CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 845

SUBJECT: National Council for Prescription Drug Program (NCPDP) Coordination Of Benefits (COB) Workaround Instructions

I. SUMMARY OF CHANGES: Certain trading partners cannot accept the NCPDP version 5.1 batch standard 1.1 for COB crossover purposes due to missing data elements within the transaction. These workaround instructions were created to provide current trading partners with the data elements in the NCPDP version 5.1 batch standard 1.1 for COB crossover purposes.

NEW/REVISED MATERIAL
EFFECTIVE DATE: July 1, 2006
IMPLEMENTATION DATE: July 3, 2006

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

III. FUNDING:

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

One-Time Notification

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

Attachment – One-Time Notification

Pub. 100-04	Transmittal: 845	Date: February 10, 2006	Change Request 4290

SUBJECT: National Council for Prescription Drug Program (NCPDP) Coordination of Benefits (COB) Workaround Instructions

I.   GENERAL INFORMATION

A.   Background: Certain trading partners cannot accept the NCPDP version 5.1 batch standard 1.1 for COB crossover purposes due to missing data elements within the transaction. These workaround instructions were created to provide current trading partners with the data elements in the NCPDP version 5.1 batch standard 1.1 for COB crossover purposes.

B.   Policy: COB trading partners need several data elements that are not part of the current NCPDP standard transaction. Through this instruction, the Durable Medical Equipment Regional Carrier (DMERC) contractor system shall modify the current NCPDP version 5.1 batch standard 1.1 for COB purposes to provide COB trading partners with claim data that will enable them to accept crossover claims for processing through the national Coordination of Benefits Agreement (COBA) process.

II.   BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	COBC
4290.1	The shared system shall create an Internal Control Number (ICN) and place it in the first fifteen positions of the Alternate Id (330-CW) field within the "Claim Segment" portion of the NCPDP COB file.							X		
4290.2	The shared system shall place spaces in the 16th through 19th positions of the Alternate Id (330-CW) field in the "Claim Segment" portion of the NCPDP COB file.							X		
4290.3	The shared system shall set a default value of "Y" in the twentieth position of the Alternate Id (330-CW) field in the "Claim Segment" portion of the NCPDP COB file for the Patient							X		

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	COBC
	Assignment Indicator to default to yes.									
4290.4	The shared system shall always pass the Health Insurance Claim Number (HICN) in the "Patient ID" field (332-CY) with a "99" (Other) qualifier in the Patient ID Qualifier field (331-CX).							X		
4290.5	For mandatory Medigap ("claim-based") crossovers, the shared system shall move the beneficiary's policy number on the inbound Alternate ID field (330-CW) from the "Claim Segment" to the Cardholder ID field (302-C2) in the "Insurance Segment." (NOTE: This would be included on any electronic outbound Medigap claim-based crossovers that the DMERC shared system creates.)							X		
4290.6	The DMERC shared system shall populate the beneficiary's policy number in the Cardholder ID field (302-C2) of the "Insurance Segment" on any electronic non-eligibility file-based Medigap claim-based crossovers that it generates.							X		
4290.7	The DMERC shared system shall populate the beneficiary's policy number in the Cardholder ID field (302-C2) of the "Insurance Segment" on any electronic eligibility file-based Medigap claim-based crossovers that it generates. (NOTE: This would apply to those eligibility-file based crossovers generated for trading partners that have not as yet transitioned to the national Coordination of Benefits Agreement (COBA) consolidated crossover process.)							X		
4290.8	When the "Patient Location" field (307-C7) equals "1" (Home), the shared system shall populate the retail pharmacy's (supplier) name and address in lieu of the Facility Name and Address in the 500-byte-free formatted field.							X		
4290.9	The shared system shall not populate the Supplier Name and Address when the "Patient							X		

Requirement Number	Requirements	FI	RHHI	Carrier	DMERC	Shared System Maintainers FISS	MCS	VMS	CWF	Other COBC
	Location" field (307-C7) equals a value other than "1" (Home).									
4290.10	The CMS, its COBC, and the DMERCs shall educate trading partners regarding the following: NCPDP version 5.1 batch standard 1.1 claims are always mandatory assignment; The HICN will always be passed in the "Patient ID" field (332-CY) with a "99" (Other) qualifier in the Patient ID Qualifier field (331-CX); For eligibility file-based crossovers, the beneficiary's policy number will be passed in the "Cardholder ID" field (302-C2) in the "Insurance Segment" of the NCPDP version 5.1 batch standard 1.1 COB transaction; For eligibility file-based crossovers, when "Patient Location" field (307-C7) is not "1" (Home), the supplier name and address will not be populated.				X					X

III. PROVIDER EDUCATION

Requirement Number	Requirements	FI	RHHI	Carrier	DMERC	Shared System Maintainers FISS	MCS	VMS	CWF	Other
4290.11	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly				X					

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		FI	RHHI	Carrier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CWF	
	after the CR is released. You will receive notification of the article release via the established "Medlearn Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.									

IV.   SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A.   Other Instructions: N/A

X-Ref Requirement #	Instructions

B.   Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C.   Interfaces: N/A

D.   Contractor Financial Reporting /Workload Impact: N/A

E.   Dependencies: N/A

F.   Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

Effective Date*: July 1, 2006 **Implementation Date:** July 3, 2006 **Pre-Implementation Contact(s):** Tom Latella, thomas.latella@cms.hhs.gov (410) 786-1310 **Post-Implementation Contact(s):** Tom Latella, thomas.latella@cms.hhs.gov (410) 786-1310	**No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.**

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