PREFERRED CARE SERVICES, Inc.
PHARMACY SOLUTIONS

Medicare Part D Participating Pharmacy Manual

July 2007

Preferred Care Services, Inc., is a subsidiary of Blue Cross and Blue Shield of Alabama, an Independent Licensee of the Blue Cross and Blue Shield Association.

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Explanation of Medicare Part D

Medicare Part D is a federal program created by the Centers for Medicare and Medicaid Services (CMS) to subsidize the costs of prescription drugs for Medicare beneficiaries in the United States. It was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. The benefit started January 1, 2006.

Beneficiaries can obtain the Medicare Drug Plan through a Prescription Drug Plan (PDP) for drug coverage only **or** they can join a private Medicare Advantage (MA) Plan that covers prescription drugs (MA-PD).

Medicare beneficiaries have to affirmatively choose and enroll in a Plan, unless they are dual eligible, having both Medicare and Medicaid. Dual eligible persons are automatically enrolled into a random Prescription Drug Plan (PDP) in their area. If the dual eligible person is already enrolled in an MA-only plan, then they are automatically removed from the MA Plan upon enrollment in the PDP.

Preferred Care Services, Inc. administers managed pharmacy Medicare Part D benefits for both Blue Cross and Blue Shield of Alabama and BlueCross BlueShield of Tennessee. In a joint enterprise, Blue Cross and Blue Shield of Alabama and BlueCross BlueShield of Tennessee independently offer a Regional PDP, BlueRx® and a MA-PD called Blue Advantage®.

Pharmacy Part D Customer Service Telephone Number and Address

Dedicated Pharmacy Part D Representatives are available from 8:00 a.m. to 8:00 p.m. Central Standard Time, seven days a week. A voice response unit is available at all times.

Dedicated Pharmacy Toll-Free Line: 1 888 878-8668

Questions regarding drug classification, pricing, etc. should be sent to the address or fax number below:

Preferred Care Services, Inc.
Pharmacy Benefit Management
450 Riverchase Parkway East
Birmingham, Alabama 35244-2858

Fax: 205 220-2939

Please list nature of fax when sending correspondence.

Identification Cards and Types of Coverage

Medicare Part D Plan identification cards contain information necessary for processing Medicare Part D prescription claims. When filing a claim, list the patient's contract number exactly as it appears on the card, **including alphabetic prefixes**. Following are sample identification cards:

Prepaid Copayment Plan

Following are some of the benefits of a Prepaid Copayment Plan:

- Pharmacy Claims are filed.
- Computer returns copayment to collect from customer.
- Pharmacy is reimbursed weekly.

Contact Pharmacy Part D Customer Service at 1 877 878-8668 for specific group benefits.

Medicare Part D Information Web Site

You may access the informational Part D Plan web site by going to **www.bluerx.com**. Links for the Formulary Drug list are available. The formulary is based on the coverage Plan the member has chosen and where the member resides. **Choose the member's state of residence and correct benefit option to view the correct formulary information.**

Formulary Listings

Preferred Care Services, Inc. utilizes a Pharmacy and Therapeutics Committee that meets to review scheduled specific therapeutic classes to guide the direction of the formulary and to recommend additions and deletions to the formulary.

The formulary listing for the Medicare Advantage Plans may be different than the Regional Part D Plans. The Medicare Advantage Plans formulary information can be located on the following web sites:

Blue Advantage (Alabama): **www.bcbsal.org/webapps/blueadvantagedrugguide**

Blue Advantage (Tennessee): **www.bcbst-medicare.com**

Drug Information

National Drug Code

Always use an 11-digit national drug code (NDC). If you are uncertain what NDC to use, reference the "Red Book."

Compound Drugs

Compound drugs are non-covered in the retail pharmacy setting; however, they may be considered for Home Infusion or Long Term Care services. When dispensing a compound drug, use the NDC for the most abundant legend component in the compound and indicate “compound dispensed” when filing. The compound must not be available as a commercial product. Compound drugs must be medically necessary and are subject to review.

Transition Information

Transition Policy

Per the Centers for Medicare and Medicaid Services (CMS) guidance, beneficiaries are allowed a supply of drugs when moving from one Plan to another to ensure a smooth transition to drugs on the new formulary. Beneficiaries in both retail and long term care settings will be sent written notice via United States mail within three business days after the temporary fill of a transition supply drug.

Retail Setting

During the first 90 days of enrollment in the Plan, beginning on the effective date of coverage, beneficiaries will receive a one-time, temporary 30-day fill in a retail setting (unless the enrollee presents with a prescription written for less than 30 days).

Long Term Care

During the first 90 days of enrollment in the Plan, beginning on the effective date of coverage, beneficiaries will receive a temporary 31-day fill in a long term care setting (with multiple refills as necessary unless the enrollee presents with a prescription written for less than 30 days). In addition, in the long-term care setting, after the 90-day transition period has expired, the transition policy provides for a 31-day emergency supply of non-formulary Part D drugs (unless the enrollee presents with a prescription written for less than 31 days) while an exception is being processed.

Drug Limitations

Days Supply

Drugs in excess of Federal Drug Administration (FDA) and manufacturer recommended dosage will require published medical literature that supports prescribed dosing. Following are examples:

Adderall XR® limited to two tablets a day
Celebrex® limited to two tablets a day
Prilosec® 10mg limited to one tablet a day

Drug Authorizations

Different Plans require different drug authorization forms. The drug authorization forms for BlueRx® and Blue Advantage® (Alabama) plans are located at **www.bcbsal.org/providers/forms.cfm**. Requests for an authorization should be mailed to the following address:

Part D Authorization Requests
Attention: Pharmacy Review
Post Office Box 12485
Birmingham, AL 35202-2485

Fax: 205 220-9575

If a rejection stating "Product/Service Not Covered" or "Plan Limitations Exceeded" is received, contact our Pharmacy Part D Customer Service at 1 877 878-8668 because a Drug Authorization form may be required.

Refills

Benefits are provided for refills up to one year from the date of the original prescription. After one year, the prescribing physician must write a new prescription.

Dosage changes should be submitted with a new prescription number.

Refills are allowed after 70 percent of the original prescription day supply has been used.

