 31, 2002, please notify ACS by e-mail to Indiana.ProviderRelations@acs-inc.com or by phone at 1-866-645-8344 no later than December 15, 2002. Include the complete provider name, address, IHCP provider number, contact name, and phone number. Providers should indicate their preference for Web file transfer or cartridge submission. ACS will confirm the notification by e-mail with a provider ID, password, and detailed instructions for submission.

For more information, see the reference document for the NCPDP 1.0 batch claim format included with this bulletin.

Other Procedural Changes

Third Party Liability Cost Avoidance Procedures

When members are identified as having pharmacy insurance coverage, the provider must bill the pharmacy insurance carrier prior to submitting the claim to the IHCP. The NCPDP reject reason of 41 – *Submit bill to other processor or primary payor*, is changing from an information edit to a denial edit effective January 1, 2003.

After submitting the claim to the appropriate third party insurance carrier and receiving a response, POS submitters **must** use one of the following codes in the *Other Insurance Indicator Field 308* to inform the system the other carrier has paid and would not make payment, and that the IHCP should process the claim.

- Code 2 – Other coverage exists – payment collected
- Code 3 – Other coverage exists – NDC not covered
- Code 4 – Other coverage exists – payment not collected

IHCP Pharmacy Claim Format – NCPDP 3.2(3C)

Effective January 1, 2003

Highlighted fields are required software modifications

Required Header Information

Field Number	Name of Field	Format	Field Length	Start Position	Valid Value/Format	Required Status
101	Bin Number	<i>A/N</i>	6	1	610084	Required
102	Version/Release Number	<i>A/N</i>	2	7	3C	Required
103	Transaction Code	<i>N</i>	2	9	00 Eligibility Verification 01-04 Rx Billing 11 Rx Reversal 24 Rx Downtime Billing 31-34 Rx Re-Billing	Required
104	Processor Control Number	<i>A/N</i>	8	11	DRRXPROD - For Production claims DRRXTEST - For test claims (IF USING WEBMD/ENVOY SWITCH REFER TO WEBMD/ENVOY FOR PCN)	Required
201	Pharmacy Number	<i>A/N</i>	12	21	10-character provider number. Must include nine-digit number and one-byte location field	Required
301	Group Number	<i>A/N</i>	15	33	9 digit group number "INCAID100"	Required
302	Cardholder ID Number	<i>A/N</i>	18	48	12-character member ID number.	Required
303	Person Code	<i>A/N</i>	3	66		Not used
304	Date of Birth	<i>N</i>	8	69		Not used
305	Sex Code	<i>N</i>	1	77		Not used
306	Relationship Code	<i>N</i>	1	78		Not used
308	Other Coverage Code	<i>N</i>	1	79		Conditional
401	Date Filled	<i>N</i>	8	80	CCYYMMDD	Required

Optional Header Information

Field Number	Name of Field	Format	Field Length	Start Position	Valid Value/Format	Required Status
307	Customer Location	<i>N</i>	2	91	00 = default 03 = Nursing Home	Required
309	Eligibility Clarification Code	<i>N</i>	1	96		Not used
310	Patient First Name	<i>A/N</i>	12	100		Required
311	Patient Last Name	<i>A/N</i>	15	115		Required

Required Claim Information

Field Number	Name of Field	Format	Field Length	Start Position	Valid Value/Format	Required Status
402	Prescription Number	N	7	131		Required
403	New/Refill Code	N	2	138	ØØ = New Prescription Ø1 to 99 = Number of Refill	Required
404	Metric Quantity	N	5	140	Metric Quantity no longer used. Please submit the Metric Decimal Quantity in field 442.	Not Used
405	Days Supply	N	3	145	Estimated number of days the prescription will last.	Required
406	Compound Code	N	1	148		Not Used
407	NDC Number	N	11	149		Required
408	Dispense as Written (DAW)	A/N	1	160	0 = default 1 = Sub not allowed by Prescriber 5 = Brand Drug used as generic 6 = BMN price override (IHCP specific)	Required
409	Ingredient Cost	D	6	161	s\$\$\$\$cc	Optional
411	Prescriber ID	A/N	10	167	8 character state license number of the prescriber For out of state prescribers, please input on of the following: 91111111 = Illinois 92222222 = Kentucky 93333333 = Ohio 94444444 = Michigan 95555555 = All other states	Required
414	Date Prescription Written	N	8	177	CCYYMMDD	Required
426	Usual & Customary Charge	D	6	185	s\$\$\$\$cc	Required

