ADAPs and Medicare Part D

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Why are we having this webinar

• We will demonstrate the financial benefits of participating in the electronic coordination process defined under Part D.
  – When Part D makes claims adjustments, the ADAPs can be reimbursed

• We will explain the impact to the beneficiaries if the ADAP does not participate in the electronic coordination of benefits process.
  – Potentially, the beneficiaries can be delayed in reaching the catastrophic benefit phase of the Part D benefit design. This can cause higher cost-sharing to the beneficiary.
Objectives

• Upon completion of this webinar participants will be able to:
  – Articulate why providing supplemental claim payments to the Transaction Facilitator is important to the ADAP and their beneficiaries
  – Explain how Part D Claims are processed
  – Understand the steps necessary to perform electronic coordination of benefits
  – Identify what method your ADAP will be using or is using in order to transmit their supplemental payments to the Transaction Facilitator (batch or real time through an online processor)
  – Describe the reasons why claims paid by the ADAP might not be transmitted to the Part D Plan
  – Describe how to provide ADAP unique BIN-PCN and financial contact information
Part D Acronyms/Definitions

- **COB** - Coordination of Benefits- Activities that result when multiple payers exist for claims to ensure the appropriate costs are paid by the responsible payer.
- **N transactions** - Information Reporting transactions (Transaction Code of “N”) that contain information regarding a paid supplemental claim. These transactions are sent to the Part D plan of record for a beneficiary.
- **NPI** - National Provider Identifier
- **OHI** - Other Health Insurance (other insurance that can be primary or supplemental to Part D).
- **“Other TrOOP”** - payments paid by a supplemental payer that count toward the beneficiary’s TrOOP (e.g., a qualified SPAP, ADAPs, some charities).
- **PLRO** - Patient Liability Reduction Due to Other Payer Amount- the amount by which patient liability is reduced due to payment by other payers that are not TrOOP eligible.
Part D Acronyms/Definitions, cont.

- Processor- an entity that does the physical transaction processing (inbound and outbound) of pharmacy claims.
- Qualified status - the status assigned to supplemental payers where their payments are considered TrOOP eligible.
- Switch- an entity that routes pharmacy claims to plans. Relationship is usually between the pharmacy and switch.
- Transaction Facilitator - the entity (RelayHealth) that assists in translating and forwarding paid supplemental claims to the Part D plan (formerly TrOOP Facilitator).
- TrOOP – True Out-of-Pocket costs paid by a beneficiary or others on the beneficiary’s behalf that accumulate towards the annual out-of-pocket threshold.
- 4RX- Minimum dataset of information to route a pharmacy claim electronically
Medicare Part D
What is Medicare Part D?

- Medicare Prescription Drug Benefit
- Enrollment is voluntary, but to be eligible for Part D an individual must be entitled to benefits under Part A or enrolled in Part B (42 CFR 423.4)
- Types of Part D Plans
  - Stand alone Prescription Drug Plans (PDP)
  - Medicare Advantage Prescription Drug Plans (MA-PD)
  - PACE organizations offering qualified prescription drug coverage
  - Medicare cost plans offering prescription drug coverage
Part D Plan Benefits

- In 2012, there are 1041 Medicare Part D Plans
  - 541 plans offering defined standard prescription drug coverage
  - 500 plans offering enhanced alternative coverage
Defined Standard Benefit

- Benefit phases
  - Annual Deductible - 100% Coinsurance
  - Initial Coverage Period - 25% coinsurance
  - Coverage Gap (copays are approximately 50% for Brands and 86% for Generics up to $4700 max out-of-pocket to annual out-of-pocket threshold)
  - Catastrophic phase – Greater of $2.60/$6.50 or 5%

- Importance of gross covered drug costs and TrOOP
  - Gross covered drug costs are used to move the beneficiary through the benefit
  - beneficiary’s TrOOP determines when the annual out-of-pocket threshold limit is met (when they get to catastrophic)
Your ADAP beneficiary has Part D Coverage

What happens (should happen) before the claim comes to your program for payment?
Claims Processing High Level
## Critical Data Elements for Part D Transactions aka 4Rx

