



Iowa Department of Human Services

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INFORMATIONAL LETTER NO. 1056

TO: All Iowa Medicaid Pharmacies Billing Electronically

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

DATE: September 23, 2011

SUBJECT: Iowa Medicaid Pharmacy NCPDP D.Ø Payer Sheet and Guidance

EFFECTIVE: September 28, 2011 – Pilot Submission Testing Date

- Changes to the NCPDP format for data submission will be effective for all Iowa Medicaid pharmacies on November 28, 2011. While the effective date is November 28, 2011, for D.Ø, 5.1 claims will be accepted in the “current/old” format through December 31, 2011.

Pilot testing will begin on September 28, 2011.

Below are the preliminary changes identified with the transition from NCPDP v5.1 to NCPDP D.Ø. Please be aware, additional changes may be necessary prior to the implementation date of November 28, 2011. Any necessary changes will be relayed in an Informational Letter. Guidance for the implementation of NCPDP D.Ø for Iowa Medicaid is included within the payer sheet as well as in this Informational Letter.

The payer sheet including instructions and the Iowa Medicaid NCPDP D.Ø Companion Guide can be found on the www.iowamedicaidpos.com website on the [Provider Information page](#).

SEGMENT AFFECTED	FIELD #	FIELD NAME	USAGE 5.1	USAGE D.Ø	EXPLANATION OF CHANGE
Field Size Changes for NCPDP D.Ø					
REQUEST INSURANCE RESPONSE INSURANCE REVERSAL REQUEST REVERSAL RESPONSE	4Ø2-D2	Prescription/Service Reference Number	M	M	Changing from 7 char to 12 char
RESPONSE STATUS REVERSAL RESPONSE STATUS	526-FQ	ADDITIONAL MESSAGE INFO	RW	RW	Changing from one 2ØØ char line to multiple 4Ø char lines
New Fields for NCPDP D.Ø					
BILLING / REBILL REQUEST (B1,B3)					
REQUEST PATIENT	35Ø - HN	PATIENT EMAIL ADDRESS		RW	Added for information only

REQUEST CLAIM	354-NX	SUBMISSION CLARIFICATION CODE COUNT		RW	D.Ø Requirement - counter field for SUBMISSION CLARIFICATION CODE (42Ø-DK)
REQUEST CLAIM	995-E2	ROUTE OF ADMINISTRATION		RW	D.Ø Requirement - Replacing Compound Route of Administration
REQUEST COB/OTHER PAYMENTS	353-NR	OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT COUNT		RW	D.Ø Requirement - Added for pricing/COB calculation - COB2
REQUEST COB/OTHER PAYMENTS	351-NP	OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT QUALIFIER		RW	D.Ø Requirement - Added for pricing/COB calculation - COB2
REQUEST COB/OTHER PAYMENTS	352-NQ	OTHER PAYER-PATIENT RESPONSIBILITY AMOUNT		RW	D.Ø Requirement - Added for pricing/COB calculation - COB2
REQUEST DUR/PPS SEGMENT		DUR/PPS SEGMENT		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	473-7E	DUR/PPS CODE COUNTER		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	439-E4	REASON FOR SERVICE CODE		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	44Ø-E5	PROFESSIONAL SERVICE CODE		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	441-E6	RESULT OF SERVICE CODE		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	474-8E	DUR/PPS LEVEL OF EFFORT		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	475-J9	DUR CO-AGENT ID QUALIFIER		RW	ADDED FOR MESSAGING FUNCTIONALITY
REQUEST DUR/PPS	476-H6	DUR CO-AGENT ID		RW	ADDED FOR MESSAGING FUNCTIONALITY
BILLING / REBILL RESPONSE (B1,B3)					
RESPONSE STATUS	13Ø-UF	ADDITIONAL MESSAGE INFORMATION COUNT		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.
RESPONSE STATUS	132-UH	ADDITIONAL MESSAGE INFORMATION QUALIFIER		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.
RESPONSE STATUS	131-UG	ADDITIONAL MESSAGE INFORMATION CONTINUITY		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.
REVERSAL REQUEST (B2)					
REVERSAL REQUEST CLAIM	3Ø8-C8	OTHER COVERAGE CODE		RW	Suggestion to Add for D.Ø
REVERSAL RESPONSE (B2)					
REVERSAL RESPONSE STATUS	5Ø3-F3	AUTHORIZATION NUMBER		RW	D.Ø Requirement - Required if needed to identify the transaction.
REVERSAL RESPONSE STATUS	546-4F	REJECT FIELD OCCURRENCE INDICATOR		RW	D.Ø Recommendation - Required if a repeating field is in error, to identify repeating field occurrence
REVERSAL RESPONSE STATUS	547-5F	APPROVED MESSAGE CODE COUNT		RW	D.Ø Requirement - Required if Approved Message Code (548-6F) is used.
REVERSAL RESPONSE STATUS	548-6F	APPROVED MESSAGE CODE		RW	Suggestion to Add for D.Ø
REVERSAL RESPONSE STATUS	13Ø-UF	ADDITIONAL MESSAGE INFORMATION COUNT		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.
REVERSAL RESPONSE STATUS	132-UH	ADDITIONAL MESSAGE INFORMATION QUALIFIER		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.
REVERSAL RESPONSE STATUS	131-UG	ADDITIONAL MESSAGE INFORMATION CONTINUITY		RW	D.Ø Requirement - Required if Additional Message Information (526-FQ) is used.

