



THIRD PARTY PHARMACY PRESCRIPTION

INTEGRATED BILLING (IB) RELEASE NOTES

IB*2*437

February 2011

Department of Veterans Affairs
VISTA
Product Development

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1. Patch Description Overview

Designation: IB*2*437
Package : INTEGRATED BILLING Version : 2.0
Priority : MANDATORY
Subject: 3rd Party Pharmacy Prescription
Category: OTHER

This patch aids VHA to be compliant with the current structure for charges for third party pharmacy prescription claims under federal regulations 38 CFR 17.101 and 38 CFR 17.102. The software modifications in this patch will align VHA with industry methods of charging, billing and recovery of drug costs. The patch supports the modifications to the federal regulations which change the methodology for these third party pharmacy charges to a methodology that allows VHA to charge a rate based on cost of the drugs.

Federal regulations have been changed to modify the methodology for billing prescription costs to third party payers for outpatient prescriptions. Based on federal regulations VHA will bill third party payers for outpatient prescriptions at VA Prescription Cost and apply an administration fee for each prescription filled. Currently, there is a flat rate of \$51.00 per prescription to third party payers for outpatient prescriptions and no administration fee is applied.

The following Rate Types shall be updated to be billed at VA Prescription Cost plus an Administrative Fee:

1. Reimbursable Insurance
2. No Fault Insurance
3. Tort Feasor
4. Workers Compensation.

2. Documentation and Training

Sites may retrieve documentation in one of the following ways:

1. The preferred method is to FTP the files from download.vista.med.va.gov, which will transmit the files from the first available FTP server.
2. Sites may also elect to retrieve documentation directly from a specific server as follows:

Albany	ftp.fo-albany.med.va.gov
Hines	ftp.fo-hines.med.va.gov

Salt Lake City ftp.fo-slc.med.va.gov

3. Documentation can also be retrieved from the VistA Documentation Library (VDL) on the Internet at the following address, <http://www.va.gov/vdl>.

The documentation distribution includes:

FILE NAME	DESCRIPTION
IB_2_P437_RN.DOC	Patch 437 Release Notes

3. ASSOCIATED NSR(s):

20080212 FY 2009 3rd Party Pharmacy Prescription Project

4. Participating Test Sites:

Louisville
Loma Linda
Tampa
Heartland West

5. Patch Enhancements

5.1. Rate Schedules Updates

Definition: DISPENSING FEE. This is a flat amount or a percentage of the drug cost that is paid to the pharmacist for the labor and administrative effort provided.

This project uses the DISPENSING FEE field (# 1.01) in the Rate Schedules file (#363) to store the administrative fee of \$11.40.

The post-init routine, IB20P437, will inactivate rate schedules that contain TL Fill charge sets for the rate types Reimbursable Insurance, No Fault Insurance, Tort Feasor and Workers Compensation with an inactive date of March 17, 2011. The routine adds new rate schedules for the rate types defined above, setting the activation date to March 18, 2011 and adds a dispense fee of \$11.40 and includes the dispense fee in the adjustment field (#10). When rate schedules inactivated by this procedure also contain additional charge sets other than TL Fill then a separate rate schedule is created with those additional charge sets and the original rate schedule name, fees and adjustments are maintained with an activation date of March 18, 2011.

5.2. Use of EPHARMACY API (# 4299)

Although no change to the parameters for the e-pharmacy API 4299 are being made by this patch, there is an update to the underlying code in order to return VA's cost and the administrative fee for third party prescriptions. The code is modified to use the charge master to look up the basis for the charge, by effective date, which is either VA Cost + admin Fee or \$51 flat rate. Existing parameters in the interface are used to return the correct charge.

5.3. Updates to Manual Billing:

Updates to the rate schedules described above will result in the VA cost plus admin fee being included on the bill total, which appears on the Billing - General Information Screen of the option Enter/Edit Billing Information [IB EDIT BILLING INFO]. This applies to 3rd party pharmacy prescription bills with a prescription fill or refill on or after March 18, 2011.

