CMS Manual System	**Department of Health & Human Services (DHHS)**
Pub 100-20 One-Time Notification	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 785	**Date: October 15, 2010**
	Change Request 6976

SUBJECT: Version D.0 National Council for Prescription Drug Programs (NCPDP) Integration Testing

I. SUMMARY OF CHANGES: The purpose of this Change Request is to provide direction to the Durable Medical Equipment Medicare Administrative Contractors Common Electronic Data Interchange (CEDI) contractor to perform integration testing of the NCPDP D.0 Receipt/Control/Balancing process that was installed for CEDI on August 2, 2010, and will be installed at shared system maintainer October 4, 2010.

EFFECTIVE DATE: * January 1, 2011
IMPLEMENTATION DATE: January 3, 2011

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
Not Applicable

For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENT:

One-Time Notification

**Unless otherwise specified, the effective date is the date of service.*

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 785	Date: October 15, 2010	Change Request: 6976

SUBJECT: Version D.0 National Council for Prescription Drug Programs (NCPDP) Integration Testing

Effective Date: January 1, 2011

Implementation Date: January 3, 2011

I. GENERAL INFORMATION

A. Background: The Centers for Medicare and Medicaid Services (CMS) is in the process of implementing the next version of the Health Insurance Portability and Accountability Act (HIPAA) transactions. The Secretary of the Department of Health and Human Services (DHHS) has adopted Accredited Standards Committee (ASC) X12 Version 5010 and the National Council for Prescription Drug Programs (NCPDP) Version D.0 as the next HIPAA transaction standards for covered entities to exchange HIPAA transactions. The final rule was published on January 16, 2009. Some of the important dates in the implementation process are:

Effective Date of the regulation:	March 17, 2009
Level I compliance by:	December 31, 2010
Level II Compliance by:	December 31, 2011
All covered entities have to be fully compliant on:	January 1, 2012

Level I compliance means "that a covered entity can demonstrate that it could create and receive compliant transactions, resulting from the compliance of all design/build activities and internal testing."

Level II compliance means "that a covered entity has completed end-to-end testing with each of its trading partners, and is able to operate in production mode with the new versions of the standards."

The DHHS has promulgated in the Final Rules provisions which permit dual use of existing standards (ASC X12 4010A1 and NCPDP 5.1) and the new standards (5010 and D.0) from the March 17, 2009, effective date until the January 1, 2012, compliance date to facilitate testing subject to trading partner agreement.

The purpose of this Change Request (CR) is to provide direction to the Durable Medical Equipment (DME) Medicare Administrative Contractors (MAC) Common Electronic Data Interchange (CEDI) contractor to perform integration testing of the NCPDP D.0 Receipt/Control/Balancing process that was installed for CEDI on August 2, 2010, and will be installed at shared system maintainer October 4, 2010.

Estimates for this CR should include a breakdown as part of the Level of Effort (LOE) response, utilizing the following table to be included in the "Estimate-Specific Comments" portion of the LOE template, to follow the Investment Lifecycle Phases.

Investment Lifecycle Phase	Total Hours	Total Cost
Pre-Implementation/CR Review		
Design & Engineering Phase		
Development Phase		
Testing Phase		
Implementation Phase		

*__NOTE:__ The Pre-Implementation/CR Review costs will not be funded under the unique funding situation for the 5010/D.0 project, but instead out of the MAC's pot of hours for Pre-Implementation/CR Review.

B. Policy: Health Insurance Reform: Modifications to the HIPAA: Final Rules published in the Federal Register on January 16, 2009, by the DHHS at 45 CFR Part 162.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
6976.1	The DME MAC's CEDI Contractor shall perform integration testing of NCPDP Receipt/Control/Balancing process as described in Pub.100-07, Medicare State Operations Manual, chapter 7, and section 40.3.9.		X								CEDI
6976.2	The DME MACs and the DME MAC's CEDI Contractor shall coordinate their normal release schedule to perform system testing of NCPD D.0 claims.		X								CEDI
6976.2.1	The DME MACs and the DME MAC's CEDI Contractor shall validate the process through each of the four DME MAC jurisdictions processing systems.		X								CEDI

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
	None.										

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jason Jackson (410) 786-6156 jason.jackson3@cms.hhs.gov
Brian Reitz (410) 786-5001 brian.reitz@cms.hhs.gov

Post-Implementation Contact(s): Jason Jackson (410) 786-6156 jason.jackson3@cms.hhs.gov
Brian Reitz (410) 786-5001 brian.reitz@cms.hhs.gov

VI. FUNDING

Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs),* and/or *Carriers*: Not Applicable

Section B: *For Medicare Administrative Contractors (MACs)*:

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.