Exclusions

Following is a list of prescription drug exclusions:

- Charges for administration of prescription legend drugs and injectable insulin
- Services to the extent they are payable under Title XVIII of the Social Security Amendments of 1965 (Public law 89-97, 89th Congress, First Session), as amended
- Charges for any prescription or refill in excess of the number specified by the physician or any refill dispensed after one year from the physician's order
- Replacement of lost, stolen, or damaged drugs

CMS Required Exclusions

- Any drug prescribed and dispensed or administered to an individual that payments would be available under Parts A or B or Medicare for that individual
- Agents used for anorexia or weight gain
- Agents used to promote fertility
- Agents used for cosmetic purposes or hair growth
- Agents used for symptomatic relief of cough and colds
- Prescription vitamins and mineral products, except prenatal and fluoride
- Over the counter medications
- Outpatient drugs that require tests or monitoring services that are purchased exclusively from the manufacturer or its designee
- Barbiturates
- Benzodiazepines
- Blood Clotting Factors
- Heparin Flush
- Antigens
- Drugs with a DESI code

Medicare Part B vs Part D Coverage

Coverage may be dependent on the patient's diagnosis, place of administration, or how the drug is administered. It is strongly recommended that physicians include a **diagnosis, indication,** and **statement** of "Part B" or "Part D" on each prescription order.

"Part B" is defined as medical insurance that helps pay for services rendered by a physician, outpatient care, and other medical services that Part A does not cover. Part B may pay for these covered medical services and items when they are **medically necessary**. Part B also covers some preventive services. Following is a list of drug categories and conditions:

Drug Category	Condition
Immunosuppressant Drugs	Part B if the transplant was covered by Medicare Part A; Part D in all other situations
Oral Anticancer Drugs	Part B if the drug is used to treat cancer; Part D in all other situations (RA, etc.)
Oral Antiemetics	Part B if the drug is being used within 48 hours of chemotherapy treatment; Part D in all other situations
Erythropoietin	Part B for treatment of anemia in beneficiaries undergoing dialysis; Part D in all other situations
Influenza, Pneumococcal and Hepatitis B Vaccines	Part B for all influenza and pneumonia vaccines and for Hepatitis B vaccines given to patients at medium to high risk; Part D for low risk patients
Parenteral Nutrition	Part B if the beneficiary has "permanent" dysfunction of the digestive tract; Part D in all other situations
Injectable and IV Drugs	Part D if injectable and IV drugs are administered incident to a physician's services and considered "not usually self-administered;" Part B in physician offices
Blood Glucose Test Strips and Lancets	Always Part B for these products; Part D for medical supplies associated with the injection of insulin: syringes, needles, alcohol swabs and gauze
Durable Medical Equipment (DME) Drugs	Community Setting: Part B for drugs that require administration using Medicare-covered DME (inhalation drugs taken via a nebulizer, insulin or IV drugs used via pump) Long Term Care Setting: Generally Part D; Part B covers only infusible drugs used in the patient's home

Dispense As Written (DAW) Codes/Product Selection Codes (PSC) and Sanctions

DAW/ PSC Code	Description
0	No product selection indicated or product selection is not an issue. For example, a prescription written for a single source brand name or generic product.
1	Substitution is not allowed by the prescriber.
2	Substitution is allowed, but the patient requested the product dispensed.
3	Substitution is allowed, but the pharmacist selected product dispensed.
4	Substitution is allowed, but a currently marketed generic drug is not in stock.
5	Substitution is allowed, brand drug dispensed as a generic.
6	Override
7	Substitution not allowed. Brand drug mandated by law.
8	Substitution is allowed, but a generic is not currently manufactured or distributed in the market place.
9	Reserved by National Council of Prescription Drug Programs, Inc. (NCPDP) for future use.

Preferred Care Services, Inc. utilizes the National Council of Prescription Drug Program, Inc. (NCPDP)/DAW Codes to audit its Prepaid Prescription Drug Programs. Be sure to use the appropriate codes when filling a prescription. Preferred Care Services, Inc. will verify that the correct Product Selection Codes were used in accordance with the physician's instruction.

UPIN/DEA Numbers

A valid Unique Physician Identification Number (UPIN) or Drug Enforcement Administration (DEA) number is required when submitting prescription claims. If your pharmacy is in need of assistance locating a prescriber's UPIN or DEA number, contact the Pharmacy Part D Customer Service area at 888 878-8668. Also, you may also utilize the following web site, **upin.ecare.com**, for free UPIN information. All Medicare Part D claims **must** have a valid UPIN or DEA number in the prescriber field.

NPI/NCPDP

Preferred Care Services, Inc. currently accepts either National Provider Identifier (NPI) or National Council for Prescription Drug Programs (NCPDP) numbers for pharmacy identification. However, beginning in late 2007, only NPI numbers will be accepted for claims processing.

To apply for a NPI, access the web site, **www.ncpdp.org**, for assistance. Also, you may contact our Pharmacy Part D Customer Service area at 1 877 878-8668 for any assistance.

Metric Quantity Conversions

When reporting metric quantities, providers should interpret metric quantity equivalents as such:

Apothecary Quantities of	Which are Equivalent to Labeled Metric Quantities of	Should be Reported as Metric Quantities of
1/2 oz.	14.2 gm. or cc	15
1 oz.	28.4 gm. or cc	30
2 x 1/2 oz.	2 tubes, 15 gm. Each	30
1 1/2 oz.	46.6 gm. or cc	45
2 x 1 oz.	2 tubes, 28.4 gm. Each	60
2 oz.	56.8 gm. or cc	60
4 oz.	II 8.5 gm. or cc	120
8 oz.	237 gm. or cc	240
16 oz.	473 gm. or cc	480

Use of this reporting procedure will afford proper cost payment for all quantities dispensed, as reimbursement rates have been predicted using this procedure.

