COMPANION GUIDE
FOR SUBMISSION OF HOME INFUSION CLAIMS VIA THE HIPAA X12N 837P TRANSACTION

December 22, 2005

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Section 1 Overview

1.1 Introduction

In order to comply with federally mandated HIPAA regulations, Caremark will utilize the ASC X12N Health Care Claim Transaction (837P) HIPAA Implementation Guide as a standard format for the electronic data interchange of claims from home infusion pharmacies. Retail pharmacies that dispense home infusion therapy drugs should continue to utilize the NCPDP Version 5 Release 1 Telecommunication Standard.

This Companion Document to the ASC X12N 837P Implementation Guide clarifies and specifies the data content when submitting the 837P transaction to Caremark. Transmissions based on this companion document, used in tandem with the HIPAA X12N 837P Implementation Guide, are compliant with both X12 syntax and those guides.

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Important Note: All references in this guide refer to the 837P HIPAA format. This guide should be used in conjunction with the HIPAA Implementation Guide for the 837 Professional Health Care Claim transaction set.

For more information on HIPAA please refer to the following companies, websites and publications:

HHS Administrative Simplification: http://aspe.hhs.gov/admnsimp/
Government Printing Office: http://www.access.gpo.gov/su_docs/aces/aces140.html
Washington Publishing Company http://wpc-edi.com/hipaa
CMS (centers for Medicare and Medicaid Services http://www.cms.gov/
NCPDP (National Council for Prescription Drug Programs) http://www.ncpdp.org
ANSI - American National Standards Institute http://www.ansi.org/
ASC X12 - Accredited Standards Committee X12 http://www.x12.org/
Phoenix Health Systems - HIPAAdvisory.com

1.2 Caremark Contacts

Caremark Retail Services/Director, Systems and Industry Standards, networksys@caremark.com

WHAT YOU NEED	WHAT TO DO
To request another copy of the Caremark provider manual.	Access the internet site, CaremarkRx.com. If unavailable via internet, contact Caremark at (800) 288-7384
To obtain a copy of the X12 837 Companion Guide	Access the internet site, http://www.caremark.com/wps/portal/_s.155/3398
To test the X12 837 Home Infusion Pharmacy Claim Transactions	Caremark Retail Services at (800) 288-7384

Answers to pharmacy claim questions or to make payment adjustments…	The Caremark Help Desk (800) 345-5413 (BIN 610415) (800) 364-6331 (BIN 004336) (800) 421-2342 (BIN 610029)
Answers to technical questions	Caremark Retail Services at (800) 288-7384
After implementing the X12 837 Home Infusion Pharmacy Claim, to notify Caremark of any changes.	Caremark Retail Services at (800) 288-7384

1.3 EDI and Telecommunications

Pharmacies sending and receiving EDI data to the Caremark system can do so by using PGP or Secure FTP via the internet.

Caremark uses the Tumbleweed SecureTransport product. It is a secure, enterprise-class file transfer product. It enables transfer of valuable or sensitive information over the Internet in a confidential, guaranteed, and provable manner. Secure Transport is client-server software that is built on industry-standard technologies including SSL, FTP, and HTTP.

When a user logs in to the Secure Transport Server using a Secure Transport Client (or Web browser), Secure Transport opens a secure session between the client and the server so that important information, such as user ID, password, commands, file names, and data are encrypted.

Caremark prefers that the 837 transaction be sent as one contiguous string. Unneeded spacing, carriage return and line feed characters should not be used within the data structure.

1.3.1 Connectivity Testing

The objective of this phase is to test the telecommunication link between you and Caremark. This test is not however to test the 837 standard data layout. A successful test will eventually occur if you are able to send an 837 to Caremark.

1.3.2 End-to-end Testing

The objective of this phase of the implementation is to ensure that all participants in the 837 electronic data interchange process are communicating with each other properly. This includes the pharmacy and Caremark. Caremark will provide test packets and schedule testing upon request.

Providers will receive the 997 acknowledgement after receipt of the 837. Providers have the option of receiving a paper remittance advice, or the ASC X12N 835 (004010X091A1) Healthcare Claim Payment/Advice.

1.3.3 Move to Production & Maintenance

Caremark requests at least two weeks notification before a pharmacy is ready to submit the 837 transaction. This time is required to allow Caremark to prepare to receive the transmissions, and for Caremark to ensure that the pharmacy data is properly entered in Caremark systems.
Upon successful completion of the End-to End testing phase, the pharmacy will notify Caremark that they are ready to send the 837 Health Care Claim via EDI. Caremark will then establish the pharmacy into the production schedule.

If the pharmacy should encounter any EDI problems or issues, they should contact their Caremark representative for technical assistance at (800) 288-7384.

