

EqualityCare Pharmacy News

COMPOUNDS AND COMPOUND BILLING ALERT!

The Department of Health, Office of Pharmacy Services (OPS) has identified several issues with compound claims. In order to ensure the integrity of pharmacy compound claims, the OPS is requesting pharmacies closely review this newsletter and ensure they are submitting compound claims correctly to Wyoming EqualityCare. All pharmacies have until **February 1, 2011** to work with the GHS Helpdesk (877-209-1264) and your Software Vendor to bill compounds correctly. Wyoming EqualityCare will pursue full recovery of claims that are billed incorrectly after **February 1, 2011**. We are providing the following information to assist you in entering and billing compounds correctly.

Page 1: includes important tips on compound entering/billing.

Page 2: includes a chart that explains the values of the NCPDP fields and field numbers when billing compounds along with helpful comments about each field. *The chart reflects the NCPDP fields that relate to compound claims, for additional NCPDP fields please refer to the Wyoming Department of Health PayerSheet available at www.wyequalitycare.org.*

Page 3: includes an example of a correctly calculated compound along with many examples of the incorrect ways compound claims have been calculated/billed. As a reminder, if you believe that your pharmacy is billing compounds like any of the incorrect examples listed, please contact the GHS Helpdesk or your software vendor before **February 1, 2011**, in order to avoid possible recovery.

IMPORTANT TIPS:

- All compound claims for Wyoming EqualityCare clients **MUST** be submitted using the NCPDP version 5.1 standard **MULTI-INGREDIENT COMPOUND** functionality. Therefore, **ALL** ingredients **MUST** be entered with the correct quantity and cost for each ingredient included.
- All prescriptions that are compounded **MUST** be submitted as a **COMPOUND** claim.
- To ensure the accuracy of the EqualityCare client's profile, all prescriptions, including compounds, must be submitted to Wyoming EqualityCare for adjudication. Pharmacy lack of understanding of compound claim billing must not result in client(s) being required to pay for their compounded prescriptions or payment being waived without claim submission. It is important that each pharmacy staff member who bills Wyoming EqualityCare become fully educated on the proper billing of compound claims.
- If you are having difficulty billing a compound and you are receiving reject codes (ie. 20-M/I Compound Segment) that suggest the 11 zero NDC# is not being populated, please contact your software vendor to verify your system is set up to bill **MULTI-INGREDIENT COMPOUNDS**.
- Wyoming EqualityCare has seen many claims submitted where the pharmacy staff selects a recipe that is already entered in the POS system. The ingredients in the *initial recipe* and the prescription being dispensed are the same, but the quantities in the *initial recipe* differ from the compound quantities being dispensed. This may result in claims which convert the individual ingredient quantities into a percentage of the quantity from the *initial recipe*. Thus, the quantities of tablets, etc are being billed, for example, as 10.134 tablets. (See p.3-#3 for another example) Therefore, we recommend that each time a compound is dispensed that a new recipe be entered if the quantities differ at all. This will help ensure that claims are not being billed for quantities different than what is dispensed.
- When calculating the Total Quantity (Field 442-E7) of the entire compound, enter the sum of the individual ingredients that significantly contribute to the end volume or weight of the completed prescription. However, do not include the quantity of tablets, capsules, etc. (ie. 6 capsules of Tamiflu in 30ml of Cherry Syrup would have a total quantity of 30ml not 36ml)

ON THE CLAIM SEGMENT:

FIELD NAME	NCPDP FIELD #	VALUES/COMMENTS
SEGMENT IDENTIFICATION	111-AM	07=CLAIM
COMPOUND CODE	406-D6	MUST BE A 2=COMPOUND when submitting a compound
QUANTITY DISPENSED	442-E7	ENTER QUANTITY (metric decimal quantity) DISPENSED OF THE ENTIRE COMPOUND Do not add the quantity of tablets, capsules, etc dispensed in the total quantity unless it affects the total volume dispensed.
PRODUCT/SERVICE ID	407-D7	DEFAULTS TO ZERO (0000000000)
SUBMISSION CLARIFICATION CODE	420-DK	8=PROCESS COMPOUND FOR APPROVED INGREDIENTS Be advised that this code should only be used if you would like to process the compound for only the approved and covered ingredients. It allows the compound claim to continue processing if at least one ingredient is covered. This is only needed if the compound contains a non-covered ingredient.
PRICING SEGMENT		
INGREDIENT COST SUBMITTED	409-D9	ENTER INGREDIENT DRUG COST OF THE ENTIRE COMPOUND This must equal the sum of the individual ingredient drug costs submitted in the compound segment.
GROSS AMOUNT DUE	430-DU	ENTER GROSS AMOUNT DUE FOR THE ENTIRE COMPOUND
USUAL AND CUSTOMARY (U&C) CHARGE	426-DQ	ENTER U&C CHARGE FOR THE ENTIRE COMPOUND

