

Medicare Advantage and Prescription Drug Plans Enrollment and Payment Conference

TrOOP Facilitation Process and Transaction Flows

Henry Chao
*System Implementation Manager for Medicare
Part C/D, CMS*

Medicare Advantage Prescription Drug Plans
August 30 – September 1, 2005



Scenario Within the TrOOP Facilitation Process

- A Part D beneficiary enters a pharmacy to fill a prescription and presents their Medicare Part D PDP Card;
- The pharmacy submits the claim to the Part D plan via their contracted arrangement for connectivity to the Part D plan, i.e., either through a claims router/switch or a direct connection to the Part D Plan;
- The Part D plan returns a response to the pharmacy with payment information and if known, any supplemental payer information including their claims routing information, i.e., BIN/PCN;

Scenario Within the TrOOP Facilitation Process (continued)

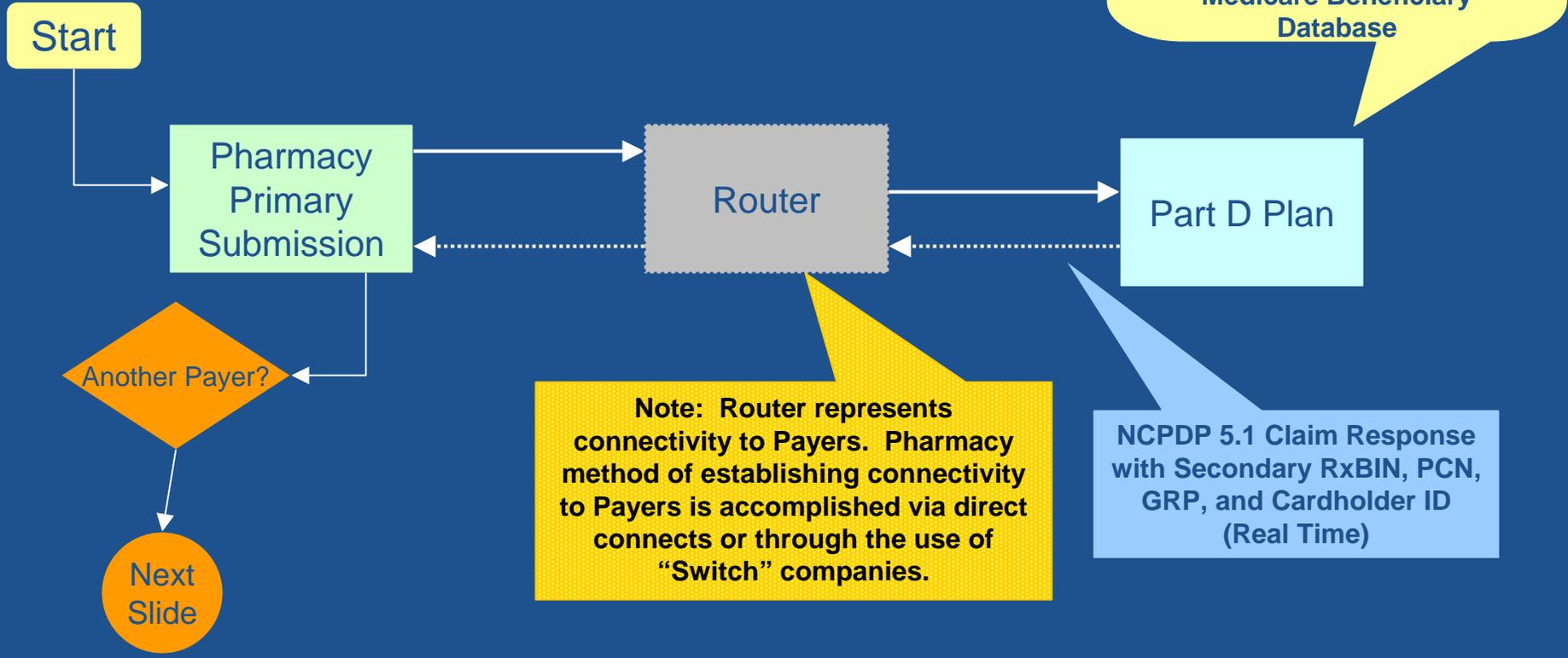
- If supplemental payer information is returned in the Primary Part D Plan response, the pharmacy generates and submits a second claim ONLY through their contracted claims router/switch arrangement to the supplemental plan, i.e., supplemental Medicare Part D claims MUST be transmitted through a claims router/switch;

