

MMA Part D Implementation: Data Implications

Catherine C. Graeff, R.Ph, MBA
Sr. VP Industry Relations and Communications
National Council for Prescription Drug Programs

Topics to Consider

- TrOOP
- CMS COB File
- Prescription Drug Event Data
- ePrescribing Standards

What is TrOOP?

True Out of Pocket.

Also called TrOOP balance.

This value reflects the actual expenses paid by a Medicare Part D beneficiary throughout the year. It does not include enrollment fees paid by the patient.

Part D Plans must Track TrOOP

- CMS contracted with NDC Health to facilitate tracking of TrOOP
- Involves both Part D Plans and Supplemental Payers
- Requires using NCPDP v5.1 transaction in new ways

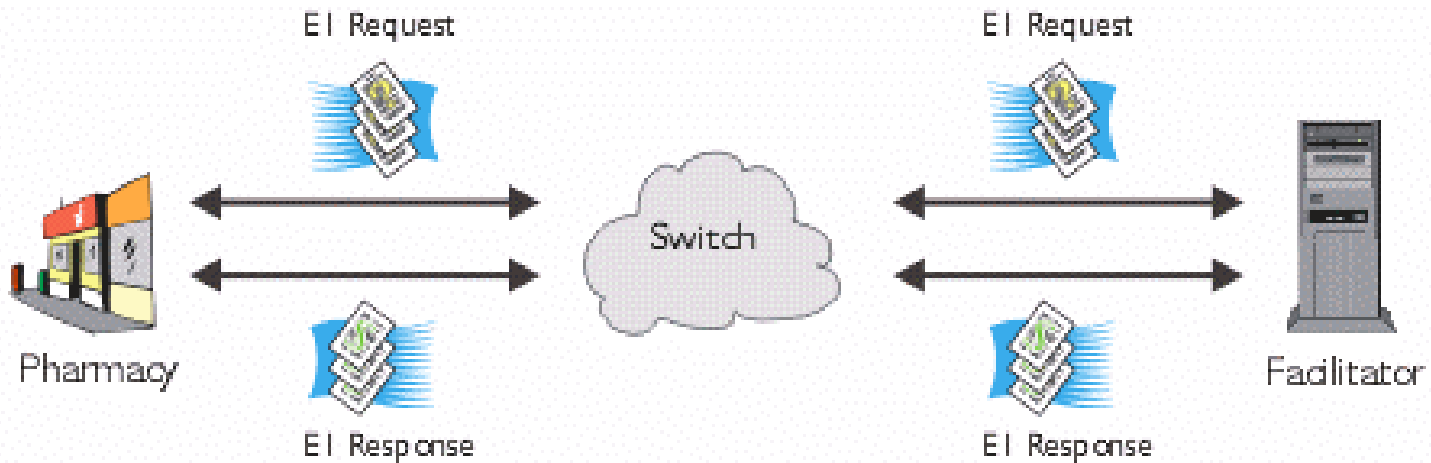
NCPDP v5.1 Transaction Types

- B1,2,3 = Claim Billing, Reversal, Rebill
- E1 = Eligibility Verification
- N1,2,3 = Information Reporting
- P1,2,3,4 = Request/Billing, Reversal, Inquiry, Request Only

Medicare Part D Implementation

- Makes use of E1 and N1 transactions to determine eligibility, COB and TrOOP
 - Industry using little used portions of v5.1 Telecommunication Standard in new ways.
- Uses unique BIN/PCN combinations to identify Part D beneficiaries
- Required development effort on part of payers and pharmacy system vendors

Pharmacy Eligibility Inquiry



Use of E1

- To determine patient insurance coverage for those who don't know their PDP
 - Dual Eligibles who are auto-enrolled
- Basic information used for inquiry
- Information in Facilitator message used to create billing (B1) transaction
- Real time, not batch transaction