<table>
<thead>
<tr>
<th>CMS File Field name</th>
<th>NCPDP Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>RxBIN</td>
<td>BIN</td>
<td>Routing number to get the transaction to the Processor/PBM that is handling the transactions</td>
</tr>
<tr>
<td>RxPCN</td>
<td>PCN</td>
<td>Processor Control Number. Assigned by the Processor/PBM to lump groups of business together e.g. United, Part D only, etc.</td>
</tr>
<tr>
<td>RxGroup</td>
<td>Group</td>
<td>Assigned by the Processor/PBM for greater specificity- i.e. a benefit design or specific employer</td>
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| RxID                | Cardholder ID| Number assigned to the cardholder. For Part D, the cardholder and beneficiary are the same. For commercial multiple beneficiaries could be under the cardholder.
Two Types of Claim Transactions

- Request - transaction the pharmacy sends to the payer (i.e., what was prescribed/dispensed)
  - Request for coverage (B1)
  - Reversal of an original request (B2)
  - Reversal and a resubmission request for coverage (B3)

- Response - transaction the payer sends to the pharmacy (i.e., was it covered and who pays what)
Request Transaction (from the Pharmacy)

- Beneficiary identifiers
- Insurance plan information (4Rx)
- Pharmacy information (NPI)
- Claim information (prescription number, date of service, drug ID, quantity, days supply)
- Financial information (pharmacy’s usual and customary, drug price, dispensing fee, tax)
- Clarifying information (special codes to communicate information, such as diagnosis codes)
- Prescriber information
- How the prescription was transmitted (electronic, phone, paper)
- Additional information as required by the payer (defined on payer sheets)
Response Transaction (from the Payer)

- Enough information from the request for the pharmacy to match the response to the request (e.g., identifiers and Rx)
- Coverage determination (was the claim rejected)
- Financial amounts (plan paid, beneficiary paid, incentive fees, etc.)
- Benefit stages and amounts (Part D only)
- Clarification of who or how the claim paid
- Additional information (i.e. messaging that a prior authorization is required)
- Additional coverage - supplemental payers (Required for Part D only)
How do you pay for drugs for your ADAP beneficiaries?

- Real-time electronic transactions
- Direct billed from the pharmacy to you
  - Invoice
  - Data file
- Do ADAP pharmacies have an NPI and are they contracted with Part D Plans?
Part D Plans must keep track of TrOOP

Part of tracking TrOOP involves coordination of benefits with other payers
Part D TrOOP Definition

**True out-of-pocket spending on Part D drugs**
These costs determine when a person’s catastrophic coverage will begin. The value reflects actual expenses paid by a Medicare beneficiary and qualified plan throughout the year.

Costs that count towards the Medicare Part D drug plan out-of-pocket threshold
- Beneficiary liability (amount the beneficiary actually paid)
- Qualified Supplemental Plan Paid Amounts (Qualified SPAP/all ADAPs)
The Social Security Act, as revised by the MMA, specifies that Medicare Part D plans must coordinate benefits for Part D beneficiaries by performing the following:

1. Enrollment File Sharing
2. Claims Processing and Payment
3. Claims Reconciliation Reports
4. Application of the protection against high out-of-pocket expenditures by tracking true-out-of-pocket expenditures
5. Other processes that CMS determines
Medicare Part D Plans and ADAPs

- Effective January 1, 2011, The Affordable Care Act, Public Law 111-18 allowed ADAP expenditures for Part D covered drugs to count towards the TrOOP limit of Medicare Part D enrollees.
- This change allows enrollees to move through the coverage gap phase into the catastrophic coverage phase. This allows beneficiaries to receive lower copays.
- Prior to this change, beneficiaries enrolled in both Medicare Part D and ADAP programs may have taken longer to reach the catastrophic phase.
- CMS now requires Medicare Part D plans to coordinate benefits with ADAPs as long as the payer participates in the online coordination of benefits (COB) process.
- ADAPs participating in the electronic coordination of benefits process will experience automatic TrOOP calculations when claims are adjudicated at the pharmacy or point-of-sale because of the use of the TrOOP Facilitation Contractor.
COB Timeframes
(42 CFR 423.466)

- Retroactive adjustments
  - Sponsors are required to make retroactive claims adjustments and issue refunds or recovery notices within 45 days of the sponsor’s receipt of complete information

- COB time limit
  - Sponsors are required to coordinate benefits with SPAPs, other entities providing drug coverage, and non-network payers (such as beneficiaries and others paying on the beneficiaries’ behalf) for a period not to exceed 36 months from the date of fill for a covered Part D drug
While CMS requires coordination of benefits, it is only required if certain conditions exist.