Optional Claim Information

Field Number	Name of Field	Format	Field Length	Start Position	Valid Value/Format	Required Status
416	Prior Authorization / Medical Certification Code and Number	N	12	194	000000000000 = default 600000000000 = family planning 800000000000 = pregnancy	Required
418	Level of Service	A/N	2	209	00 = default 03 = emergency	Required
424	Diagnosis Code	A/N	6	214		Not Used
429	Unit Dose Indicator	N	1	223		Not Used
430	Gross Amount Due	D	6	227	s\$\$\$\$cc	Optional
431	Other Payor Amount	D	6	236	s\$\$\$\$cc	Conditional
433	Patient Paid Amount	D	6	245	s\$\$\$\$cc	Not Used
438	Incentive Amount Submitted	D	6	254	s\$\$\$\$cc	Not Used
439	DUR Conflict Code	A/N	2	263	See Next Page for Valid Values	Conditional
440	DUR Intervention Code	A/N	2	268	See Next Page for Valid Values	Conditional
441	DUR Outcome Code	A/N	2	273	See Next Page for Valid Values	Conditional
442	Metric Decimal Quantity	N	8	278	Use in place of field 404 (Metric Quantity) 99999.999	Required
443	Other Payor Date	N	8	289	CCYYMMDD Submit if Other Coverage Code is equal to 2, 3 or 4.	Conditional

IHCP Pharmacy Batch Claim Format – NCPDP 1.0 Batch

Effective January 1, 2003

Required Transaction Header Section

Field	Field Name	Type	Length	Start	End	Value
880-K4	Text Indicator	A/N	1	1	1	Start of Text (Stx) = X'02'
701	Segment Identifier	A/N	2	2	3	00 = File Control (header)
880-K6	Transmission Type	A/N	1	4	4	T = Transaction R = Response E = Error
880-K1	Sender ID	A/N	24	5	28	To be defined by processor/switch.
806-5C	Batch Number	N	7	29	35	Matches Trailer
880-K2	Creation Date	N	8	36	43	Format = CCYYMMDD
880-K3	Creation Time	N	4	44	47	Format = HHMM
702	File Type	A/N	1	48	48	P = production T = test
102-A2	Version /Release Number	A/N	2	49	50	Version/Release of Header Data
880-K7	Receiver ID	A/N	24	51	74	To be defined by processor/switch.
880-K4	Text Indicator	A/N	1	75	75	End of Text (Etx) = X'03'

Detail Data Record

Field	Field Name	Type	Length	Start	End	Value
880-K4	Text Indicator	A/N	1	1	1	Start of Text (Stx) = X'02'
701	Segment Identifier	A/N	2	2	3	G1 = Detail Data Record
880-K5	Transaction Reference Number	A/N	1Ø	4	13	
	NCPDP Data Record V 3.2		Varies	14	varies	See note below*.
880-K4	Text Indicator	A/N	1	varies	varies	End of Text (Etx) = X'03'

Trailer Record

Field	Field Name	Type	Length	Start	End	Value
880-K4	Text Indicator	A/N	1	1	1	Start of Text (Stx) = X'02'
701	Segment Identifier	A/N	2	2	3	99 = File Trailer
806-5C	Batch Number	N	7	4	10	Matches header
751	Record Count	N	10	11	20	
504-F4	Message	A/N	35	21	55	
880-K4	Text Indicator	A/N	1	56	56	End of Text (Etx) = X'03'

Note: At this point in the batch layout, insert the NCPDP 3C transaction set. The ACS specific 3C transaction set is listed in the IHCP Claim Format section of this bulletin.