Several hypothetical examples with instructions are listed below:

- Polymyxin B Ophthalmic Drops 500,000u (Reconstituted with 20 ml. to 50 ml. diluent) Reported as 1.
- Zantac Injection - 25 mg./2cc vial - Report as 2. (Report 4 x 2 cc as 8).
- Monistat #3 - Report as 3.
- Ampicillin Injection 500 mg., 5 vials - Report as 5.
- Sterile Water Irrigant, 500cc, 8 bottles - Report as 8 and use NDC on 500cc bottle.
- Vanceril Inhaler 16.8 gm. - Report as 17.
- Inderal Tablet 10 mg., #20 - Report as 20.
- Lanacort 5 0.05 percent, 22.5 gm. - Report as 23.
- Microgestin 21-Day (and other dialpaks or packets) - Report as actual number of tablets dispensed.
- Klorvess Effervescent Granules Packets, 5 gm., #30 - Report as 30.
- Three vials of Humulin R U-100 Insulin, 10 cc each - Report as 30.
- Penicillin V K for Suspension, 125 mg./5cc, 100 cc - Report as 100.
- Ru-Tuss Liquid 473cc - Report as 480.
- Constilac Syrup, 1 gallon (3840cc) - Report as 3840.
- Lovenox each strength of 100 MG/0.1ML
- Nystatin ointment 15 gm - Report as 15.
- Estraderm patches - 8 patches report as 8.

Note: These reporting procedures are applicable to legend drugs only.

- The Metric quantity field will not accommodate more than four numeric characters.

Advertising

No unauthorized use of the Blue Cross and Blue Shield of Alabama, BlueCross BlueShield of Tennessee, or Preferred Care Services, Inc. logo is permitted. If you have questions about the use of these logos in advertising, contact the Pharmacy Part D Customer Service area at 877 878-8668.

Rejection Codes

The pharmacy online system should make it unnecessary for a pharmacist to file paper claims. For extenuating circumstances, a paper claim may be filed to the address or fax number below:

Medicare Part D Drug Claims
Post Office Box 12046
Birmingham, AL 35202-2046

Fax: 1 866 432-9591

Paper claims will only be allowed due to extenuating circumstances. All other claims may be denied if not filed online and are subject to the following rejection code that will appear on your pharmacy remittance:

9DR Prescription drugs must be filed online.

Online rejection codes include the following most common rejections:

EZ M/I Prescriber ID Qualifier. This would occur when the qualifier for the doctors UPIN or DEA did not match. Verify qualifier of 06 for UPIN and 12 for DEA is used.

07 Missing/Invalid Cardholder Identification - The contract number is incorrect.

09 Missing/Invalid Date of Birth - The birthdate entered must agree with information on file at Blue Cross and Blue Shield of Alabama.

10 Missing/Invalid Sex Code - Verify male or female.

25 M/I Prescriber ID - Verify valid UPIN or DEA is used.

67 Filled before coverage effective.

69 Filled after coverage terminated.

70 NDC Not Covered - Some drugs may need authorization when medically necessary.

75 Prior authorization required.

76 Plan Limits Exceeded - The day's supply is greater than allowed.

79 Refill Too Soon - The customer must use 70 percent of the original prescription. Contact the Pharmacy Part D Customer Service at 1 877 878-8668 if an authorization is needed.

81 Claim Too Old - The prescription is over one year old.

88 DUR Reject Error (drug to drug interactions, high dose alerts, drug duplications)

Part D Appeals and Grievances

In accordance with the Centers for Medicare and Medicaid Services (CMS) Guidance in Chapter 18 of the Prescription Drug Manual, when a pharmacist explains to an enrollee that a drug is not on the Blue Cross and Blue Shield of Alabama formulary or is subject to a prior authorization, step therapy or other limitation, they must provide the enrollee with information regarding their rights under Medicare Drug Coverage. "Medicare Prescription Drug Coverage and Your Rights," information produced by CMS (OMB #0938-0975), should be posted in your pharmacy and provided to Medicare Part D enrollees when a drug is not covered. This notice explains an individual's right to receive, upon request, a detailed written decision regarding his or her Part D prescription drug benefits, including information about the appeals process.

Additional copies of the form and instructions can be found online on the Part D Enrollment and Appeals Guidance page at the following web site:

http://www.cms.hhs.gov/PrescriptionDrugCovContra/06_RxContracting_EnrollmentAppeals.asp

Types of Appeals

Expedited (72 hours) – An expedited appeal may be requested if the prescribing physician believes that the member's health could be seriously harmed by waiting up to seven days for a decision.

- If the doctor, who prescribed the drug(s), asks for an expedited appeal and the doctor indicates that waiting for seven days could seriously harm the member's health, we will automatically expedite the appeal.
- If the member asks for an expedited appeal without support from a doctor, we will decide if the request requires an expedited appeal. If we do not grant an expedited appeal, we will make a decision within seven days.
- The appeal will not be expedited if the drug has already been received and it is a retrospective review.

Standard (seven days) – A member may request a standard appeal. A decision will be made no later than seven days after receipt of the appeal.

What Should Be Included with the Appeal Request?

Requests should include the member's name, address, and identification number; the reasons for appealing; and any other supporting evidence. If the appeal relates to a decision by us to deny a drug that is not on our formulary, the prescribing physician must indicate that all the drugs on any tier of our formulary would not be as effective to treat the condition as the requested off-formulary drug or would harm the member's health.

Requesting an Appeal

The member or appointed representative should contact us by one of the telephone numbers or fax number below:

Blue Advantage® - Alabama: 888 234-8266
BlueRX℠ - Alabama and Tennessee: 800 327-3998
Blue Advantage® - Tennessee: 800 841-7434

Fax: 205 220-9575

For an expedited appeal request, the member or appointed representative should mail or fax the written appeal request to the address or fax number below:

Pharmacy Review
Part D Appeals
Post Office Box 12485
Birmingham, AL. 35202-2485

Fax: 205 220-9575

The case will be reviewed and a decision will be made. If any of the requested prescription drugs are still denied, the member may request an independent review of the case by a reviewer outside of the Medicare Drug Plan. Instructions on how to send an appeal to the independent reviewer (Maximus) will be included in the denial notice. If the independent review is unfavorable, the member has the right to further appeal.