Part D plans must coordinate benefits if the supplemental payer follows the CMS approved industry defined electronic process

- Supplemental payer must have:
  - Electronic eligibility submitted to CMS; and
  - Electronic transactions that contain supplemental payer payment information (batch is allowed)
  - **AND**.....
A Part D drug is:

1. A drug/service that meets the definition of a Part D Drug;
2. A drug/service that is paid for by the Part D Plan (on the plans formulary, covered under transition or via an appeal/grievance); and
3. A drug/service that is purchased at a Part D Plan network pharmacy (Out-of-Network only in special circumstances)

Note:
A claim that is not a Part D Drug does not count towards Drug Spend or TrOOP and therefore coordination of benefits is not required.
Once a beneficiary’s TrOOP limit is reached, the beneficiary enters the catastrophic coverage phase of the Medicare Part D benefit. This allows the beneficiary to receive reduced cost-sharing at the pharmacy.

If claims are received but they do not contain the eligibility information that Part D Plan has on file, the claim will not get applied to TrOOP (reduces TrOOP) and you may be paying more money than you really should be because the beneficiary is not reaching catastrophic as quickly.

If your claim is not received by the Part D plan and the Part D Plan adjusts a claim resulting in a credit, you will not receive the resulting credit. The credit will be paid to the beneficiary.
Financial Impacts of not participating in Electronic COB

When ADAPs complete all of the steps necessary for electronic coordination of benefits, Part D sponsors are required to coordinate benefits with the ADAP. Specifically, situations such as retroactive changes to eligibility benefit structure, or things such as low-income subsidy status can cause a Part D sponsor to adjust a claim after the beneficiary has received their medication.

ADAPs that choose NOT to participate in the real-time COB process will be responsible for collecting any refunds due to overpayments in cost sharing instead of the Part D sponsor automatically refunding the overpaid amounts to the ADAP.
Seven Steps to Successful Coordination of Benefits

1) Obtain a unique RXBIN/RXPCN combination for TrOOP eligible beneficiaries and re-card your beneficiaries if necessary (required)

2) Contact CMS to receive Data Sharing agreement (CMS rep on upcoming slide on Step 2) (required)

3) Receive and sign Data Sharing Agreement (required)

4) Send and receive electronic eligibility data to CMS through the COB contractor and include unique BIN/PCN on eligibility records. (required)

5) Consider obtaining the services of an on-line claims processor to process claims electronically at the point-of-sale or if this is not an option, talk with RelayHealth about submitting batch files of ADAP claims on a routine basis. (one of the two options is required)

6) Lock down Pharmacy edits
   - If you are using an online claims processor, require pharmacies to bill your processor using your unique BIN and PCN combination.
   - Block claims where Medicare Part D is primary by using the data provided on the CMS response file. (required)

7) Update and periodically check the accuracy of the NCPDP SPAP/ADAP list of BIN/PCN and financial contact data for our ADAP (required)
Obtain a BIN/PCN combination for TrOOP Eligible beneficiaries and re-card where necessary.

Note:
These are often referred to as the TrOOP Facilitation BIN and TrOOP Facilitation PCN.
Why is it necessary to obtain a unique BIN/PCN

Four common data elements are used throughout the pharmacy industry to identify a beneficiary and to route a claim.

These are referred to as 4Rx data elements.

The unique BIN and PCN help the Transaction Facilitator and Part D sponsors to recognize ADAP dollars as TrOOP eligible.
Coordination of Benefits
Step 2:

**Contact CMS to receive an ADAP Data Sharing agreement**

- Review with internal staff and determine if the requirements within the agreement can be met.
- Communicate with or meet with CMS to discuss any questions pertaining to the agreement.