Scenario Within the TrOOP Facilitation Process (continued)

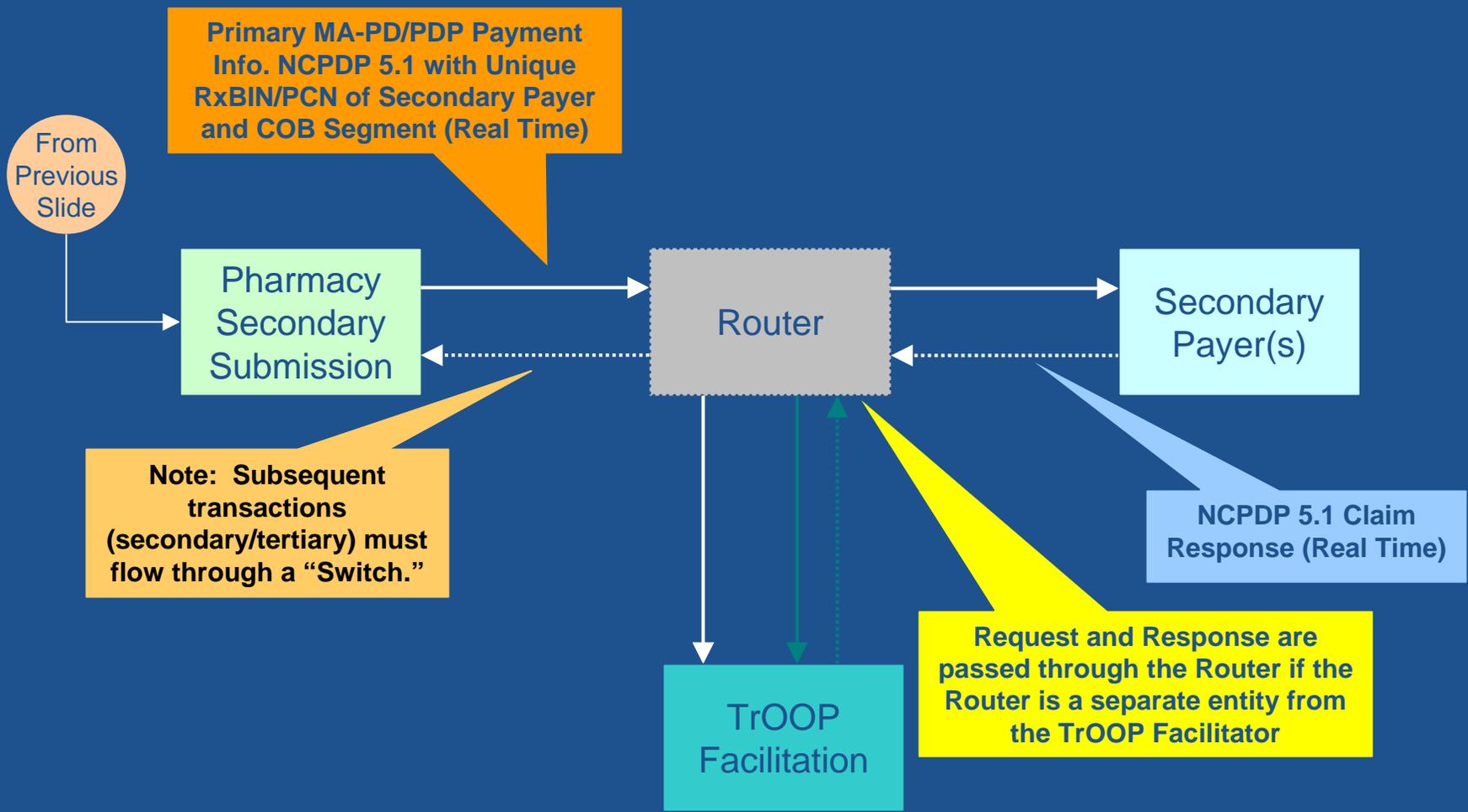
- The supplemental payer returns a response to the pharmacy with payment information;
- The TrOOP facilitator receives from the claims routers/switches the supplemental prescription claim information (submission and response);
- The TrOOP facilitator using the supplemental prescription information builds an NCPDP “N” transaction from the response with the beneficiary paid amount and sends it to the appropriate Part D Plan.