Pharmacy Part D Customer Service

Toll Free: 1 877 878-8668

Other Resources To Help You
Medicare Rights Center
Toll Free: 1 888 HMO-9050
TTY: 1 800 855-2880 7:00 a.m. – 7:00 p.m. - Monday through Friday, Central Standard Time (CST)
7:30 a.m. – 6:00 p.m. - Saturday CST
9:00 a.m. – 4:00 p.m. - Sunday CST

Elder Care Locator
Toll Free: 1 800 677-1116

800 MEDICARE (1 800 633-4227)
TTY: 1 877 486-2048

If a denial is received, the pharmacy is **required** to supply the member with the "Medicare Prescription Drug Coverage and Your Rights" informational sheet. See the following page for this sheet. Pharmacies should make copies of this notice and be prepared to supply it to members as necessary.

APPROVED OMB #0938-0975

Medicare Prescription Drug Coverage and Your Rights

You **have the right to get a written explanation** from your Medicare drug plan if:

- Your doctor or pharmacist tells you that your Medicare drug plan will not cover a prescription drug in the amount or form prescribed by your doctor.
- You are asked to pay a different cost-sharing amount than you think you are required to pay for a prescription drug.

The Medicare drug plan's written explanation will give you the specific reasons why the prescription drug is not covered and will explain how to request an appeal if you disagree with the drug plan's decision.

You **also have the right to ask** your Medicare drug plan **for an exception** if:

- You believe you need a drug that is not on your drug plan's list of covered drugs. The list of covered drugs is called a "formulary," or
- You believe you should get a drug you need at a lower cost-sharing amount.

What you need to do:

- Contact your Medicare drug plan to ask for a written explanation of why a prescription is not covered, to ask for an exception if you believe you need a drug that is not on your drug plan's formulary or if you believe you should get a drug you need at a lower cost-sharing amount.
- Refer to the benefits booklet you received from your Medicare drug plan or call 1 800 MEDICARE to find out how to contact your drug plan.
- When you contact your Medicare drug plan, be ready to tell them:

    1. The prescription drug(s) that you believe you need.
    2. The name of the pharmacy or physician who told you that the prescription drug(s) is not covered.
    3. The date you were told that the prescription drug(s) is not covered.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0975. The time required to distribute this information collection once it has been completed is one minute per response, including the time to select the preprinted form, and hand it to the enrollee. If you have any comments concerning the accuracy of the time estimates or suggestions for improving this form, please write to CMS, 7500 Security Boulevard, Attention: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

No. CMS-10147

COUNCIL FOR PRESCRIPTION DRUG PROGRAMS
DATA ELEMENT DICTIONARY - REJECT CODES
VERSION 3.2

REJECTION CODE	EXPLANATION
00	("M/I" MEANS MISSING/INVALID)
01	M/I BIN
02	M/I VERSION NUMBER
03	M/I TRANSACTION CODE
04	M/I PROCESSOR CONTROL NUMBER
05	M/I PHARMACY NUMBER
06	M/I GROUP NUMBER
07	M/I CARDHOLDER IDENTIFICATION NUMBER
08	M/I PERSON CODE
09	M/I BIRTHDATE
10	M/I SEX CODE
11	M/I RELATIONSHIP CODE
12	M/I CUSTOMER LOCATION CODE
13	M/I OTHER COVERAGE CODE
14	M/I ELIGIBILITY OVERRIDE CODE
15	M/I DATE FILLED
16	M/I PRESCRIPTION NUMBER
17	M/I NEW-REFILL CODE
18	M/I METRIC QUANTITY
19	M/I DAYS SUPPLY
20	M/I COMPOUND CODE
21	M/I NDC NUMBER
22	M/I DISPENSE AS WRITTEN CODE
23	M/I INGREDIENT COST
24	M/I SALES TAX
25	M/I PRESCRIBER IDENTIFICATION
26	M/I UNIT OF MEASURE
27	**(FUTURE USE)**
28	M/I DATE PRESCRIPTION WRITTEN
29	M/I NUMBER REFILLS AUTHORIZED
30	M/I P.A./M.C. CODE AND NUMBER
31	**(FUTURE USE)**
32	M/I LEVEL OF SERVICE
33	M/I PRESCRIPTION ORIGIN CODE
34	M/I PRESCRIPTION DENTAL OVERRIDE
35	M/I PRIMARY PRESCRIBER
36	M/I CLINICAL IDENTIFICATION
37	**(FUTURE USE)**
38	M/I BASIS OF COST

REJECTION CODE	EXPLANATION
38	M/I DIAGNOSIS CODE
40	PHARMACY NOT CONTRACTED WITH PLAN ON DATE OF SERVICE
41	SUBMIT BILL TO OTHER PROCESSOR OR PRIMARY PAYOR
42-49	**(FUTURE USE)**
50	NON-MATCHED PHARMACY NUMBER
51	NON-MATCHED GROUP NUMBER
52	NON-MATCHED CARDHOLDER IDENTIFICATION
53	NON-MATCHED PERSON CODE
54	NON-MATCHED NDC NUMBER
55	NON-MATCHED NDC PACKAGE SIZE
56	NON-MATCHED PRESCRIBER IDENTIFICATION
57	NON-MATCHED P.A./M.C. NUMBER
58	NON-MATCHED PRIMARY PRESCRIBER
59	NON-MATCHED CLINIC IDENTIFICATION
60	PRODUCT/SERVICE NOT COVERED FOR PATIENT AGE
61	PRODUCT/SERVICE NOT COVERED FOR PATIENT GENDER
62	PATIENT/CARE HOLDER ID NAME MISMATCH
63	INSTITUTIONALIZED PATIENT PRODUCT/SERVICE ID NOT COVERED
64	CLAIM SUBMITTED DOES NOT MATCH DRUG AUTHORIZATION
65	PATIENT IS NOT COVERED
66	PATIENT AGE EXCEEDS MAXIMUM AGE
67	FILLED BEFORE COVERAGE EFFECTIVE
68	FILLED AFTER COVERAGE EXPIRED
69	FILLED AFTER COVERAGE TERMINATED
70	NDC NOT COVERED
71	PRESCRIBER IS NOT COVERED
72	PRIMARY PRESCRIBER IS NOT COVERED
73	REFILLS ARE NOT COVERED
74	OTHER CARRIER PAYMENT MEETS OR EXCEEDS PAYABLE
75	DRUG AUTHORIZATION REQUIRED
76	PLAN LIMITATIONS EXCEEDED
77	DISCONTINUED NDC NUMBER
78	COST EXCEEDS MAXIMUM
79	REFILL TOO SOON
80	DRUG-DIAGNOSIS MISMATCH
81	CLAIM TOO OLD
82	CLAIM IS POST-DATED
83	DUPLICATE PAID/CAPTURED CLAIM
84	CLAIM HAS NOT BEEN PAID/CAPTURED
85	CLAIM NOT PROCESSED
86	SUBMIT MANUAL REVERSAL
87	REVERSAL NOT PROCESSED
88	DRUG UTILIZATION REVIEW (DUR) REJECT ERROR
89	REJECTED CLAIM FEES PAID
90	HOST HUNG UP
91	HOST RESPONSE ERROR