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Coordination of Benefits
Step 3:

**Receive and Sign the Data Sharing Agreement**

- The agreement contains two documents – 1) the Data Sharing Agreement and 2) Implementation Questionnaire.
- Three signed copies of the Data Sharing Agreement must be sent to CMS and one signed copy of the Implementation Questionnaire must be send to CMS.
- The agreement will be signed by CMS and a completed copy of the agreement will be returned to the ADAP.

- Note: Stipulations within the contract require electronic eligibility files to begin after signing the contract.
Coordination of Benefits
Step 4:

Send Electronic Eligibility Data to CMS

- Data is exchanged between the ADAP and CMS on a monthly basis.
- The 4Rx data on your cards must be the same as what is sent to CMS
Coordination of Benefits
Step 5

- ADAP supplemental claims payments must be routed to the CMS Transaction Facilitator in order for ADAP dollars to count towards TrOOP.

- Two options will allow this to happen:
  - Using an online processor to electronically process claims at the point-of-sale will allow claims to route automatically to the CMS Transaction Facilitator.
  - Sending a batch file to the CMS Transaction Facilitator of your supplemental claims payments and performing the other steps of coordination of benefits will help allow your ADAP dollars to count towards TrOOP.

Note: For information regarding batch files of claims, please contact the transaction facilitator at troopsupport@relayhealth.com
Lock down pharmacy edits (only applies to real-time)

- Edit on all of the 4Rx data elements that are on your ID cards:
  - BIN/PCN/Cardholder ID
  - If your program uses an RXGRP, include this in your edits, as well.
- Reject claims where Medicare Part D should be the primary payer for your beneficiaries. This can be done by using the ADAP eligibility response file from the CMS COB Contractor. This file identifies all beneficiaries currently enrolled in a Medicare Part D plan.

Helpful Hint:

It has been our experience that when supplemental payers that do not edit on this information at the point-of-sale or only use edits on some of the Rx data elements in their pharmacy edits, the Part D sponsors are not able to calculate TrOOP correctly.
Coordination of Benefits
Step 7

*Update the information for your specific ADAP on the NCPDP SPAP/ADAP BIN/PCN list.*

- Periodically review the information that appears on this listing for your specific ADAP.

- You do not need to be an NCPDP member to update this list. The list is available to the general public.

The list can be found at:

http://ncpdp.org/resources_spap.aspx
Critical Players in Part D COB

- Part D Transaction Facilitator (formerly Troop Facilitator)- Responsible for transmitting supplemental claims payment to the Part D plan using an industry and CMS defined set of rules

- National Council for Prescription Drug Programs-the organization that sets the standards for transactions used in Part D

- COB Contractor- Currently, Group Health Inc (GHI) an Emblem Company that receives health insurance and prescription insurance information from payers/plans/beneficiaries that offer coverage to Medicare Part D beneficiaries

- Part D plan sponsors – plans approved by the Centers for Medicare and Medicaid to offer Part D Prescription Drug coverage

- Supplemental Payers - Any organization such as State Pharmaceutical Assistance Programs (SPAP), AIDS Drug Assistance Programs (ADAP), Medicaid, TRICARE, Veteran’s Administration (VA), group health plans, Workers’ Compensation, Auto/Life/Liability Insurance, Commercial group health plans, etc.

- Pharmacies
How the Part D plan gets record of the ADAP payment
Two methods for getting record of ADAP payment to the Part D Plan

• If you currently pay claims real-time online
  – For claims that are submitted to your plan via a switch (no direct connection from the pharmacy to the plan/processor)- no further effort is needed
  – If claims are submitted directly to your plan without the use of a switch in-between you/processor and the pharmacy, then you must send the claims in a batch file format

• If you do not pay claims real-time online then you must send a electronic batch file to the Transaction Facilitator

Reminder:
You must have eligibility on file with CMS or else the Transaction Facilitator will not be able to find an OHI record and therefore cannot transmit record of your payment to the Part D plan.
How the supplemental payer’s paid amount is transmitted to the Part D Plan if they are paid on-line

Pharmacy submits claim to Part D Plan → Part D Plan response is returned → Is there a supplemental payer? → Yes → Pharmacy submits claim to Supplemental Payer → Supplemental Payer pays (accepts claim)

