
Program Memorandum Carriers

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal B-02-090

Date: DECEMBER 20, 2002

CHANGE REQUEST 2455

SUBJECT: Implementation of the National Council for Prescription Drug Programs (NCPDP) Telecommunications Standard Version 5.1 and the Equivalent Batch Standard Version 1.1 for Retail Pharmacy Drug Transactions -- CORRECTION

This Program Memorandum (PM) is to correct instructions in Transmittal B-02-52, Change Request 2255 dated July 31, 2002, regarding implementation of the NCPDP standards by Durable Medicare Equipment Regional Carriers (DMERCs) for retail pharmacy transactions.

Correction To Instructions

In the section titled Translator, delete the following instructions:

- Convert lower case to upper case.
- Map “Not Used” data elements based upon each segment’s definition, i.e., if a data element is never used, do not map it. However, if the same data element is “required” or “situational” in some segments but not used in others, then it must be mapped;
- A HIPAA-compliant NCPDP transaction may include Medicare data (data used by the VMS to process a claim) and non-Medicare data (data not needed or retained in Medicare history). Transactions may not be rejected for submission of otherwise compliant data that is not needed by Medicare. The DMERCs must accept at least the basic ASCII character set on an inbound NCPDP transaction, plus lower case and the @ sign which are part of the extended character set. The translator will reject all other character sets.

In the section titled Translator, insert the following instructions:

- The NCPDP 5.1 Implementation Guide defines all data elements as either mandatory or optional. The NCPDP has created a protocol document that recommends usage for the data elements defined as optional. In some instances in the protocol document the optional data element usage is defined as “Not Used” for a particular segment when the segment is included in a specific type of transaction request. In this case the data element, if included, will be validated at the translator level for the appropriate data element syntax (i.e., numeric data is numeric; alpha/numeric data is valid data A-Z, 0-9, and printable characters). Data elements that are recommended as “not used” in the protocol document that have a valid set of values will also be validated at the implementation guide level.
- A HIPAA-compliant NCPDP transaction may include Medicare data (data used by the VMS to process a claim) and non-Medicare data (data not needed or retained in Medicare history). Transactions may not be rejected for submission of otherwise compliant data that is not needed by Medicare. All transactions must comply with the document conventions described in Section 8 of the NCPDP Telecommunication Version 5.1

In the section titled Requirements For Implementing The NCPDP Standard, include the following instructions:

- Certificate of Medical Necessity (CMN) – CMN Data being reported in the prior authorization segment of the NCPDP standard will be mapped using the attached file called dmerc-cmn.doc.

Additional instructions for implementing the NCPDP standard will be issued in another program memorandum. The implementation date for these additional instructions will be July 1, 2003. DMERCs will be expected to conduct CAT testing for the functionality that VIPS will have in the April release. However, DMERCs will not be expected to begin testing with providers until July 1, 2003.

DMERCs must submit a supplemental budget request (SBR) to CMS through normal channels by December 31, 2002. See the “Cost Issues” section of CR 2255 for the SBR completion requirements. The SBR submission date is being extended so DMERCs can also consider this PM as well as CR 2255.

The *effective date* for this PM is December 20, 2002.

The *implementation date* for this PM is April 1, 2003.

Funding for these instructions will be accomplished within your current HIPAA budget.

This PM may be discarded after January 1, 2004.

If you have any questions, contact Marilyn Abramovitz, 410-786-5939 or E-mail mabramovitz1@cms.hhs.gov

Attachment

ATTACHMENT

Certificate of Medical Necessity Mapping to the NCPDP prior Authorization Segment