Removed Fields for NCPDP D.Ø

BILLING / REBILL REQUEST (B1,B3)

REQUEST INSURANCE	312-CC	CARDHOLDER FIRST NAME	N	N	Name information is captured in the Patient Segment in Patient Last/First Name
REQUEST INSURANCE	313-CD	CARDHOLDER LAST NAME	N	N	Name information is captured in the Patient Segment in Patient Last/First Name
REQUEST INSURANCE	524-FO	HOME PLAN	N	N	Removed in STATE D.Ø - Not Used
REQUEST INSURANCE	524-FO	PLAN ID	N	N	Removed in STATE D.Ø - Not Used
REQUEST INSURANCE	336-8C	FACILITY ID	S	NA	Removed in D.Ø Standard
REQUEST INSURANCE	3Ø3-C3	PERSON CODE	N	N	Removed in STATE D.Ø - Not Used
REQUEST INSURANCE	3Ø6-C6	PATIENT RELATIONSHIP CODE	N	N	Removed in STATE D.Ø - Not Used
REQUEST PATIENT	332-CY	PATIENT ID QUALIFIER	N	N	ID information is being captured in the Insurance Segment in CARDHOLDER ID
REQUEST PATIENT	332-CY	PATIENT ID	N	N	ID information is being captured in the Insurance Segment in CARDHOLDER ID
REQUEST PATIENT	323-CN	PATIENT CITY ADDRESS	S	N	Removed in STATE D.Ø - Not Used
REQUEST PATIENT	324-CO	PATIENT /PROVINCE ADDRESS	S	N	Removed in STATE D.Ø - Not Used
REQUEST PATIENT	325-CP	PATEINT ZIP/POSTAL CODE	S	N	Removed in STATE D.Ø - Not Used
REQUEST PATIENT	333-CZ	EMPLOYER ID	S	N	Removed in STATE D.Ø - Not Used
REQUEST PATIENT	334-1C	SMOKER/NON-SMOKER CODE	S	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	456-EN	ASSOCIATED PRESCRIPTION/SERVICE REFERENCE #	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	457-EP	ASSOCIATED PRESCRIPTION/SERVICE REFERENCE DATE	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	458-SE	PROCEDURE MODIFIER CODE COUNT	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	459-ER	PROCEDURE MODIFIER CODE	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	46Ø-ET	QUANTITY PRESCRIBED	S	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	33Ø-CW	ALTERNATE ID	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	454-EK	SCHEDULED PRESCRIPTION ID NUMBER	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	418-DI	LEVEL OF SERVICE	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	463-EW	INTERMEDIARY AUTHORIZIATION TYPE ID	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	464-EX	INTERMEDIARY AUTHORIZIATION ID	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	343-HD	DISPENSING STATUS	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	344-HF	QUANTITY INTENDED TO BE DISPENSED	N	N	Removed in STATE D.Ø - Not Used
REQUEST CLAIM	345-HG	DAYS SUPPLY INTENDED TO BE DISPENSED	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRICING	477-BE	PROFESSIONAL SERVICE FEE SUBMITTED	N	N	Removed in D.Ø Standard
REQUEST PRICING	481-HA	FLAT SALES TAX AMOUNT SUBMITTED	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRICING	482-GE	PERCENTAGE SALES TAX AMOUNT SUBMITTED	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRICING	483-HE	PERCENTAGE SALES TAX RATE SUBMITTED	N	N	Removed in STATE D.Ø - Not Used