REJECTION CODE	EXPLANATION
92	**SYSTEM UNAVAILABLE/HOST UNAVAILABLE**
93	PLAN UNAVAILABLE
94	**INVALID MESSAGE**
95	TIME OUT
96	SCHEDULED DOWNTIME
97	PAYOR UNAVAILABLE
98	CONNECTION TO PAYOR IS DOWN
99	HOST PROCESSING ERROR
CA	M/I PATIENT FIRST NAME
CB	M/I PATIENT LAST NAME
CC	M/I CARDHOLDER FIRST NAME
CD	M/I CARDHOLDER LAST NAME
CE	HOME PLAN
CF	EMPLOYER NAME
CG	EMPLOYER STREET ADDRESS
CH	EMPLOYER CITY ADDRESS
CI	EMPLOYER STATE ADDRESS
CJ	EMPLOYER ZIP CODE
CK	EMPLOYER PHONE NUMBER
CL	EMPLOYER CONTACT NAME
CM	PATIENT STREET ADDRESS
CN	PATIENT CITY ADDRESS
CO	PATIENT STATE ADDRESS
CP	PATIENT ZIP CODE
CQ	PATIENT PHONE NUMBER
CR	CARRIER IDENTIFICATION NUMBER
CT	PATIENT SOCIAL SECURITY NUMBER
DP	M/I DRUG TYPE OVERRIDE
DQ	M/I USUAL AND CUSTOMARY
DR	M/I DOCTOR'S LAST NAME
DS	M/I POSTAGE AMOUNT CLAIMED
DT	M/I UNIT DOSE INDICATOR
DU	M/I GROSS AMOUNT DUE
DV	M/I OTHER PAYOR AMOUNT
DW	M/I BASIS OF DAYS SUPPLY DETERMINATION
DX	M/I PATIENT PAID AMOUNT
DY	INJURY DATE
DZ	CLAIM REFERENCE ID NUMBER
E1	ALTERNATE PRODUCT TYPE
E2	ALTERNATE PRODUCT CODE
E3	INCENTIVE AMOUNT SUBMITTED
E4	DUR CONFLICT CODE
E5	DUR INTERVENTION CODE
E6	DUR OUTCOME CODE
E7	METRIC DECIMAL QUANTITY
E8	OTHER PAYOR DATE
M1	PATIENT NOT COVERED IN THIS AID CATEGORY
M2	RECIPIENT LOCKED IN
M3	HOST P.A./M.C. ERROR

REJECTION CODE	EXPLANATION
M4	PRESCRIPTION NUMBER TIME LIMIT EXCEEDED
M5	REQUIRES MANUAL CLAIM
M6	HOST ELIGIBILITY ERROR
M7	HOST DRUG FILE ERROR
M8	HOST PROVIDER FILE ERROR
MZ	ERROR OVERFLOW

Commonly Asked Questions

Question
What if the customer does not have his Medicare Advantage/Part D identification card with him at the time of dispensing?

Answer
If you are filling a customer's prescription for the first time and the customer does not have his identification card with him and does not know his contract number, you may call the Dedicated Pharmacy Part D Customer Service Department at 877 878-8668 for assistance.

Question
What if I cannot find an NDC number with 11 digits?

Answer
The 11-digit NDC number is made up of three different classifications. The first five digits are the labeler, the sixth through ninth digits are the product number, and the last two digits are package size.

Labeler	Product	Package size
11111	2222	33

If any of these numbers have less than the required number of digits, you should add zeros to the beginning of that portion to make it the proper length. See the example below:

Labeler: 1111
Product Number: 222
Package Size: 33
Should be written: 01111022233

If these zeros are not added, it is impossible to identify the NDC number and the claim will reject.

Question
What if my acquisition cost of generic medications is greater than the reimbursement?

Answer
Updates are made as often as possible to the national drug file. However, you may submit a written explanation with an invoice attached to the address below:

Preferred Care Services, Inc.
Pharmacy Benefit Management/Pricing Review
450 Riverchase Parkway East
Birmingham, Alabama 35244

This information may also be faxed to 205 220-2939 Attention: Part D/Pricing Review. Include your cost invoice with the review request. Pricing review requests normally takes 10-14 business days for completion.

Question
How do I know the member's copayment?

Answer
The online system will display the proper copayment when the prescription is processed through the system.

Question
May I withdraw from the Participating Pharmacy program?

Answer
Pharmacies may cancel their participating status by providing Preferred Care Services, Inc. with a 30-day written notice. However, once a pharmacy is removed from the Participating Pharmacy Program, it cannot be reinstated.

Question
What is the "low cash price"?

Answer
Your pharmacy's low cash price is the retail price you charge a cash customer, including all discounts offered to senior citizens, frequent shoppers, patients enrolled in special programs, etc. According to your agreement to be a Participating Pharmacy, you agree to transmit your low cash price with each transaction. Without this information, the response from the computer system may be higher than your low cash price. As a result, patients pay more for a drug product "as a member of this program" than they paid as cash customers or members of another program. When that occurs, patients may complain to their group, take their business elsewhere, or otherwise let you know they are dissatisfied with the cost of their medications.

Question
Who do I contact to update my pharmacy information (new address, telephone number, etc.)?