ON THE COMPOUND SEGMENT:

FIELD NAME	NCPDP FIELD #	VALUES/COMMENTS
SEGMENT IDENTIFICATION	111-AM	10=COMPOUND
COMPOUND DOSAGE FORM DESCRIPTION CODE	450-EF	Examples: 01=CAPSULE 03=CREAM 02=OINTMENT 04=SUPPOSITORY *Not a complete list
COMPOUND DISPENSING UNIT FORM INDICATOR	451-EG	1=EACH 2=GRAMS 3=MILLILITERS
COMPOUND ROUTE OF ADMINISTRATION	452-EH	Examples: 3=INHALATION 13=OTIC 11=ORAL 17=TOPICAL *Not a complete list
COMPOUND INGREDIENT COMPONENT COUNT	447-EC	MUST EQUAL THE NUMBER OF NDCs TRANSMITTED IN THE COMPOUND SEGMENT Count of compound product IDs (both active and inactive) in the compound mixture submitted

FOR EACH LINE ITEM (ie. EACH INDIVIDUAL INGREDIENT BEING DISPENSED IN THE COMPOUND)

COMPOUND PRODUCT ID QUALIFIER	488-RE	01=UPC (Universal Product Code) 02=HRI (Health Related Item) 03=NDC (National Drug Code)
COMPOUND PRODUCT ID	489-TE	Product identification of an ingredient used in a compound (ie. NDC)
COMPOUND INGREDIENT QUANTITY	448-ED	Amount expressed in metric decimal units of the product included in the compound mixture.
COMPOUND INGREDIENT DRUG COST	449-EE	Ingredient cost for the metric decimal quantity of the product included in the compound mixture indicated in 'Compound Ingredient Quantity' (Field 448-ED)

R_x example: #22 Omeprazole 20mg Capsules compounded with 100ml of Sod Bicarb Inj 8.4% and 50ml of Cherry Syrup.

This is the **CORRECT** way to submit the compound R_x above:

CORRECT:

RX#	LINE #	NDC	Product Description	Ingred Qty	Total Qty	Days Supply
234567	0	0000000000	Compound Prescription		150ml	15
	1	60505006501	Omeprazole cap 20mg	22		
	2	00409662502	Sod Bicarb Inj 8.4%	100		
	3	00395266216	Cherry Syrup	50		

Below are examples of **INCORRECT** ways to submit the compound R_x above:

(Claims billed like any of these examples after February 1, 2011 are subject to full recovery.)

- 1). Billing only the most expensive covered ingredient (NOT AS A COMPOUND) with the final quantity of the entire compound.

INCORRECT:

RX#	LINE #	NDC	Product Description	Ingred Qty	Total Qty	Days Supply
345671	1	60505006501	Omeprazole cap 20mg		150ml	15

- 2). Billing each ingredient in the compound as separate prescriptions.

INCORRECT:

RX#	LINE #	NDC	Product Description	Ingred Qty	Total Qty	Days Supply
345671	1	60505006501	Omeprazole cap 20mg	22		15
345672	1	00409662502	Sod Bicarb Inj 8.4%	100		15
345673	1	00395266216	Cherry Syrup	50		15

- 3). Billing the *individual item quantity* as an amount that is different than the quantity dispensed to the client.

INCORRECT:

RX#	LINE #	NDC	Product Description	Ingred Qty	Total Qty	Days Supply
345671	0	0000000000	Compound Prescription		150 ml	15
	1	60505006501	Omeprazole cap 20mg	24.567		
	2	00409662502	Sod Bicarb Inj 8.4%	112.135		
	3	00395266216	Cherry Syrup	13.298		

- 4). Billing the *total quantity of the compound* as an amount that is different than the total sum of the individual ingredients.

INCORRECT:

RX#	LINE #	NDC	Product Description	Ingred Qty	Total Qty	Days Supply
345671	0	0000000000	Compound Prescription		1	1
	1	60505006501	Omeprazole cap 20mg	22		
	2	00409662502	Sod Bicarb Inj 8.4%	100		
	3	00395266216	Cherry Syrup	50		