



Bureau of TennCare

IS Policy Manual

Policy No: BTC-Pol-Enc-201208-002		
Subject: Reporting Non-compliant Drug Claims		
Approval: Encounter Data Policy Workgroup		Date: 09/06/2012

PURPOSE OF THE POLICY STATEMENT: To clarify TennCare's position regarding the reporting of non-compliant drug related claims to TennCare.

POLICY: These instructions are limited to usage on claims that have been adjudicated by the MCCs prior to NDC billing instructions from TennCare effective January 1, 2011 and forward that must be reported to TennCare to fulfill MCC contractual requirements. Default values are being provided after each required field where a default can be reasonably used.

Required items for a drug related claim reported by an MCC to TennCare.

1. Valid HCPCS code (J-code and select other codes) in 2400 SV202-2.
2. Provider's charge in 2400 SV203.
3. Associated HCPCS units in 2400 SV205.
4. NDC in 2410 LIN03. Default to "00002010102" if not provided on the claim.*
5. NDC unit price in 2410 CTP03. Default to 2400 SV203 if not provided on the claim.
6. Associated NDC quantity in 2410 CPT04. Default to 2400 SV205 if not provided on the claim.
7. NDC unit of measure in 2410 CTP05-. Default to "F2" if not provided on the claim.

*If present but with only 10-digits instead of 11, please reference the table below containing the conversion procedures from 10-digit to 11-digit NDC codes.

Converting NDCs from 10-digits to 11-digits:

10-digit Format on Package	10-digit Format Example	11-digit Format	11-digit Format Example	Actual 10-digit NDC Example	11-digit Conversion of Example
4-4-2	9999-9999-99	5-4-2	<u>0</u> 9999-9999-99	0002-7597-01 Zyprexa® 10mg vial	<u>0</u> 0002-7597-01
5-3-2	99999-999-99	5-4-2	99999- <u>0</u> 999-99	50242-040-62 Xolair® 150mg vial	50242- <u>0</u> 040-62
5-4-1	99999-9999-9	5-4-2	99999-9999- <u>0</u> 9	60575-4112-1 Synagis® 50mg vial	60575-4112- <u>0</u> 1

Claims that are being manipulated by the MCC to use one of the default values above for reporting to TennCare should be reported in transaction files.

Claims being reprocessed by the MCC prior to receipt date of January 1, 2011 should not result in complete payment recoupment for non-compliant NDC/Jcode reasons. The MCC should apply the defaults provided above to complete any necessary reprocessing related to non-compliant drug information received prior to January 1, 2011.

Exceptions:

None

REFERENCE DOCUMENTS:

1. HIPAA Implementation Guides – 837P, 837I, 837D, NCPDP D.0. The front matter of the 5010 TR3s can be referenced for additional provider information.
2. TennCare HIPAA EDI Companion Guides
3. MCC CRA claim processing requirements.
4. The Deficit Reduction Act (DRA) of 2005
5. TennCare Requirements for Drugs Reported on Institutional and Professional Claims named as NDC Billing Instructions 20101012.doc

OFFICES OF PRIMARY RESPONSIBILITY:

1. TennCare IS Division—to ensure that encounter claims are submitted to TennCare in the approved format.

2. Information Systems Management Contractor – to process encounter claims through the TCMIS system.
3. MCCs - to follow and enforce transaction requirements.