Answer
You may contact our Pharmacy Part D Customer Service area at 1 800 216-9920 or you may e-mail the information to **sandrabrown@bcbsal.org** or **cbuzbee@bcbsal.org**. Additional information may be required depending on what type of information is being changed. **This contact information is only for pharmacy provider numbers (example: 510-Z123) and does not apply to Durable Medical Equipment (DME) or medical provider numbers (example: 510-12345).**

Question
Can I use coupons for a member’s prescription? If so, how do I enter the information on the online system?

Answer
Yes, coupons may be used for a member’s prescription. However, this information cannot be entered into the online system. These coupons should be returned to the manufacturer or third party company for reimbursement.

Preferred Care Services, Inc.

Medicare Part D Payer Specification Sheet for Primary and Secondary Claims

October 1, 2006 - Revised for 2007 Processing Requirements
Bin #: 004915
States: National
Destination: Blue Cross and Blue Shield of Alabama
Accepting: Claim Adjudication, Reversals
Format: NCPDP Version 5.1

1. Segment and Field Requirements By Transaction Type

BILLING (B1), REVERSAL (B2), and REBILLING (B3) TRANSACTION DATA ELEMENTS
(M-Mandatory, S-Situational, ***R-Repeat Field)

Transaction Header Segment - Mandatory			Segment is Required.
NCPDP Field	**Field Name**	**Mandatory or Situational**	**COMMENTS/VALUES**
1Ø1-A1	BIN NUMBER	M	004915
1Ø2-A2	VERSION/RELEASE NUMBER	M	51
1Ø3-A3	TRANSACTION CODE	M	B1, B2 or B3 only
1Ø4-A4	PROCESSOR CONTROL NUMBER	M	**MBG , RPD, ZEG for Part D**
1Ø9-A9	TRANSACTION COUNT	M	**01 - Only one claim per transmission**
2Ø2-B2	SERVICE PROVIDER ID QUALIFIER	M	07 (NCPDP ID) or 01 (NPI)
2Ø1-B1	SERVICE PROVIDER ID	M	Value for the qualifier used in 202-B2 above
4Ø1-D1	DATE OF SERVICE	M	CCYYMMDD
11Ø-AK	SOFTWARE VENDOR/CERTIFICATION ID	M	Use value for Switch's requirements. If submitting claim without a Switch, populate with blanks.

Patient Segment – Situational			Client REQUIRES Segment for B1, B2, and B3 transactions to locate correct member.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	01 Transmit ONLY if the segment is transmitted.
331-CX	PATIENT ID QUALIFIER	S	Not Required
332-CY	PATIENT ID	S	Not Required
3Ø4-C4	DATE OF BIRTH	S	Required
3Ø5-C5	PATIENT GENDER CODE	S	Required
31Ø-CA	PATIENT FIRST NAME	S	Required
311-CB	PATIENT LAST NAME	S	Required
322-CM	PATIENT STREET ADDRESS	S	Not Required
323-CN	PATIENT CITY ADDRESS	S	Not Required
324-CO	PATIENT STATE/PROVINCE ADDRESS	S	Not Required
325-CP	PATIENT ZIP/POSTAL ZONE	S	Not Required
326-CQ	PATIENT PHONE NUMBER	S	Not Required
3Ø7-C7	PATIENT LOCATION	S	For LTC Providers only, submit 4 For Home Infusion only, submit 1
333-CZ	EMPLOYER ID	S	Not Required
334-1C	SMOKER/NON-SMOKER CODE	S	Not Required
335-2C	PREGNANCY INDICATOR	S	Not Required

Insurance Segment – Situational			Segment is Required for B1 and B3 transactions. Not Required for B2 transaction.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	04 Transmit ONLY if the segment is transmitted.
3Ø2-C2	CARDHOLDER ID	M	Required - From ID Card
312-CC	CARDHOLDER FIRST NAME	S	Not Required
313-CD	CARDHOLDER LAST NAME	S	Not Required
314-CE	HOME PLAN	S	Not Required
524-FO	PLAN ID	S	Not Required
3Ø9-C9	ELIGIBILITY CLARIFICATION CODE	S	Not Required
336-8C	FACILITY ID	S	Not Required
3Ø1-C1	GROUP ID	S	Required - From ID Card
3Ø3-C3	PERSON CODE	S	Not Required
3Ø6-C6	PATIENT RELATIONSHIP CODE	S	Not Required

Claim Segment – Mandatory			Segment is Required for B1, B2, B3 transactions.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	07 Transmit ONLY if the segment is transmitted.
455-EM	PRESCRIPTION/SERVICE REFERENCE NUMBER QUALIFIER	M	Required - Only value "1" is accepted
4Ø2-D2	PRESCRIPTION/SERVICE REFERENCE NUMBER	M	Required - Only supports 7 digit Rx #
436-E1	PRODUCT/SERVICE ID QUALIFIER	M	03
4Ø7-D7	PRODUCT/SERVICE ID	M	NDC number
456-EN	ASSOCIATED PRESCRIPTION/SERVICE REFERENCE #	S	Not Required
457-EP	ASSOCIATED PRESCRIPTION/SERVICE DATE	S	Not Required
458-SE	PROCEDURE MODIFIER CODE COUNT	S	Required ONLY if Procedure Modifier Code Submitted
459-ER	PROCEDURE MODIFIER CODE	S	Not Required
442-E7	QUANTITY DISPENSED	S	Required for B1 & B3 claims
4Ø3-D3	FILL NUMBER	S	Required for B1 & B3 claims
4Ø5-D5	DAYS SUPPLY	S	Required for B1 & B3 claims
4Ø6-D6	COMPOUND CODE	S	Required for B1 & B3 claims
4Ø8-D8	DISPENSE AS WRITTEN (DAW)/PRODUCT SELECTION CODE	S	Required for B1 & B3 claims
414-DE	DATE PRESCRIPTION WRITTEN	S	Required for B1 & B3 claims
415-DF	NUMBER OF REFILLS AUTHORIZED	S	Not Required
419-DJ	PRESCRIPTION ORIGIN CODE	S	Not Required
42Ø-DK	SUBMISSION CLARIFICATION CODE	S	Not Required
46Ø-ET	QUANTITY PRESCRIBED	S	Not Required - Partial Fills not supported
3Ø8-C8	OTHER COVERAGE CODE	M	Required
429-DT	UNIT DOSE INDICATOR	S	Not Required
453-EJ	ORIG PRESCRIBED PRODUCT/SERVICE ID QUALIFIER	S	Not Required - Partial Fills not supported.
445-EA	ORIGINALLY PRESCRIBED PRODUCT/SERVICE CODE	S	Not Required - Partial Fills not supported.
446-EB	ORIGINALLY PRESCRIBED QUANTITY	S	Not Required - Partial Fills not supported.
33Ø-CW	ALTERNATE ID	S	Not Required
454-EK	SCHEDULED PRESCRIPTION ID NUMBER	S	Not Required
6ØØ-28	UNIT OF MEASURE	S	Not Required
418-DI	LEVEL OF SERVICE	S	Not Required
461-EU	PRIOR AUTHORIZATION TYPE CODE	S	
462-EV	PRIOR AUTHORIZATION NUMBER SUBMITTED	S	
463-EW	INTERMEDIARY AUTHORIZATION TYPE ID	S	Not Required
464-EX	INTERMEDIARY AUTHORIZATION ID	S	Not Required
343-HD	DISPENSING STATUS	S	Not Required - Partial Fills not supported.
344-HF	QUANTITY INTENDED TO BE DISPENSED	S	Not Required - Partial Fills not supported.
345-HG	DAYS SUPPLY INTENDED TO BE DISPENSED	S	Not Required - Partial Fills not supported.