No → Patient pays liability returned on claim

Pharmacy’s Switch transmits initial supplemental claim request and claim payment transaction to Transaction facilitator

Transaction facilitator matches supp BIN, PCN, Cardholder ID off supplemental claim to CMS eligibility file

Transaction facilitator finds Part D plan associated with supplemental record

Transaction facilitator creates N transaction and sends it to the Part D Plan

Part D Plan accepts or rejects transaction → Part D plan applies the N to Other TrOOP or PLRO

Note: if no supplemental match is found transaction stops

Note: if no Part D record is found transaction stops
Batch N File Process

Supplemental Payer pays claim

Supplemental Payer creates batch N file of paid claims

Supplemental payer transmits file (FTP) to Transaction facilitator

Transaction facilitator matches Supp BIN, PCN, Cardholder ID from batch N to CMS eligibility file

Transaction facilitator finds Part D plan associated with supplemental record

Transaction facilitator transmits N to Part D Plan

Part D Plan accepts or rejects transaction

Part D plan applies, the N to Other TrOOP or PLRO

Note: if no supplemental match is found transaction stops

Note: if no Part D record is found transaction stops

NCPDP
What supplemental claim information is provided to the Part D Plan?

Information is provided in the form of an NCPDP Information Reporting (N) transaction. The N transaction:

- Contains the least amount of information necessary is provided to the Part D Plan
- Contains the Part D Routing information (4Rx) and the Supplemental 4Rx as well as the final amount the beneficiary paid out of pocket after the claim was processed by the supplemental payer
- Is used by the Part D plan to compare the Part D beneficiary liability to the supplemental liability to determine how much of the supplemental plan payment to apply to other TrOOP or PLRO
Eligibility delays or inaccurate eligibility

• 30 day file submission result in inherent delays in availability of supplemental OHI records
• If a match on OHI is not found, transactions are followed-up for a limited time period
• If the follow-up period is exhausted:
  – If qualified, there is no impact to TrOOP (ADAP)
  – If non-qualified, then TrOOP is overstated
  – There is no possibility of funds recoupment for the supplemental if claim is adjusted downward (remember 45 day adjustment rule)
Follow-up Process

- Intended to address situations where
  - No supplemental match found
  - No Part D Plan found
  - Part D Plan found but not active on date of service on the claim

- The industry-defined intervals for the N generation follow-up is:
  - Once a week for four weeks
  - Then once a month for 2 months
How Part D plans find a beneficiary and apply supplemental information to TrOOP

- Using the information off the supplemental N transactions using NPI, Prescription number, Date of Service and the NDC of the drug to first find the paid Part D Claim.
  - Once the Part D Claim is found they then determine who the beneficiary is.
  - Once the Part D beneficiary is found, the supplemental insurance information for the beneficiary can be found.

- Using the Part D 4Rx and the supplemental 4Rx
  - If both match, did Part D pay the claim?

- Part D plan applies the supplemental paid amount to other TrOOP or PLRO based on the information contained in the supplemental OHI
What Happens if the Supplemental N does not match OHI the Part D Plan/Processor has on file?

- The supplemental payment amount is applied to PLRO as CMS guidance states apply to PLRO (reduce TrOOP)
- For ADAPs, beneficiary TrOOP is reduced and impacts the beneficiary and possibly the supplemental plan
- The beneficiary takes longer to get to catastrophic coverage. As a result depending on the ADAP, the beneficiary/ADAP may pay for more than they should.
- May result in incorrect refund or recoupment
Successes to date

Top performing ADAPs
(an eligibility match was found)
NE*-97%
NJ-95%
MI*-93%
AR*-88%
NC-87%

*new to the process as of Q2-2012
Let’s Take a Look at Problems That Have Surfaced with Supplemental TrOOP

SPAP/ADAP#1

• ID number on COB file was found not to match the ID number on the incoming claims data
  – Cardholder ID submitted on file included person code, however person code is a separate field in claims submission.