Progress

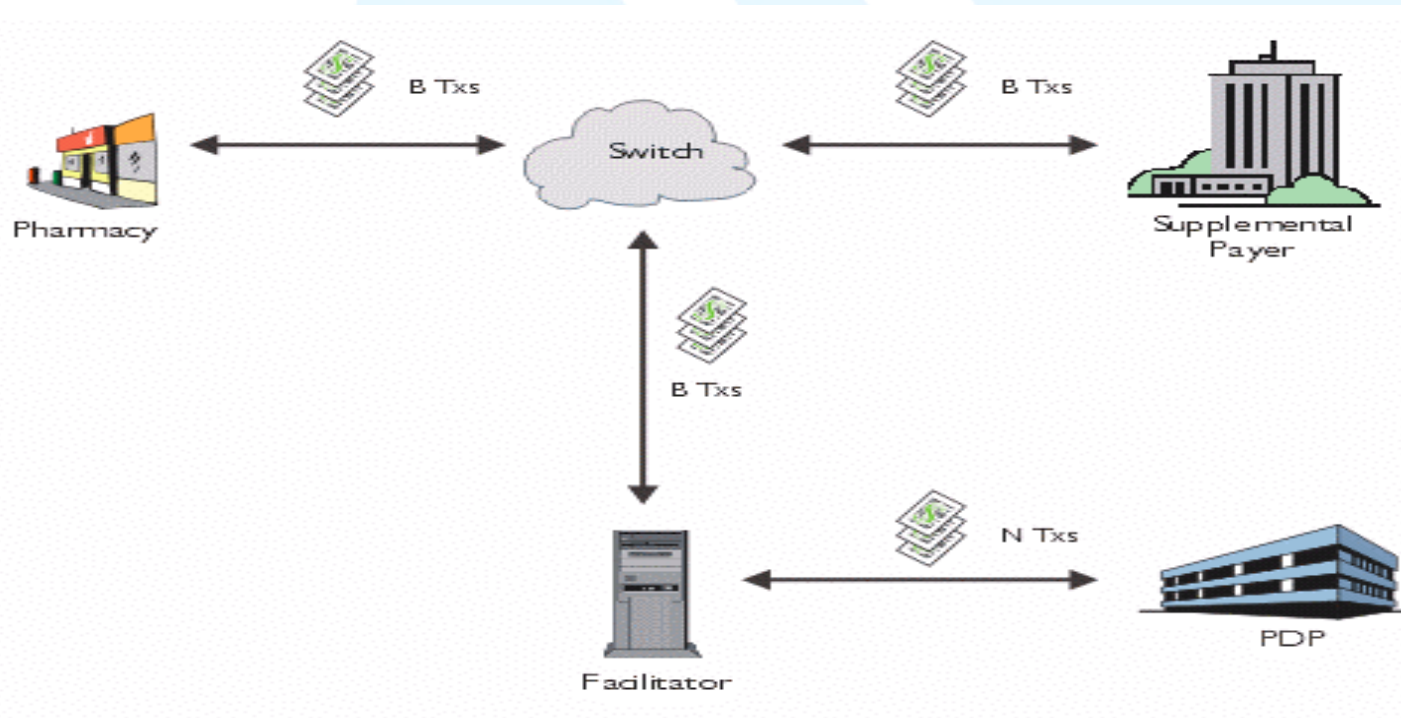
- Testing to begin in mid-October
- System available with live data (enrollment) beginning November 25th