Pharmacy Provider Segment - Situational			Segment is Not Required.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	02 Transmit ONLY if the segment is transmitted.
465-EY	PROVIDER ID QUALIFIER	S	Not Required
444-E9	PROVIDER ID (NCPDP #)	S	Not Required

Prescriber Segment – Situational			Segment is Required for B1 and B3 transaction.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	03 Transmit ONLY if the segment is transmitted.
466-EZ	PRESCRIBER ID QUALIFIER	S	Required - Use 01, 06 or 12 as appropriate.
411-DB	PRESCRIBER ID	S	Required UPIN, DEA or NPI
467-1E	PRESCRIBER LOCATION CODE	S	Not Required
427-DR	PRESCRIBER LAST NAME	S	Not Required
498-PM	PRESCRIBER PHONE NUMBER	S	Not Required
468-2E	PRIMARY CARE PROVIDER ID QUALIFIER	S	Not Required
421-DL	PRIMARY CARE PROVIDER ID	S	Not Required
469-H5	PRIMARY CARE PROVIDER LOCATION CODE	S	Not Required
47Ø-4E	PRIMARY CARE PROVIDER LAST NAME	S	Not Required

COB/Other Payments Segment - Situational			**Required if Other Coverage Code = 2, 3, 4, 5, or 6**
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	05 Transmit ONLY if the segment is transmitted.
337-4C	COORDINATION OF BENEFITS/OTHER PAYMENTS COUNT	M	
338-5C	OTHER PAYER COVERAGE TYPE	M***R***	
339-6C	OTHER PAYER ID QUALIFIER	S***R***	
34Ø-7C	OTHER PAYER ID	S***R***	
443-E8	OTHER PAYER DATE	S***R***	
341-HB	OTHER PAYER AMOUNT PAID COUNT	S	
342-HC	OTHER PAYER AMOUNT PAID QUALIFIER	S***R***	
431-DV	OTHER PAYER AMOUNT PAID	S***R***	
471-5E	OTHER PAYER REJECT COUNT	S	
472-6E	OTHER PAYER REJECT CODE	S***R***	
Workers' Compensation Segment - Situational			Segment is Not Required. Not Required for B2 transaction.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	06 Transmit ONLY if the segment is transmitted.
434-DY	DATE OF INJURY	M	
315-CF	EMPLOYER NAME	S	
316-CG	EMPLOYER STREET ADDRESS	S	
317-CH	EMPLOYER CITY ADDRESS	S	
318-CI	EMPLOYER STATE/PROVINCE ADDRESS	S	
319-CJ	EMPLOYER ZIP/POSTAL ZONE	S	
32Ø-CK	EMPLOYER PHONE NUMBER	S	
321-CL	EMPLOYER CONTACT NAME	S	
327-CR	CARRIER ID	S	
435-DZ	CLAIM/REFERENCE ID	S	

DUR/PPS Segment - Required - Situational			Segment is Not Required. Use encouraged if applicable. Not required for B2 transaction.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	08 Transmit ONLY if the segment is transmitted.
473-7E	DUR/PPS CODE COUNTER	S***R***	Required if segment used - One to nine occurrences are supported.
439-E4	REASON FOR SERVICE CODE	S***R***	Required if segment used
44Ø-E5	PROFESSIONAL SERVICE CODE	S***R***	Required if segment used
441-E6	RESULT OF SERVICE CODE	S***R***	Required if segment used
474-8E	DUR/PPS LEVEL OF EFFORT	S***R***	Required if segment used
475-J9	DUR CO-AGENT ID QUALIFIER	S***R***	Required if 476-H6 used - Values 01, 02, 03, 20
476-H6	DUR CO-AGENT ID	S***R***	Encouraged if code DC, DD, ID, MC, TD in 439-E4

Pricing Segment – Mandatory			Segment is Required for B1 and B3 transactions. Not Required for B2 transaction.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	11 Transmit ONLY if the segment is transmitted.
4Ø9-D9	INGREDIENT COST SUBMITTED	S	Required
412-DC	DISPENSING FEE SUBMITTED	S	Not Required
477-BE	PROFESSIONAL SERVICE FEE SUBMITTED	S	Not Required
433-DX	PATIENT PAID AMOUNT SUBMITTED	S	Not Required
438-E3	INCENTIVE AMOUNT SUBMITTED	S	Not Required
478-H7	OTHER AMOUNT CLAIMED SUBMITTED COUNT	S	Required if 480-H9 submitted
479-H8	OTHER AMOUNT CLAIMED SUBMITTED QUALIFIER	S***R***	Required if 480-H9 submitted
48Ø-H9	OTHER AMOUNT CLAIMED SUBMITTED	S***R***	Not Required
481-HA	FLAT SALES TAX AMOUNT SUBMITTED	S	Required in applicable locations
482-GE	PERCENTAGE SALES TAX AMOUNT SUBMITTED	S	Required in applicable locations
483-HE	PERCENTAGE SALES TAX RATE SUBMITTED	S	Required if 482-GE submitted
484-JE	PERCENTAGE SALES TAX BASIS SUBMITTED	S	Required if 482-GE submitted
426-DQ	USUAL AND CUSTOMARY CHARGE	S	Required
43Ø-DU	GROSS AMOUNT DUE	S	Required
423-DN	BASIS OF COST DETERMINATION	S	Not Required