SPAP/ADAP #2 and #3

• ID number on COB file was found not to match the ID number on the incoming claims data
  – ID numbers changed mid-year and new ID number overlaid COBC data

In one case, beneficiaries were impacted for TrOOP when an ID number change was made in 2010. This resulted in claims being automatically reprocessed TWICE by PBMs for dates of service all the way back to 2006. Beneficiaries were not in the catastrophic benefit phase and were found to be hanging in the coverage gap or the initial coverage limit, in error.
The Eligibility Submitted to the COBC must match what’s submitted by the pharmacy.

ADAP
- Builds Eligibility Rules for Adjudication
- Issues ID cards with 4Rx Data
- Submits the same Rx Data to CMS through COB contractor

Pharmacy
- Gathers Member ID Card Data via ID card or E1 Transaction
- Submits Claim for Adjudication

COB Contractor
- RXBIN: ABC
- RXPCN: 999
- RXGRP: 123456789

Adjudicated Claim Data Should Match COB Contractor Data for ADAP
Why eligibility data can be out of sync

Various eligibility exchanges exist

- CMS
- Part D Eligibility Subcontractor
- SPAP or ADAP Processor
- Qualified SPAP/ADAP
- Part D Plan
- Part D PBM
Top Reasons Why Transactions Fail

- ADAPs allow pharmacies to process with data elements different than the COB contractor.
- COB contractor has additional records for ADAPs that are marked as non-qualified.
- ADAP neglects to notify COBC about a change in processor or PBM.
- ADAP neglects to notify COBC about change in beneficiary ID.
- Part D Plan or eligibility contractor may modify COB data before it goes to PBM and therefore, no match is found.
- Eligibility data can be out of sync or delayed due to timing of data transfer.
Dollars from supplemental payer count towards TrOOP. Beneficiary moves through Part D benefit, appropriately.
Non-Matched Records

<table>
<thead>
<tr>
<th>NON-MATCHED AT TRANSACTION FACILITATOR</th>
<th>NON-MATCHED AT PART D</th>
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<tbody>
<tr>
<td>Transactions ‘fall on the floor’ or are dropped from the process</td>
<td>Get applied towards PLRO and reduce TROOP.</td>
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Both of these situations can cause negative financial hardship on SPAPs/ADAPs when Part D claims are adjusted because of the limited liability for reconciliation on these claims.
What the industry is doing to support ADAPs and Part D
What is NCPDP?

- An ANSI-accredited standards development organization.
- Provides a forum and marketplace for a diverse membership focused on health care and pharmacy business solutions.
- A voluntary, member driven organization that has been named in various government legislation and rulings, such as HIPAA and the Medicare Part D Regulation.
- One of several Standards Development Organizations (SDOs) involved in Healthcare Information Technology and Standardization.
- Focus on pharmacy services, and has the highest member representation from the pharmacy services sector of healthcare.
- NCPDP standards are used in pharmacy processes, payer processes, electronic prescribing, rebates, and more.
An SPAP/ADAP BIN-PCN List

• Voluntarily reported by SPAP/ADAPs
• Helps:
  – transaction routing
  – issue identification (non-unique BIN-PCNS)
  – contact information for plans that have adjustments
• The industry is trying to address delays in the data that result in supplemental payment transactions not being generated and, therefore, not received by the Part D Plan.
• The industry is trying to improve the process to ensure qualified supplemental paid claims are appropriately included in TrOOP and are considered when adjustments need to made.
• There is no central repository for the identification of the unique RxBIN and RxPCNs that are ADAPs and SPAPs in order to address these issues.
Okay, so why is a list of qualified SPAP/ADAPs needed?
Who will use the SPAP/ADAP list?

- Transaction Facilitator
- Switches (list of BIN-PCNs to route to the Transaction Facilitator)
- Part D Plans
Benefits of the SPAP/ADAP list

- Use of the SPAP ADAP List will help to alleviate issues caused by delays in eligibility.
- The Part D plan will know that there has been a supplemental payment so that if there is an adjustment to a Part D beneficiary’s liability that results in a refund of copay/coinsurance, the refund dollars will be applied to the SPAP/ADAP first before the beneficiary.
- If Part D plan doesn’t have eligibility loaded and the record of supplemental payment is received, it will be applied to “other TrOOP” instead of PLRO (reducing TrOOP).
- If you are a qualified SPAP/ADAP and you do not help complete the spreadsheet, there may be a financial impact to your plan and to the beneficiary because the supplemental payment may not be received by the Part D Plan or may not be applied correctly.
- Financial contact information
Transaction Facilitator use of SPAP/ADAP Unique RxBIN RxPCN List