When changes are made to this Companion guide for the 837 Health Care Claim transaction set, Caremark will provide the pharmacy with a notification of pending EDI updates. Caremark requires notification if there is a change in the representative or location to which EDI updates are being sent. Please submit these changes to your Caremark EDI representative. For those pharmacies using EDI software packages customized for Caremark, software updates are at the discretion of the software provider.

Section 2 Caremark Specific Business Rules

2.1 ISA - IEA

The ISA segment is the Interchange Header Segment. This segment identifies the sender and receiver for each transaction. This segment also identifies the delimiters used throughout the file. The IEA segment is the Interchange Control Trailer. This segment identifies the end of an interchange of zero or more functional groups and interchange-related control segments and is the last segment within the transaction set. Please use the values listed in the table below when building the ISA segment for transactions submitted to Caremark.

Element Identifier	Element Name	Values	Comments
ISA01	Authorization Information Qualifier	00	
ISA02	Authorization Information		spaces
ISA03	Security Information Qualifier	00	
ISA04	Security Information		spaces
ISA05	Interchange ID Qualifier	ZZ	If use "ZZ" must use the NCPDP number in ISA06. If you would prefer to use a different sender ID please contact Caremark.
ISA06	Interchange Sender ID		NCPDP Number
ISA07	Interchange ID Qualifier	ZZ	
ISA08	Interchange Receiver ID	610029 - production 447225 - testing	

For all other ISA and IEA elements, please refer to the HIPAA-AS Implementation Guides for specific instructions.

Currently, Caremark does not require any security information, ID or password to be sent in ISA02 and ISA04. Caremark will support all delimiters as indicated in the HIPAA 837P Implementation Guide. For more information about these delimiters, please refer to the HIPAA 837P Implementation Guide.

2.2 GS - GE

The GS segment indicates the beginning of a functional group and provides control information. The GE segment indicates the end of a functional group and provides control information. Please use these values when building the GS segment for transactions submitted to Caremark.

Element Identifier	Element Name	Values	Comments
GS01	Functional Identifier Code	HC	
GS02	Application Sender Code	Same value as ISA06	
GS03	Application Receiver Code	Same value as ISA08	

For all other GS and GE elements, please refer to the HIPAA 837P Implementation Guide for specific instructions.

2.3 837P

The following is a subset of the 837P data elements to highlight Caremark requirements. Please refer to the HIPAA 837P Implementation guide for HIPAA required data elements.

SHADED rows represent "segments"; *NON-SHADED* rows represent "data elements."

Loop	Element Identifier	Element Name	Caremark Req/Opt	Values	Comments
1000A	NM1	Submitter Name			
	NM109	Submitter Identifier	Required	Same value as ISA06	
1000B	NM1	Receiver Name			
	NM109	Receiver Primary Identifier	Required	610029	Caremark
2010AA	REF	Billing Provider Secondary Identification			
	REF01	Reference Identification Qualifier	Required	FH	While additional REF segments can be sent, the only one Caremark will utilize is the FH qualifier for NCPDP.
	REF02	Billing Provider Additional Identifier	Required	Your assigned NCPDP Number	This will be your 7 digit NCPDP number
2000B	SBR	Subscriber Information			
	SBR03	Insured Group or Policy Number	Required		Member's Group Number as printed on the member's prescription drug benefit card,

Loop	Element Identifier	Element Name	Caremark Req/Opt	Values	Comments
2010BB	REF	Payer Secondary Identification			
	REF01	Reference Identification Qualifier	Required	2U	
	REF02	Payer Additional Identifier	Required		Processor Control Number as printed on the member's prescription drug benefit card,
2010CA	NM1	Patient Name			
	NM109	Patient Primary Identifier	Required if patient is not the subscriber		When the subscriber is not the patient, value with the Member ID **plus** the patient's Person Code from the ID card.
2300	CLM	Claim Information			
	CLM05-1	Facility Type Code	Required	12 or 31	For home infusion, this should be limited to 12 – Home or 31 – Skilled Nursing Facility.
	CLM05-3	Claim Frequency Type Code	Required	1 or 8	Caremark processes "1" - Billing and "8" - reversal. Caremark does not process "7" - rebills.
2300	K3	File Information			
	K301	Fixed Format Information	Required		See Section 2.4 for instructions on valuing the K3 segment.
2330B	NM1	Other Payer Name			
	NM109	Other Payer Primary Identifier	Required when using Other Payer Loop		When supplying other payer information, please value with the BIN number when available.
2400	SV1	Professional Service			NCPDP guidelines recommend only one service line/prescription per claim. Caremark adheres to this recommendation.
	SV102	Line Item Charge Amount S9(7)V99	Required	Gross Amount Due	
2400	K3	File Information			
	K301	Fixed Format Information	Optional		See Section 2.5
2410	LIN	Drug Identification			
	LIN02	Product/.Service ID qualifier	Required	N4	
	LIN03	Product/Service ID	Required	NDC code	

