

**Bulletin:** MSA 10-13

**Distribution:** Pharmacies

**Issued:** May 1, 2010

**Subject:** Implementation of National Council for Prescription Drug Programs (NCPDP) 20.9 for Coordination of Benefits (COB) Claims

**Effective:** October 1, 2010

**Programs Affected:** Medicaid, Maternity Outpatient Medical Services (MOMS), Adult Benefits Waiver, Children's Special Health Care Services (CSHCS), and *Plan First!*

The purpose of this bulletin is to convey new policy that requires a pharmacy provider to submit both the primary insurer payment amount and the beneficiary's liability (co-payment, co-insurance, and or deductible) under the primary insurer's plan to the Michigan Department of Community Health (MDCH). The MDCH Pharmacy Benefits Manager (PBM) will implement the functionality defined in Section 20.9 of the NCPDP *Telecommunication Version 5 Questions, Answers and Editorial Updates* document to improve the adjudication process for COB claims.

This document is available online at [www.ncdp.org](http://www.ncdp.org) >> Resources >> Public Documents >> Version 5 Editorial - February 2010.

This functionality will allow the MDCH to further comply with the federal law pertaining to the Deficit Reduction Act of 2005 (Public Law 109-171), 42 CFR 433.139(b)(1), and 42 CFR 433.139 (b)(3)(A) and Michigan laws (MCL 400.111a and MCL 400.111b).

Effective for dates of service on or after October 1, 2010, a pharmacy provider will be required to submit the COB Segment along with the appropriate Other Coverage Code (OCC) as defined in Section 20.9 of the NCPDP *Telecommunication Version 5 Questions, Answers and Editorial Updates* document.

#### **INSTRUCTIONS FOR ELECTRONIC BILLING OF COB CLAIMS AS DEFINED IN SECTION 20.9 OF NCPDP TELECOMMUNICATION VERSION 5 QUESTIONS, ANSWERS AND EDITORIAL UPDATES DOCUMENT**

When submitting OCC (NCPDP field # 308-C8) with a value equal to "2" in the Claim Segment for a COB claim when the primary insurer made a payment, report the following information:

- Report the amount of any beneficiary liability (co-payment, co-insurance, and or deductible) in the Patient Paid Amount Submitted field (NCPDP field 433-DX) in the Pricing Segment.
- Report a zero dollar (\$0.00) amount if there is no beneficiary liability under the primary insurer in the Patient Paid Amount Submitted field (NCPDP field 433-DX) in the Pricing Segment.

If the Patient Paid Amount Submitted field is not populated, the claim will reject with NCPDP reject code *DX – Missing/Invalid Patient Paid Amount Submitted*. An override will not be granted.

- Report the amount paid by primary insurer in the Other Payer Amount Paid field (NCPDP field 431-DV).

Refer to the *Pharmacy Claims Processing Manual for Michigan Department of Community Health* for additional information on reporting COB claims. The Manual is available online at <http://michigan.fhsc.com>.

## Manual Maintenance

Retain this bulletin until the information has been incorporated into the Medicaid Provider Manual and the Pharmacy Claims Processing Manual for MDCH.

## Questions

Any questions regarding this bulletin should be directed to First Health Services Corporation, 4300 Cox Road, Glen Allen, Virginia 23060. Providers may phone toll-free 1-877-624-5204. For other questions pertaining to pharmacy operations, email MDCH at [MDCHPharmacyServices@michigan.gov](mailto:MDCHPharmacyServices@michigan.gov). When you submit an e-mail, include your name, affiliation, and phone number so you may be contacted if necessary.

## APPROVED

A handwritten signature in black ink that reads "Stephen Fitton". The signature is written in a cursive, flowing style.

Stephen Fitton, Director  
Medical Services Administration