REQUEST PRICING	484-JE	PERCENTAGE SALES TAX BASIS SUBMITTED	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRESCRIBER	467-1E	PRESCRIBER LOCATION CODE	S	NA	Removed in D.Ø Standard
REQUEST PRESCRIBER	468-2E	PRIMARY CARE PROVIDER ID QUALIFIER	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRESCRIBER	421-DL	PRIMARY PRESCRIBER ID	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRESCRIBER	469-H5	PRIMARY CARE PROVIDER LOCATION CODE	N	N	Removed in STATE D.Ø - Not Used
REQUEST PRESCRIBER	47Ø -4E	PRIMARY CARE PROVIDER LAST NAME	N	N	Removed in STATE D.Ø - Not Used
REQUEST COB/OTHER PAYMENT	341-HB	OTHER PAYER AMOUNT PAID COUNT	N	N	D.Ø Requirement - Removed for pricing/COB calculation - COB2
REQUEST COB/OTHER PAYMENT	342-HC	OTHER PAYER AMOUNT PAID QUALIFIER	N	N	D.Ø Requirement - Removed for pricing/COB calculation - COB3
REQUEST COB/OTHER PAYMENT	431-DV	OTHER PAYER AMOUNT PAID	N	N	D.Ø Requirement - Removed for pricing/COB calculation - COB4
REQUEST COMPOUND	452-EH	Compound ROUTE OF ADMINISTRATION	N	NA	Removed in D.Ø Standard
BILLING / REBILL RESPONSE (B1,B3)					
RESPONSE INSURANCE	3Ø1-C1	GROUP ID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE INSURANCE	524-FO	PLAN ID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE INSURANCE	545-2F	NETWORK REIMBURSEMENT ID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE STATUS	547-5F	APPROVED MESSAGE CODE COUNT	M	N	Removed in STATE D.Ø - Not Used
RESPONSE STATUS	548-6F	APROVED MESSAGE CODE	M	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	551-9F	PREFERRED PRODUCT COUNT	M	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	552-AP	PREFERRED PRODUCT ID QUALIFIER	M	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	553-AR	PREFERRED PRODUCT ID	M	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	554-AS	PREFERRED PRODUCT INCENTIVE	N	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	555-AT	PREFERRED PRODUCT COPAY INCENTIVE	N	N	Removed in STATE D.Ø - Not Used
RESPONSE CLAIM	556-AU	PREFERRED PRODUCT DESCRIPTION	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	557-AV	TAX EXEMPT INDICATOR	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	558-AW	FLAT SALES TAX AMOUNT PAID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	559-AX	PERCENTAGE SALES TAX AMOUNT PAID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	56Ø -AY	PERCENTAGE SALES TAX RATE PAID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	561-AZ	PERCENTAGE SALES TAX BASIS PAID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	562-J1	PROFESSIONAL SERVICE FEE PAID	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	523-FN	AMOUNT ATTRIBUTED TO SALES TAX	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	512-FC	ACCUMULATED DEDUCTIBLE AMOUNT	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	513-FD	REMAINING DEDUCTIBLE AMOUNT	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	514-FE	REMAINING BENEFIT AMOUNT	S	N	Removed in STATE D.Ø - Not Used

RESPONSE PRICING	517-FH	AMOUNT APPLIED TO PERIODIC DEDUCTIBLE	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	519-FJ	AMOUNT ATTRIBUTED TO PRODUCT SELECTION	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	52Ø-FK	AMOUNT EXCEEIND PERIODIC BENEFIT MAXIMUM	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	346-HH	BASIS OF CALCULATION-DISPENSING FEE	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	347-HJ	BASIS OF CALCULATION-COPAY	S	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	348-HK	BASIS OF CALCULATION-FLAT SALES TAX	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRICING	349-HM	BASIS OF CALCULATION-PERCENTAGE OF SALES TAX	N	N	Removed in STATE D.Ø - Not Used
RESPONSE PRIOR AUTHORIZATION SEGMENT	349-HM	RESPONSE PRIOR AUTHORIZATION	S	N	Removed in STATE D.Ø - Not Used
Configuration/Edit Changes in D.Ø					
COB/OTHER PAYMENTS		COB - Scenario 2	S	S	Patient financial responsibility billing

2. See the Iowa Medicaid NCPDP D.Ø Companion Guide below for guidance regarding changes in the Coordination of Benefits (COB) for claims submission.

GENERAL INFORMATION AND GUIDANCE

Standards list

Iowa Medicaid's implementation of NCPDP D.Ø is based on the following standards:

1. NCPDP Telecommunications Standard Version/Release D.Ø August 2ØØ7
2. NCPDP Data Dictionary Version/Release July 2ØØ7
3. NCPDP External Code List Version/Release March 2Ø1Ø
4. NCPDP Emergency Telecommunication External Code List Value Addendum Version/Release July 2Ø11

Transmissions

Refer to the NCPDP *Telecommunication Standard Implementation Guide Version D.Ø* for the structure and syntax of the transaction(s) within the transmission.