Loop	Element Identifier	Element Name	Caremark Req/Opt	Values	Comments
2410	CTP	Drug Pricing			
	CTP03	Unit Price	Required	Drug Unit Price	
	CTP04	Quantity	Required	National Drug Unit Count	
2410	REF	Prescription Number			
	REF01	Reference Identification Qualifier	Required	XZ	
	REF02	Reference Identification	Required	Prescription Number	Caremark will move the first 7 characters in compliance with the NCPDP 5.1 format.
2420E	NM1	Ordering Provider Name			
	NM103	Ordering Provider Last Name	Required	Prescriber Last Name	
2420E	REF	Ordering Provider Secondary Identification			
	REF01	Reference Identification Qualifier	Required		Use 08 - for state license number. Use EI - for DEA number.
	REF02	Ordering Provider Secondary Identifier	Required	Prescriber ID	

2.4 K3 Segment 2300 Loop

Note: The NCPDP committee has received approval from X12N to use the K3 segment for data necessary to process pharmacy claims.

Position	Caremark R=Required O=Optional	Default Value	NCPDP Field Name	Comment/Values
1 - 2	R		Fill Number	
3	O		Compound Code	Ø=Not Specified 1=Not a Compound 2=Compound NOTE: Caremark only accepts single ingredient compounds. Multi-drug compounds with result in a rejection of the claim. Refer to Appendix II for billing instructions of compounded medications.
4	R		DAW/Product Selection Code	See Appendix I for a list of the DAW code values.

Position	Caremark R=Required O=Optional	Default Value	NCPDP Field Name	Comment/Values
5	O	Ø	Submission Clarification Code	Ø=Not Specified, Default 1=No Override 2=Other Override 3=Vacation Supply-The pharmacist is indicating that the cardholder has requested a vacation supply of the medicine. 4=Lost Prescription-The pharmacist is indicating that the cardholder has requested a replacement of medication that has been lost. 5=Therapy Change-The pharmacist is indicating that the physician has determined that a change in therapy was required; either that the medication was used faster than expected, or a different dosage form is needed, etc. 6=Starter Dose-The pharmacist is indicating that the previous medication was a starter dose and now additional medication is needed to continue treatment. 7=Medically Necessary-The pharmacist is indicating that this medication has been determined by the physician to be medically necessary 8=Process Compound For Approved Ingredients 9=Encounters
6	O		Unit Dose Indicator	Ø=Not Specified 1=Not Unit Dose 2=Manufacturer Unit Dose 3=Pharmacy Unit Dose
7 - 8	O		Prior Authorization Type Code	Ø=Not Specified 1=Prior Authorization 2=Medical Certification 3=EPSDT (Early Periodic Screening Diagnosis Treatment) 4=Exemption from Copay 5=Exemption from RX 6=Family Plan. Indic. 7=AFDC (Aid to Families with Dependent Children) 8=Payer Defined Exemption
9 - 16	R		Dispensing Fee Submitted	Format Implied decimals 9(6)v99 NOTE: 00000000 is valid
17 - 24	O		Percentage Sales Tax Amount Submitted NOTE: Required when applicable.	Format Implied decimals 9(6)v99

Position	Caremark R=Required O=Optional	Default Value	NCPDP Field Name	Comment/Values
25 - 31	O		Percentage Sales Tax Rate Submitted NOTE: Required when applicable.	Format Implied decimals 9(3)v4
32 - 33	O		Percentage Sales Tax Basis Submitted NOTE: Required when applicable.	Blank=Not Specified Ø1=Gross Amount Due Ø2=Ingredient Cost Ø3=Ingredient Cost + Dispensing Fee
34 - 41	R		Usual and Customary Charge	Format Implied decimals 9(6)v99
42 - 43	O		Basis of Cost Determination	Leave blank.
44 - 45	O	blanks	Reason for Service Code	This information is only submitted when advised to submit by Caremark.
46 - 47	O	blanks	Professional Service Code	This information is only submitted when advised to submit by Caremark.
48 - 49	O	blanks	Result of Service Code	This information is only submitted when advised to submit by Caremark.
50 - 51	O	blanks	Reason for Service Code	This information is only submitted when advised to submit by Caremark.
52 - 53	O	blanks	Professional Service Code	This information is only submitted when advised to submit by Caremark.
54 55	O	blanks	Result of Service Code	This information is only submitted when advised to submit by Caremark.
56 - 57	O	blanks	Reason for Service Code	This information is only submitted when advised to submit by Caremark.
58 - 59	O	blanks	Professional Service Code	This information is only submitted when advised to submit by Caremark.
60 - 61	O	blanks	Result of Service Code	This information is only submitted when advised to submit by Caremark.
62-29	R		Date Prescription Written	Format Date CCYYMMDD
70	O		Other Coverage Code	Ø=Not Specified 1=No other coverage identified 2=Other coverage exists-payment collected 3=Other coverage exists-this claim not covered 4=Other coverage exists-payment not collected 5=Managed care plan denial 6=Other coverage denied-not a participating provider 7=Other coverage exists-not in effect at time of service 8=Claim is a billing for a copay Use value 2 when the previous payer paid the claim and the other payer paid amount is greater than