- SPAP/ADAPs submit eligibility once a month
- It is possible that the SPAP is paying for supplemental claims before the eligibility is submitted to CMS or received by the Part D Plan
- Currently, if claims are received before the supplemental eligibility is received they are never forwarded to the part D Plan
- In 2012 the Transaction Facilitator will continue to attempt to find a match for supplemental SPAP/ADAP claims for a maximum of 90 days
- This means the Part D Plan should eventually receive record of the supplemental payment
Use of SPAP/ADAP List by Part D Plans

#1 If the Part D plan:
- does not have any eligibility on record or
- the N transaction does not match the eligibility on file
- Consult SPAP/ADAP Unique BIN-PCN list and if BIN-PCN is on the list, apply to other TrOOP

#2 If the OHI is found on file but does not have a qualified status on the eligibility file, if unique BIN-PCN is on the list - override eligibility data and treat N transaction as qualified.

This process will assist in the process so that all claims paid by unique BIN-PCNs on this list are applied to other TrOOP (count towards TrOOP)

Attempting an 01/01/2013 implementation
How it should be done, cont.

- If you are changing mid-calendar or at the end of a year
  - Your eligibility information (your ID numbers)
  - Processors, or
  - Other 4Rx data (your BIN, PCN, or RXGRP)

Please discuss in an industry task group to walk through the changes so that processing will flow appropriately for Part D Coordination of Benefits.

Contact Lynne at lgibertson@ncpdp.org for an agenda item to be added to the NCPDP Information Reporting Task Group.
**Use the Subject: Information Reporting Task Group agenda item**
The Process To Update the SPAP ADAP Unique BIN/PCN Spreadsheet
The Process

- NCPDP has set up a website page [http://www.ncpdp.org/resources_spap.aspx](http://www.ncpdp.org/resources_spap.aspx) that contains the SPAP ADAP unique BIN PCN Spreadsheet and informational documents.
- On a timely basis, SPAP and ADAP entities are expected to review the spreadsheet and provide any updates to NCPDP.
  - Updates are submitted only by the principle SPAP or ADAP representative, not other entities in the industry.
  - Updates include adding new rows for new SPAP or ADAP programs, changing of information in an existing row, or supplying termination information.
  - The NCPDP *SPAP ADAP BIN PCN Reference Guide* provides instructional information for the process to update and share unique BINs and PCNs for SPAPs and ADAPs for transaction processing for Medicare Part D beneficiaries.
The Process continued

• After receipt of an email with updated information, NCPDP will enter the information submitted, the *Date Information Last Updated* and *Verified By Name* information and post the updated spreadsheet.
  – NCPDP will endeavor to update the spreadsheet timely. At the start of the process, the spreadsheet may be updated once or twice a week. Once the updates are in place, it is anticipated the spreadsheet will not change that often.

• When NCPDP posts an updated spreadsheet on the website, the date label will change. This lets entities know that the spreadsheet has been updated.
  • For example
    Updated: 20111205 *SPAP ADAP BIN PCN Spreadsheet*

• Entities can then download the updated spreadsheet and use according to the requirements outlined above.
Use of the Spreadsheet

• All information is reported by the ADAP or SPAP and subject to their updates. Use of this information is restricted to the sharing of unique BINs and PCNs for plans, payers, and processors involved in coordination of benefits of Medicare Part D beneficiaries. The document and the spreadsheet are not to be distributed further, nor displayed in other public venues.

• [http://www.ncpdp.org/resources_spap.aspx](http://www.ncpdp.org/resources_spap.aspx)
  – SPAP ADAP BIN PCN Reference Guide
  – SPAP ADAP BIN PCN Spreadsheet

• Remember, the email for updates: [CMS-SPAP-ADAPplaninfo@ncpdp.org](mailto:CMS-SPAP-ADAPplaninfo@ncpdp.org)
  with Subject: SPAP ADAP Update

SPAPs and ADAPs need to validate the list ongoing
Future Opportunities
Recommendations for Changes

• Build reporting from non-matched N transactions from TrOOP Facilitator and from Part D sponsors

• Modify the N transaction to contain additional data elements needed for process improvements.