Segments

Each segment is listed as mandatory, situational, or optional for a given transaction in the NCPDP *Telecommunication Standard Implementation Guide*. If the segment is mandatory for a given transaction, that segment must be sent. If the segment is situational, the situations outlined in the guide must be followed for use.

Fields

M-Mandatory Fields

If a field is designated as "M" (Mandatory) on the payer sheet, the field is mandatory for the segment in the transaction. Mandatory elements have structural requirements and are the **only** fields that have the "Mandatory" designation on the payer sheet. These fields must be submitted.

R-Situational Fields - Required

If a field is designated as "R" (Required) on the payer sheet, the field has been designated as "Required" for the Segment in the designated transaction. The "Value" column of the template may contain instructional material.

RW-Situational Fields – Qualified Requirement

If a field is designated as "RW" (Required When) in the payer sheet, the field may be used according to the situations defined on the payer sheet, or not used.

N-Not Used Fields

Fields that are defined with situations of "Not Used" on the payer sheet are not allowed to be used in the transaction. These fields have been removed from the payer sheet.

COORDINATION OF BENEFITS (COB) PROCESSING

Iowa Medicaid requires the processing of claims for Patient Financial Responsibility, COB Scenario 2. The following rules will apply to transactions submitted for COB processing:

1. A pharmacy submitting for patient financial responsibility (01-05, 07-13) in the Other Payer-Patient Responsibility Amount (OPPRA) Qualifier field cannot submit '06'=Patient Pay Amount as well. To further clarify:
 - A pharmacy submitting '06'=Patient Pay Amount in the OPPRA field cannot submit any other OPPRA qualifiers (01-05, 07-13). The situation where the use of this indicator should be a rare occurrence and used only when a previous payer is unable to submit for patient financial responsibility.
2. A pharmacy cannot submit both OPPRA qualifiers 05=Amount of Copay and 07=Amount of Coinsurance for the same Other Payer transaction. To further clarify:
 - A pharmacy submitting for patient financial responsibility with an OPPRA qualifier of 05=Amount of Copay, cannot submit an indicator of '07'=Amount of Coinsurance in the same claim for the same payer.
 - A pharmacy submits for patient financial responsibility with an OPPRA qualifier of 07=Amount of Coinsurance, cannot submit an OPPRA qualifier 05=Amount of Copay in the same claim for the same payer.
3. Iowa Medicaid will be implementing COB Option 2, billing for patient financial responsibility. Therefore, the amounts with the following OPPRA indicators are considered when determining Medicaid coverage:
 - 01=Amount Applied to Periodic Deductible as reported by previous payer
 - 04=Amount Exceeding Periodic Benefit Maximum as reported by previous payer
 - 05=Amount of Copay as reported by previous payer
 - 06=Patient Pay Amount as reported by previous payer
 - 07=Amount of Coinsurance as reported by previous payer
4. Iowa Medicaid will **NOT** consider the amounts with the following OPPRA indicators to determine Medicaid coverage:
 - 02=Amount Attributed to Product Selection/Brand Drug as reported by previous payer
 - 03=Amount Attributed to Sales Tax as reported by previous payer
 - 08=Amount Attributed to Product Selection/Non-Preferred Formulary Selection as reported by previous payer
 - 09=Amount Attributed to Health Plan-Funded Assistance Amount as reported by previous payer
 - 10=Amount Attributed to Provider Network Selection as reported by previous payer
 - 11=Amount Attributed to Product Selection/Brand Non-preferred Formulary Selection as reported by previous payer
 - 12=Amount Attributed to Coverage Gap that was collected from the patient due to a coverage in gap
 - 13=Amount Attributed to Processor Fee as reported by previous payer

Compounds

In the NCPDP *Telecommunication Standard Implementation Guide Version D.Ø* there is only one way for the pharmacy to submit and the processor to adjudicate compound claims. Use the Compound Segment for multi-ingredient prescriptions. Other options allowed in previous implementation guides that **are no longer** supported by the NCPDP Standard are:

- Determine and submit the most expensive legend drug's NDC with the quantity of the dispensed product
- The use of billing codes or dummy NDC values

We encourage providers to go to the website at www.iowamedicaidpos.com to view all recent changes to the payersheet. If you have questions, please contact the Pharmacy Point of Sale (POS) Helpdesk at 877-463-7671 or 515-256-4608 (local in Des Moines) or email info@iowamedicaidpos.com.