NCPDP v5.1 B1 Transaction Flow

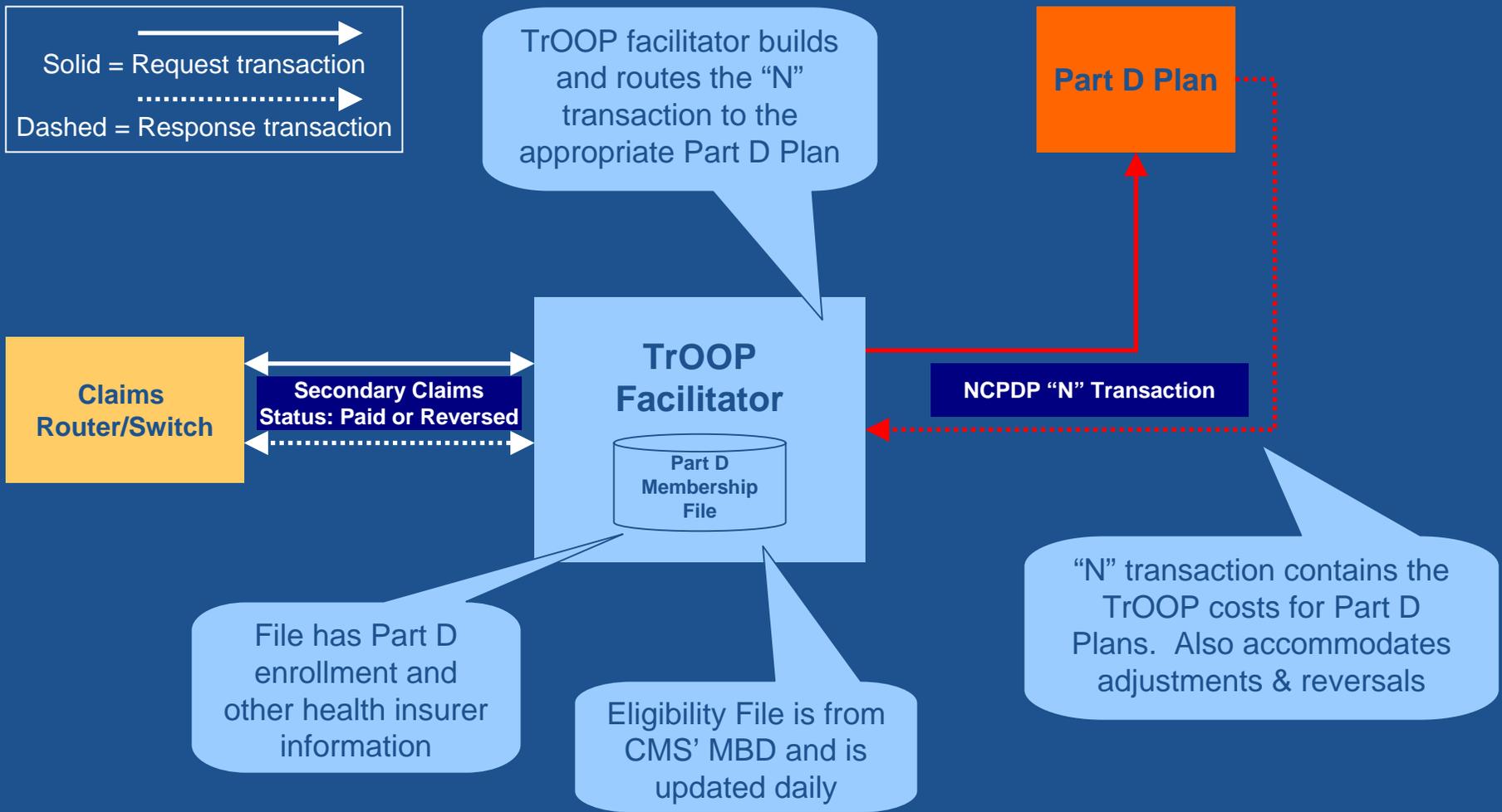
Solid = Request transaction
 Dashed = Response transaction



