

Louisiana Department of Health and Hospitals Health Plan Advisory 16-8 March 17, 2016

Batch Pharmacy Encounters Companion Guide and Batch Pharmacy Encounter Processing Edits Update

Version 1.10 of the Batch Pharmacy Encounters Companion Guide is now available for download at <u>www.makingmedicaidbetter.com</u>. All Health Plans will be required to conform to this standard no later than June 15, 2016.

In conjunction with the new requirements as outlined in the Companion Guide, the new batch processing edits described below will be implemented effective June 15, 2016:

EOB 556 ATTENDING/SERVICING PROVIDER NOT LINKED TO BYU PLAN

The Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Standard requires the National Provider Identifier (NPI) to be present on all claims for services rendered by covered health care providers. Health Plans are required to maintain a provider registry file which reflects a plan's provider enrollment activities (RFP 16.9). This includes but is not limited to all dispensing pharmacy providers and prescribing providers.

This edit is currently educational for pharmacy encounters. Beginning 6/15/2016, pharmacy encounters where the servicing provider's NPI (pharmacy's NPI) is not found on the plan's registry will be denied with EOB code 556. Health Plans should submit the appropriate provider registry information to Molina prior to resubmitting encounters denied for this reason.

EOB 393 MISSING/INVALID RECIPIENT COPAY AMOUNT

The maximum allowable copay Health Plans and/or their PBMs can charge for a pharmacy claim is \$3 (RFP 5.13.1). Copay amount is reported in the 1st COB occurrence using 351-NP Other Payer-Patient Responsibility Amount Qualifier 05 and 352-NQ Other Payer-Patient Responsibility Amount. Pharmacy encounters will deny with EOB code 393 if:

- NCPDP field 351-NP is not present
- NCPDP field 352-NQ is not present
- Value of field 351-NP is not 05
- Value of field 352-NQ is NULL or is greater than 3 (valid values are 0-3)

EOB 831 MISSING/INVALID PRODUCT/SERVICE ID QUALIFIER

In order to facilitate drug rebate invoicing and comply with other federal regulations, Health Plans are required to develop formularies that include only FDA-approved drug products and certain compounded drugs as deemed appropriate by DHH (RFP 6.3.2.6). Health Plans must provide the NDC of the drug product dispensed on the encounter claim (RFP 17.10.3.1). Non-NDC drug product identifiers will not be accepted. Pharmacy encounters will deny with EOB 831 if:

- NCPDP field 436-E1 Product/Service ID Qualifier is not present
- Value of field 436-E1 Product/Service ID Qualifier is NULL
- Value of field 436-E1 Product/Service ID Qualifier is not 03 (NDC) or 00 (Compound)

EOB 861 MISSING/INVALID UNIT OF MEASURE

The NCPDP Billing Unit Standard (BUS) recognizes three values to represent the unit type by which a drug product is measured: each, grams, and milliliters. NDCDP Field 600-28 Unit of Measure is required by the Department in order to facilitate drug rebate invoicing and decrease drug rebate disputes. Pharmacy encounters will deny with EOB code 861 if:

- NCPDP field 600-28 Unit of Measure is not present
- Value of NCPDP field 600-28 is NULL
- Value of NCPDP field 600-28 is not EA, ML, or GM