Maintenance of TrOOP

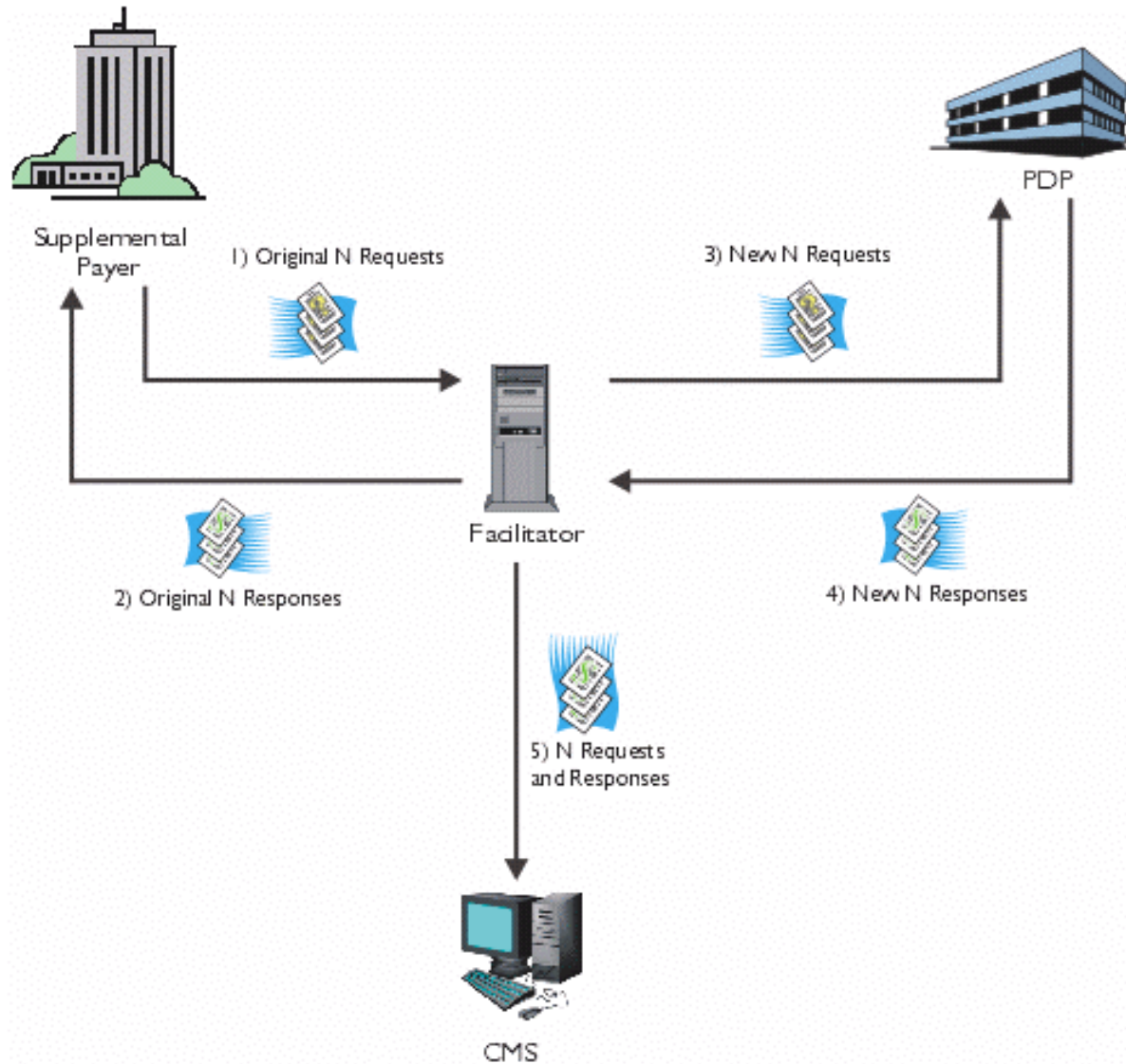
- PDPs, Supplemental Payers and Part D Facilitator must interact to keep patient's TrOOP updated
- Real-time or batch environment models (for paper claims)
- Unique BIN/PCN numbers needed for Supplemental Payers for switch to recognize as TrOOP transaction

Process Flow

- This process is used when real-time transactions are initiated from the pharmacy to Supplemental Plans



Maintenance of TrOOP



Supplemental Payers

- Process is used to handle claims that are not sent to the Facilitator during the real-time process
 - Paper claims
 - Adjustments
 - Real-time claims sent to a BIN/PCN not established specifically for Part D

Exceptions

- **Facilitator does not respond within 24 hours**
- **File from Supplemental Plan contains invalid file-level Header or Footer information**
- **Facilitator cannot determine the PDP that should receive the N transaction**
- **File from the Supplemental Payer contains improperly formatted transactions**

Maintenance of TrOOP

- What to PDPs do when they receive N1 transactions out of order?
- How does the PDP who receives enrollment of a beneficiary previously with another plan obtain:
 - YTD Drug Spend?
 - YTD TrOOP

Testing and Certification

- Real-time Connectivity
- Batch Connectivity
- Transactions

TrOOP Facilitation

Question and Answers

troopquestions@ndchealth.com

http://medifacd.ndchealth.com

COB Information for PDPs

- CMS Contractor will develop and maintain Other Health Insurance (OHI)
 - Through various data exchanges, questionnaires and PDP leads
- COB File consists of:
 - Detail record
 - Primary records – insurance primary to Part D
 - Supplemental records – insurance secondary to Part D
- Payment order rules
- Update PDP as often as daily

COB File Uses by PDP

- Make payment determinations
- Recover mistaken payments
- Identify whether payments made count towards TrOOP
- Populate reply to pharmacy on real time claim