• Recommend new strategies to use the BIN/PCN table to better manage TrOOP.
Join the Effort
NCPDP Information

NCPDP Task Groups are open to *any interested party* who are willing to participate and work

- Task Groups meet via conference call usually 1-2 times per month
  
  [http://www.ncpdp.org/get_involved.aspx](http://www.ncpdp.org/get_involved.aspx) - under Task Groups

Obtain NCPDP standards

- If a member –
  
  [http://www.ncpdp.org/members/members_download.aspx](http://www.ncpdp.org/members/members_download.aspx)

- If not a member – all NCPDP standards are available free of charge with yearly membership
  

“4Rx Recommendations” document

Important NCPDP Task Groups for ADAPs:

Information Reporting Task Group
Current focus: Development of a guidance document for the Part D and supplement plan use of the SPAP/ADAP BIN-PCN list.

WG1 Supplemental Payer Reporting Task Group
Current focus: Development of reports to assist supplemental payers and Part D plans in managing coordination of benefits

To get involved:
Notify Lynne Gilbertson at lgilbertson@ncpdp.org
Identify which task group you wish to attend in the subject line
Wrap up summary: For Supplemental Payers that do not pay claims real-time on-line

No eligibility submitted to CMS and/or
No batch N file submitted to the Transaction Facilitator (RelayHealth)

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No requirement for the Part D Plan to coordinate benefits AND no ability to receive money back if the Part D Plan adjusts the claim and the beneficiary liability is reduced
References
60.3 – Supplying Claims Information When a Supplemental Payment Is Made (Rev. 4; Issued: 09-26-08; Effective/Implementation Date: 09-26-08)

In order for the COB and TrOOP tracking processes to function as effectively as possible, other payers should supply paid claims information to the Part D sponsor after making a payment that is supplemental to a Medicare payment. This will happen automatically if the other payer reports their coverage information to CMS in accordance with the processes described in section 60.1 of this chapter with the appropriate Rx BIN and/or PCN combination to enable the TrOOP facilitator to identify the supplemental payer’s status.
50.15.3 – Retroactive Claims Adjustments and Resolution Directly with Other Payers

“Part D sponsors must coordinate benefits with SPAPs and other providers of prescription drug coverage and appropriately adjudicate claims. Compliance with this requirement includes not only coordinating benefits with other payers at POS, but also the need to work with beneficiaries and other payers to resolve post-adjudicative payment issues arising from retroactive claims changes.”
Chapter 14-AIDS Drug Assistance Programs (ADA)

- To the extent that ADAPs want to be set up to pay benefits at the point-of-sale and wish to be included in the automated payer data exchange provided by the COB contractor, they will need to exchange eligibility files with CMS and be included in the COB files provided by CMS. The advantage to this approach is that claims will be automatically adjudicated at point-of-sale (POS). Alternatively, ADAPs may require beneficiaries to submit paper claims after the POS transaction and can then submit those claims to the TrOOP facilitation contractor in batch form. The TrOOP facilitation contractor will create an NCPDP Nx transaction based on that batched claims data and will send it back to the beneficiary’s Part D sponsor for accurate TrOOP recalculation.
Instructions to ADAPs

“However, if the ADAP does not have electronic claims processing capability, the ADAP may alternatively submit a batch file of supplemental claims information or make arrangements to submit information in another format to the TrOOP facilitator. The supplemental claims data submitted to the Troop facilitator will then be supplied to the Part D sponsors for TrOOP calculation. If the ADAP uses the batch process, it must still establish a unique RxBIN/PCN and participate in the data sharing exchange with CMS’ COB contractor. If the ADAP does not either support the on-line or batch process, no N transaction will be created and Part D sponsors will not be required to coordinate benefits if the claim(s) later adjust.”

Letter to the Assistant Surgeon General, Associate Administrator HIV/AIDS Bureau dated October 12, 2010
Thank You for Participating!