6. Post Installation Overview

The post-init routine, IB20P437, will inactivate rate schedules that contain TL Fill charge sets for the rate types Reimbursable Insurance, No Fault Insurance, Tort Feasor and Workers Compensation with an inactive date of March 17, 2011. The routine adds new rate schedules for the rate types defined above, setting the activation date to March 18, 2011 and adds a dispense fee of \$11.40 and includes the dispense fee in the adjustment field (#10). When rate schedules inactivated by this procedure also contain additional charge sets other than TL Fill then a separate rate schedule is created with those additional charge sets and the original rate schedule name, fees and adjustments are maintained with an activation date of March 18, 2011.

7. Updates to Reports

The following reports have been updated to correctly use the Charge Master to look up the total charge (cost plus administrative fee) for prescription claims that have a prescription with a fill or refill date on or after March 18, 2011.

1. Re-Generate Unbilled Amounts Report [IBT RE-GEN UNBILLED REPORT]
2. Reasons Not Billable Report [IBJD REASONS NOT BILLABLE]

8. Annual Updates to the Administrative Fee

A new procedure is included with this patch that provides a callable entry point to update rate schedules in subsequent years. It is intended that this procedure will be called by a post-install routine of future patches to update the dispensing fee field (#1.01) for the new administrative fee for third party pharmacy prescriptions. Below is the specification of the procedure.

COMPONENT: ENT^IB3PSOU (IBRATY,IBDFFDT,IBADFE,IBDISP,IBADJUST)

Procedure updates rate schedules for default rate types or types specified in IBRATY by inactivating currently active rate schedules with date (IBDFFDT-1) that contain either RX Cost or TL Fill charge sets. Procedure adds new rate schedules for the rate types defined, setting the activation date to IBDFFDT and updating any defined Fees or adjustment. When rate schedules updated by this procedure also contain additional charge sets other than RX Cost or TL Fill then a separate rate schedule is created with those additional charge sets and the original fees and adjustments are maintained.

Default Rate Types: REIMBURSABLE INS.
NO FAULT INS.
TORT FEASOR
WORKERS' COMP.

Input parameters:

IBRATY: (optional) Rate type names separated by ^. If defined use these rate types instead of default types.
IBDFFDT: (required) Effective date in form mm/dd/yyyy for new rate schedules.
IBADFE: (optional) not currently in use.
IBDISP: (required) Dispense Fee: to contain the new annual administrative fee for rate schedules.
IBADJUST: (optional) If defined must be MUMPS code to define a unique adjustment to the rate schedule. If not defined default is $S X = X + \$G(ABADFE) + \$G(IBDISP)$.

EXAMPLE CALL:

For example, if in 2011 CBO intends to establish a new administrative fee, effective December 01, 2011, at \$14.50 and the fee will be applied to the same rate types as the original patch then all that is required to update the fee is the following call:

```
D ENT^IB3PSOU(,"12/01/2011",0,11.40,)
```

9. Installation Instructions

To avoid disruptions, this patch should be installed when users are

not on the system and during non-peak hours. Of particular concern would be the items below.

1. Do not install the patch when ECME claims are being generated by the BPS Nightly Background Job option [BPS NIGHTLY BACKGROUND JOB]. Wait for this job to finish or complete the installation before this job starts.
2. Do not install the patch when prescriptions are being transmitted to CMOP. Wait for the CMOP transmission to finish or complete the installation before the transmission starts. Check with Pharmacy Service or your pharmacy Automated Data Processing Application Coordinator (ADPAC) to find out when CMOP transmissions occur.
3. If installed during the normal workday, it is recommended that the following selection(s) in the OPTION (#19) file, and all of their descendants be disabled to prevent possible conflicts while running the KIDS Install. Other VISTA users will not be affected.

Patient Prescription Processing [PSO LM BACKDOOR ORDERS]

4. Choose the PackMan message containing this patch and invoke the INSTALL/CHECK MESSAGE PackMan option.
5. From the Kernel Installation & Distribution System menu, select the Installation menu.
6. From this menu, you may select to use the following options:
(when prompted for INSTALL NAME, enter IB*2.0*437)
 - a. Verify Checksums in Transport Global - This option will allow you to ensure the integrity of the routines that are in the transport global.
 - b. Print Transport Global - This option will allow you to view the components of the KIDS build.
 - c. Compare Transport Global to Current System - This option will allow you to view all changes that will be made when this patch is installed. It compares all components of this patch(routines, DD's, templates, etc.).
 - d. Backup a Transport Global - This option will create a backup message of any routines exported with this patch. It will not backup any other changes such as DD's or templates.
7. Use the Install Package(s) option and select the package IB*2.0*437.
8. When Prompted "Want KIDS to INHIBIT LOGONs during the install? NO// " respond NO.
9. When prompted "Want to DISABLE Scheduled Options, Menu Options, and Protocols? NO// " enter YES only if installing this patch during the normal workday.