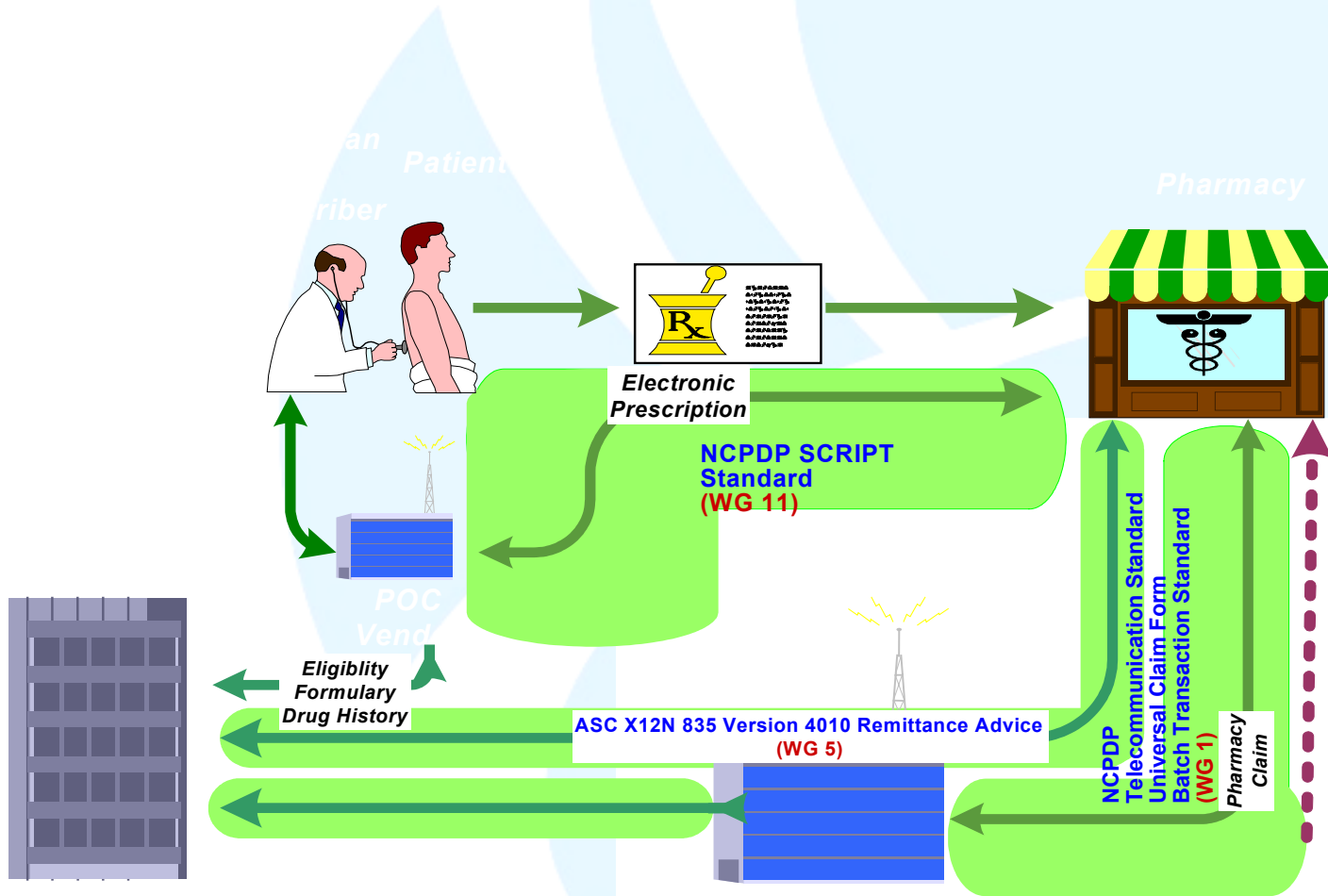
COB Processing in Real-Time

- PDP *required* to recover mistaken primary payments
- Order very important for proper application of
 - Benefit
 - TrOOP
- Challenging for pharmacy
 - 100% Copay plans, etc.

Prescription Drug Event Data

- PDP must send claims data to CMS in CMS-defined format
- For dual-eligibles, Medicaid desires access to data for care management
- Open issue for Medicaid

Standards in the Prescribing Process



ePrescribing NPRM

- Proposed “Foundation Standards”
 - NCPDP “SCRIPT v5.0”
 - NCPDP v5.1 Telecommunication for eligibility between dispenser and health plan
 - X12 270/271 between prescriber and health plan

NPRM Proposed Rapid Development

- Proprietary messages currently in wide industry use
- Identified required Standard functionality
- Proposed NCPDP review and possibly adopt as ANSI-accredited standard
 - Medication History
 - Formulary & Benefit Coverage

Pilot or Future Standards for e- Prescribing

- Fill Status Notification (SCRIPT)
- Prescriber and Dispenser Identifiers
- Drug Identifiers
- SIG
- Prior Authorization
- Drug-Drug Interaction
- ***Medical*** History
- Exchange of Medication History

Thank you!

Cgraeff@ncpdp.org