Coupon Segment - Situational			Segment is not required.
NCPDP Field	**Field Name**	**Mandatory or Situational l**	
111-AM	SEGMENT IDENTIFICATION	M	09 Transmit ONLY if the segment is transmitted.
485-KE	COUPON TYPE	M	Required if Segment used
486-ME	COUPON NUMBER	M	Required if Segment used
487-NE	COUPON VALUE AMOUNT	S	

Compound Segment - Situational			Not Required - Segment is NOT SUPPORTED.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	10 Transmit ONLY if the segment is transmitted.
45Ø-EF	COMPOUND DOSAGE FORM DESCRIPTION CODE	M	
451-EG	COMPOUND DISPENSING UNIT FORM INDICATOR	M	
452-EH	COMPOUND ROUTE OF ADMINISTRATION	M	
447-EC	COMPOUND INGREDIENT COMPONENT COUNT	M	
488-RE	COMPOUND PRODUCT ID QUALIFIER	M***R***	
489-TE	COMPOUND PRODUCT ID	M***R***	
448-ED	COMPOUND INGREDIENT QUANTITY	M***R***	
449-EE	COMPOUND INGREDIENT DRUG COST	S***R***	
49Ø-UE	COMPOUND INGREDIENT BASIS OF COST DETERMINATION	S***R***	

Compound claims are to be submitted using the Compound Code field (406-D6) populated with a value of 2.

Prior Authorization Segment - Situational			Segment is not required.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	12 Transmit ONLY if the segment is transmitted.
498-PA	REQUEST TYPE	M	Values 1, 2, 3 accepted
498-PB	REQUEST PERIOD DATE-BEGIN	M	Not used - Format must be correct.
498-PC	REQUEST PERIOD DATE-END	M	Not used - Format must be correct.
498-PD	BASIS OF REQUEST	M	Values ME, PR, PL accepted
498-PE	AUTHORIZED REPRESENTATIVE FIRST NAME	S	Not Required
498-PF	AUTHORIZED REPRESENTATIVE LAST NAME	S	Not Required
498-PG	AUTHORIZED REPRESENTATIVE STREET ADDRESS	S	Not Required
498-PH	AUTHORIZED REPRESENTATIVE CITY ADDRESS	S	Not Required
498-PJ	AUTHORIZED REPRESENTATIVE STATE/PROVINCE ADDRESS	S	Not Required
498-PK	AUTHORIZED REPRESENTATIVE ZIP/POSTAL ZONE	S	Not Required
498-PY	PRIOR AUTHORIZATION NUMBER--ASSIGNED	S	Not Required
5Ø3-F3	AUTHORIZATION NUMBER	S	Not Required
498-PP	PRIOR AUTHORIZATION SUPPORTING DOCUMENTATION	S	Not Required

Clinical Segment - Situational			Not Required - Submit segment for B1 or B3 transaction ONLY if one or more specific fields are required for a specific claim.
NCPDP Field	**Field Name**	**Mandatory or Situational**	
111-AM	SEGMENT IDENTIFICATION	M	13 Transmit ONLY if the segment is transmitted.
491-VE	DIAGNOSIS CODE COUNT	S	Required if 424-DO populated
492-WE	DIAGNOSIS CODE QUALIFIER	S***R***	Required if 424-DO populated
424-DO	DIAGNOSIS CODE	S***R***	Required for certain plan limitations
493-XE	CLINICAL INFORMATION COUNTER	S***R***	Not Required - Not Supported
494-ZE	MEASUREMENT DATE	S***R***	Not Required - Not Supported
495-H1	MEASUREMENT TIME	S***R***	Not Required - Not Supported
496-H2	MEASUREMENT DIMENSION	S***R***	Not Required - Not Supported
497-H3	MEASUREMENT UNIT	S***R***	Not Required - Not Supported
499-H4	MEASUREMENT VALUE	S***R***	Not Required - Not Supported

NOTE: A "Situational" data element means the NCPDP Standard does **not** require data on all claims, but the PLAN SPONSOR reserves the possibility of use in specific claim situations. The "Mandatory" and "Required" fields within a "Situational" segment are only mandatory IF the segment is being utilized.

Situational segments can be transmitted; however, not all segments are supported. Please contact the information number for more information regarding the support of claim segments.

Eligibility Verification (E1) Transaction Data Elements
This client does NOT SUPPORT eligibility verification transactions.

Prior Authorization (P1, P2, P3) Transaction Data Elements
This client does NOT SUPPORT prior authorization transactions.

Information (N1, N2, N3) Transaction Data Elements
This client does NOT SUPPORT informational transactions except those exchanged with the TrOOP Facilitator.

Controlled Substance Reporting (C1, C2, C3) Transaction Data Elements
This client does NOT SUPPORT controlled substance reporting transactions.

2. General Information

Live Date: January 1, 2007

Maximum prescriptions per transaction: 1

Plan specific information, customer service, technical assistance, help desk: 888 878-8668

Pharmacy Registration with Payer

Required: Yes

Switch Support: NDC Envoy eRx

3. Other Information

Prescriber ID – UPIN or DEA number acceptable as Prescriber ID.

NOTE: The data elements listed in the SPECIFICATION SHEET are presented so as to encompass all Blue Cross and Blue Shield of Alabama/Preferred Care Services Medicare Part D Plans. However, specific requirements may vary from Plan to Plan. The Technical Help Number can be called for detailed information regarding specific P
lan requirements.

Blue Cross and Blue Shield of Alabama/Preferred Care Service, Inc. provides online prospective DUR edits for all of their Plans. Please contact the Help Desk for further information.