10. If prompted "Enter options you wish to mark as 'Out of Order':", please enter the following options:
 Patient Prescription Processing [PSO LM BACKDOOR ORDERS]
11. If prompted "Enter protocols you wish to mark as 'Out of Order':", please press <return>.
12. If prompted "Delay Install (Minutes): (0-60): 0//" please enter an appropriate number of minutes to delay the installation in order to give users enough time to exit the disabled options before the installation starts.
13. When prompted "DEVICE: HOME//" respond with the correct device.
14. Optional - Once this patch has been successfully installed you may delete the post-init routine: IB20P437.

10. Routine Information

The second line of each of these routines now looks like:
 ;;2.0;INTEGRATED BILLING;**[Patch List]**;21-MAR-94;Build 11

The checksums below are new checksums, and can be checked with CHECK1^XTSUMBLD.

1. IB20P437

Checksum

Before: n/a After: B1253003

Patch List: **437**

Description of Changes:

Patch post install routine, which calls new procedure in IB3PSOU to update rate schedules.

2. IB3PSOU

Checksum

Before: n/a After: B19316373

Patch List: **437**

Description of Changes:

This new routine contains a procedure which updates rate schedules for default rate types or types specified in IBRATY by inactivating currently active rate schedules with date (IBDFFDT-1) that contain either RX Cost or

TL Fill charge sets. Procedure adds new rate schedules for the rate types defined, setting the activation date to IBDFDT and updating any defined fees or adjustment. When rate schedules updated by this procedure also contain additional charge sets other than RX Cost or TL Fill then a separate rate schedule is created with those additional charge sets and the original fees and adjustments are maintained. It is intended that future updates to Rate schedules for prescription fills should use this procedure by calling it with an effective date and a new fee. See patch description and routine for additional documentation.

3. IBJDB21

Checksum

Before: B54088092 After: B68099575

Patch List: **123,159,185,399,437**

Description of Changes:

Update to correct Re-Generate Unbilled Amounts Report [IBT RE-GEN UNBILLED REPORT]. Added code that looks up charge for prescriptions after effective date of 3/18/2011. Added call to Charge Master to determine billing method in effect for the date of the prescription fill. If Charge Master says use VA Cost + fee then lookup RX info and call charge master again to get the correct cost + fee, otherwise use the existing lookup for charges.

Note: same logic added to IBTUB02 in this patch.

4. IBNCPDP1

Checksum

Before: B104112032 After: B104141348

Patch List: **223,276,339,363,383,405,384,411,434,437**

Description of Changes:

Routine updated to use VA Cost + fees for veterans third party electronic Rx claims. Updated call to \$\$RT^IBNCPDPU to add a date parameter (fill/refill) date. This is needed to determine the correct rate type.

5. IBNCPDPU

Checksum

Before: B71731167 After: B73774762

Patch List: **223,276,347,383,405,384,437**

Description of Changes:

New optional input parameter added (2nd) IBDT. This is the service date of the prescription. Function updated to use service date and call charge master to get the correct cost basis for reimbursable insurance bills.

6. IBTUBO2

Checksum

Before: B26175280 After: B33667876

Patch List: **19,31,32,91,123,159,192,155,309,347,437**

Description of Changes:

Update to correct Reasons Not Billable Report [IBJD REASONS NOT BILLABLE]. Added code that looks up charge for prescriptions after effective date of 3/18/2011. Added call to Charge Master to determine billing method in effect for the date of the prescription fill. If Charge Master says use VA Cost + fee then lookup RX info and call charge master again to get the correct cost + fee, otherwise use the existing lookup for charges.

Note: same logic added to IBJDB21 in this patch.

Routine list of preceding patches: 399, 434