CNM Data Element	NCPDP 5.1 Data Element	Future?	Enteral	Parenteral	Immuno-suppressant
Certificate Type/Date - Initial	498-PA Request Type-Initial		Yes	Yes	Yes
Certificate Type/Date - Revised	498-PA Request Type-		Yes	Yes	Yes
Certificate Type/Date - Recertification	498-PA Request Type-Reauthorized		Yes	Yes	
Patient First Name	310-CA Patient First Name		Yes	Yes	Yes
Patient Last Name	311-CB Patient Last Name		Yes	Yes	Yes
Patient Street Address	322-CM Patient Street Address		Yes	Yes	Yes
Patient City	323-CN Patient City		Yes	Yes	Yes
Patient State	324-CO Patient State		Yes	Yes	Yes
Patient Zip	325-CP Patient Zip		Yes	Yes	Yes
Patient Telephone Number	326-CQ Patient Telephone Number		Yes	Yes	Yes
Patient HICN # (Medicare ID Number)	302-C2 Cardholder ID		Yes	Yes	Yes
Supplier Name			Yes	Yes	Yes
Supplier Address			Yes	Yes	Yes
Supplier City			Yes	Yes	Yes
Supplier State			Yes	Yes	Yes
Supplier Zip			Yes	Yes	Yes
Supplier Telephone Number			Yes	Yes	Yes
Supplier NSC # (Medicare Supplier #)	202-B2 Service Provider ID qual (04)		Yes	Yes	Yes
	201-B1 Service Provider ID (Medicare)		Yes	Yes	Yes
Place of Service (See DMERC Supplier list)	**307-C7 Patient Location**		Yes	Yes	Yes
Facility Name	336-8C Facility ID is all we have		Yes	Yes	Yes
Facility Address			Yes	Yes	Yes
Facility City			Yes	Yes	Yes
Facility State			Yes	Yes	Yes
Facility Zip			Yes	Yes	Yes
Physician Name	427-DR Prescriber Last Name (only)		Yes	Yes	Yes
Physician Address			Yes	Yes	Yes
Physician City			Yes	Yes	Yes
Physician State			Yes	Yes	Yes
Physician Zip			Yes	Yes	Yes
Physician Telephone Number	498-PM Prescriber Phone Number		Yes	Yes	Yes
Physician UPIN	466-EZ Prescriber ID Qualifier (06)		Yes	Yes	Yes
	411-DB Prescriber ID (UPIN)		Yes	Yes	Yes
Patient Date of Birth	304-C4 Date Of Birth		Yes	Yes	Yes
Patient Height	466-H2 Measurement Dimension (16)		Yes	Yes	
	497-H3 Measurement Unit (01 - Inches)		Yes	Yes	
Patient Weight	466-H2 Measurement Dimension (14)		Yes	Yes	

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CNM Data Element	NCPDP 5.1 Data Element	Future?	Enteral	Parenteral	Immuno-suppressant
	497-H3 Measurement Unit (03 - Pounds)		Yes	Yes	
Patient Gender	305-C5 Gender		Yes	Yes	Yes
HCPCS Code	407-D7 Product Service Id		Yes	Yes	407-D7 Product Service Id
	436-E1 Product Service ID Qualifier (09)		Yes	Yes	436-E1 Product Service ID Qualifier (03)
Estimated Length of need in months (1-99)			Yes	Yes	
Diagnosis code (up to 3 occurrences)	424-DO Diagnosis code (ICD9)		Yes	Yes	Yes (Limited to specific 6-note text V42.8)
	491-VE Diagnosis Code Count (handles 3)		Yes	Yes	Yes (Limited to specific 6-note text V42.8)
	492-WE Diagnosis Code Qualifier (01)		Yes	Yes	Yes (Limited to specific 6-note text V42.8)
Question 1				Values Y/N/D	Replace HCPC code with NDC?
Question 2					MG is contained as part of NDC
Question 3				Days per week (1-7)	Times per day derived from Qty & DS?
Question 4				See hardcopy	Values Y/N/D
Question 5				Values 1, 3, 7	3 Occurrences of Values 1-9
Question 6					
Question 7			Values Y/N/D		
Question 8			Values Y/N/D		Name of transplant facility
Question 9					Facility City
Question 10			Product Names (2)		Facility State
Question 11			Calories per day		Patient Discharge Date
Question 12			Days per week (1-7)		Values Y/N/D
Question 13			Admin Method (1-4)		
Question 14			Values Y/N/D		
Question 15			Free Text		
Name of Person Answering Questions	498-PE Authorized Rep First Name		Yes	Yes	
	498-PF Authorized Rep Last Name		Yes	Yes	
Title of Person Answering Questions			Yes	Yes	
Employer of Person Answering Questions			Yes	Yes	
Narrative Description of Equipment	498-PP Supporting Documentation		Yes	Yes	

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CNM Data Element	NCPDP 5.1 Data Element	Future?	Enteral	Parenteral	Immuno-suppressant
Supplier's Charge	426-DQ Usual & Customary?		Yes	Yes	
Medicare's Fee Schedule			Yes	Yes	
Physician's Signature			Yes	Yes	
Date Signed			Yes	Yes	
Supplier's Signature					Yes
Date Signed					Yes