



Related MLN Matters Article #: MM5092

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Related CR #: 5092

*Chapter 24 Update to the National Council for Prescription Drug Program (NCPDP)
Narrative Portion of Prior Authorization Segment*

Key Words

MM5092, CR5092, R958CP, Update, NCPDP, Chapter, 24, Section, 40.3

Provider Types Affected

Providers and suppliers billing Medicare Durable Medical Equipment Regional Carriers (DMERCs) for locally prepared medication that contains compound ingredients

Key Points

- The effective date of the instruction is August 28, 2006.
- The implementation date is August 28, 2006.
- The Centers for Medicare & Medicaid Services (CMS) requires providers to adhere to electronic data interchange (EDI) requirements for Medicare.
- Certain informational modifiers are required to identify compound ingredients in locally prepared medication.
- The NCPDP format does not currently support reporting modifiers in the compound segment.
- MLN Matters article MM5092 and Change Request (CR) 5092 provide an update to Chapter 24, Section 40.3 (NCPDP Narrative Portion of Prior Authorization Segment).
- MM5092 and CR5092 also identify the additional modifiers needed for coordination of benefits.
- Therefore, the narrative portion in the prior authorization segment is being used to report these modifiers.
- The table starting on page 2 of MM5092 lists the required entries for positions 001-003 of the narrative (Example, MMN or MNF).
- Also, starting at position 355, indicate the two-byte ingredient number followed by the two-position modifier.

Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/mm5092.pdf>

<http://www.cms.hhs.gov/Transmittals/downloads/R958CP.pdf>