



TO: Pharmacy Providers

RE: Pharmacy Implementation of ACA 1104 Phase III Operating Rules - EFT and ERA Changes

This bulletin serves to inform pharmacies that the Department of Social Services (DSS) and HP will be making updates to pharmacy 835 Electronic Remittance Advice (ERA) as well as pharmacy Point Of Sale (POS) response transactions in order to comply with Phase III - Council of Affordable Quality Healthcare (CAQH) Committee for Operating Rules for Information Exchange (CORE) Electronic Remittance Advice (ERA) Operating Rules.

The CAQH CORE's mission, defined by the Affordable Care Act (ACA), is to use common business rules (operating rules) to promote interaction of healthcare trading partners and the exchange of healthcare-related information in a consistent, clear, and standardized manner, and in compliance with applicable laws and regulations. Providers may visit the CAQH CORE website at www.caqh.org in order to obtain additional information.

CAQH CORE 360: The Uniform Use of Claim Adjustment Reason Codes (CARCs) and Remittance Advice Reason Codes (RARCs) 835 Rule requires uniformed usage of valid CARC/National Council of Prescription Drug Programs (NCPDP) Claim Adjustment Group Code (CAGC) reject code combinations by all payers, based upon four CORE defined Business Scenarios. The codes are used to communicate why claims are not paid at the billed rate, and are currently posted on the pharmacy X12 835 ERA.

Note: The implementation timeline for the changes listed below is tentatively set to August 2014.

Change to the 835 Remittance Advice

In conformance to CAQH CORE Rule 360, HP will return National Council for Prescription Drug Programs (NCPDP) Reject codes on the pharmacy 835 (ERA) in place of the currently used Claim Adjustment Reason Codes (CARC)/ Remittance Advice Remark Codes (RARC) combinations.

The existing Connecticut Medical Assistance Program (CMAP) Pharmacy Reject Code Crosswalk located on the www.ctdssmap.com Web site under *Pharmacy Information > Pharmacy Program Publications > NCPDP 5.1 Reject Codes* will be updated to reflect these upcoming changes. The crosswalk will contain the Explanation of Benefits (EOB), EOB Description, the NCPDP Reject Code, and the NCPDP Reject Code Description.

Changes to Edit Dispositioning

The Error Disposition Information records for all audits and edits that pharmacy and compound claims are subject to will be updated to include an NCPDP reject code. This value will post to the POS response (NCPDP field 511-FB) seen in the pharmacy as well as the pharmacy 835 (ERA) file.

In order to retain the level of specificity currently returned in the pharmacy response, the EOB NCPDP short description text may also be returned to assist pharmacies in resolving claim denials.

It is strongly suggested that pharmacies contact their corporate office or software vendor to ensure they are aware of and prepared for the forthcoming changes.

