

# Modifications to Electronic Transactions and Code Sets

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Standards

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# History of Regulation

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- Two NPRMs published May 2002
  - Retraction of NDC code
  - Adoption of Proposed Addenda
- Public comments received on both rules

# Regulation Dates

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- Published February 20, 2003
- Effective March 24, 2003
- Compliance Date:
  - Oct 16, 2003 for small health plans and covered entities that submitted an extension plan
  - Other covered entities can comply by using either original standards or these modifications

# Key Provisions of the Final Rule

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- No drug coding standard for providers other than retail pharmacies
  - Retail pharmacies must use NDC codes
  - All other providers must code drugs based on the implementation guides
    - IG requires HCPCS, with supplementation by NDC code if Federal or State rules require.

# Apparent Conflict?

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- This means that the regulation says no standard, but the implementation guides set a standard
- DHHS will work with the DSMOs to resolve this issue

# Key Provisions of the Final Rule

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- Adopts the “Final” Addenda as part of the standards
  - Reflects first set of changes as agreed to by the DSMOs
  - Supplemented by comments received in the public comment process for the NPRMs

# Addenda Changes

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- Generally relaxes requirements
  - Some elements changed from required to situational
  - Some elements dropped
  - Some information represented by codes rather than a separate data element

# Key Provisions of the Final Rule

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- Changes to some standards
  - Adopted NCPDP Batch Version 1.1
    - Had been Version 1.0
  - Adopted the X12N 835 as the standard remittance advice for all providers
    - Had been NCPCP for pharmacies
  - Adopted NCPDP standard for prior authorization for retail pharmacy drug transactions
    - Had been X12N 278