Position	Caremark R=Required O=Optional	Default Value	NCPDP Field Name	Comment/Values
				zero, and the non-covered portion was NOT related to a copay. Use value 8 when the previous payer paid the claim and the other payer paid amount is greater than zero, and the non-covered portion was related to a copay. Use values 3 – 7 when the other payer paid amount is zero.
71 - 80			Not used at this time	

2.5 K3 Segment 2400 Loop

Caremark currently does not process multi-line compound drugs. If this segment is sent, it will be ignored by Caremark. See Appendix II regarding billing for compounds.

Position	Caremark R=Required O=Optional	Default Value	NCPDP Field Name	Comment/Values
1 - 2			CMPD Dosage Form Desc Code	
3 - 4			CMPD Route of Administration	
5 - 6			CMPD Ingredient Basis of Cost Determination	
7 - 80			Not used at this time	

Appendices

Appendix I DAW/Product Selection Code

Ø=No Product Selection Indicated-This is the field default value that is appropriately used for prescriptions where product selection is not an issue. Examples include prescriptions written for single source brand products and prescriptions written using the generic name and a generic product is dispensed.

1=Substitution Not Allowed by Prescriber-This value is used when the prescriber indicates, in a manner specified by prevailing law, that the product is to be Dispensed As Written.

2=Substitution Allowed-Patient Requested Product Dispensed-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the patient requests the brand product. This situation can occur when the prescriber writes the prescription using either the brand or generic name and the product is available from multiple sources.

3=Substitution Allowed-Pharmacist Selected Product Dispensed-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the pharmacist determines that the brand product should be dispensed. This can occur when the prescriber writes the prescription using either the brand or generic name and the product is available from multiple sources.

4=Substitution Allowed-Generic Drug Not in Stock-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the brand product is dispensed since a currently marketed generic is not stocked in the pharmacy. This situation exists due to the buying habits of the pharmacist, not because of the unavailability of the generic product in the marketplace.

5=Substitution Allowed-Brand Drug Dispensed as a Generic-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the pharmacist is utilizing the brand product as the generic entity.

6=Override-This value is used by various claims processors in very specific instances as defined by that claims processor and/or its client(s).

7=Substitution Not Allowed-Brand Drug Mandated by Law-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted but prevailing law or regulation prohibits the substitution of a brand product even though generic versions of the product may be available in the marketplace.

8=Substitution Allowed-Generic Drug Not Available in Marketplace-This value is used when the prescriber has indicated, in a manner specified by prevailing law, that generic substitution is permitted and the brand product is dispensed since the generic is not currently manufactured, distributed, or is temporarily unavailable.

9=Other-This value is reserved and currently not in use. NCPDP does not recommend use of this value at the present time. Please contact NCPDP if you intend to use this value and document how it will be utilized by your organization.

Appendix II Compounded Medication Billing

Compounded Medications
Listed below are the requirements for Provider to submit claims for compounded medications.
• Compounds must be submitted on-line
• A Legend drug must be one of the items in the compound
• Enter the **NDC number of the highest priced Legend drug** in the compound per unit
• Do not calculate the ingredient cost by multiplying AWP per unit by final product quantity
• Enter the **total quantity of the final product dispensed**
• Enter the **combined cost of all ingredients**
• Change the compound indicator to show that the prescription is a compound
Additional information concerning compounded medications/coverage to prevent an audit chargeback
• Do not include costs for labor, equipment or professional fees, or flavoring when submitting the ingredient cost
• For compounds that have a bioequivalent commercially available product, enter the cost at no greater than the
cost of the commercially available product
Coverage will not occur for the following:
• Compounds which include ingredients that are not approved for human use
• Sustained release products
• Medications requiring reconstitution prior to dispensing (e.g., powdered oral antibiotics, topical acne preparations, etc.), are not recognized as compounded medications