Subsequent Transaction(s) Flow

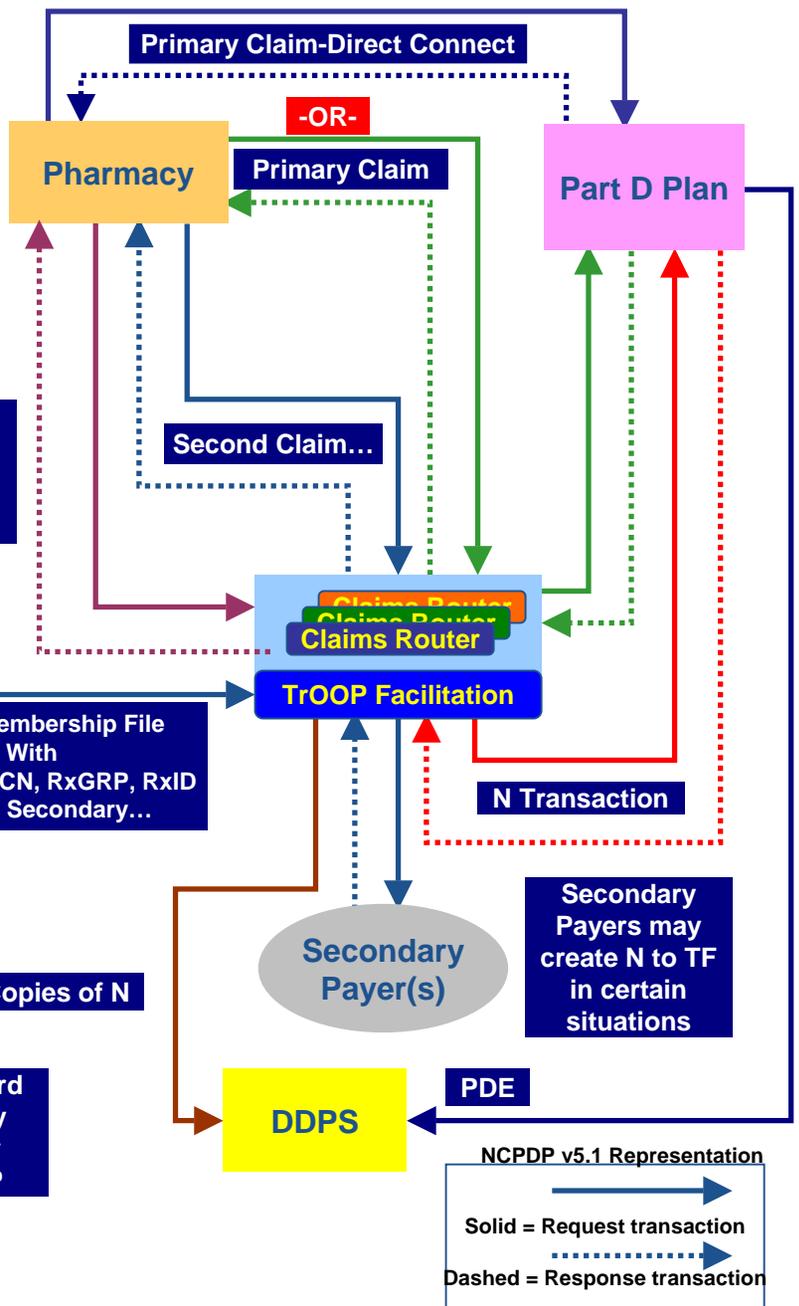
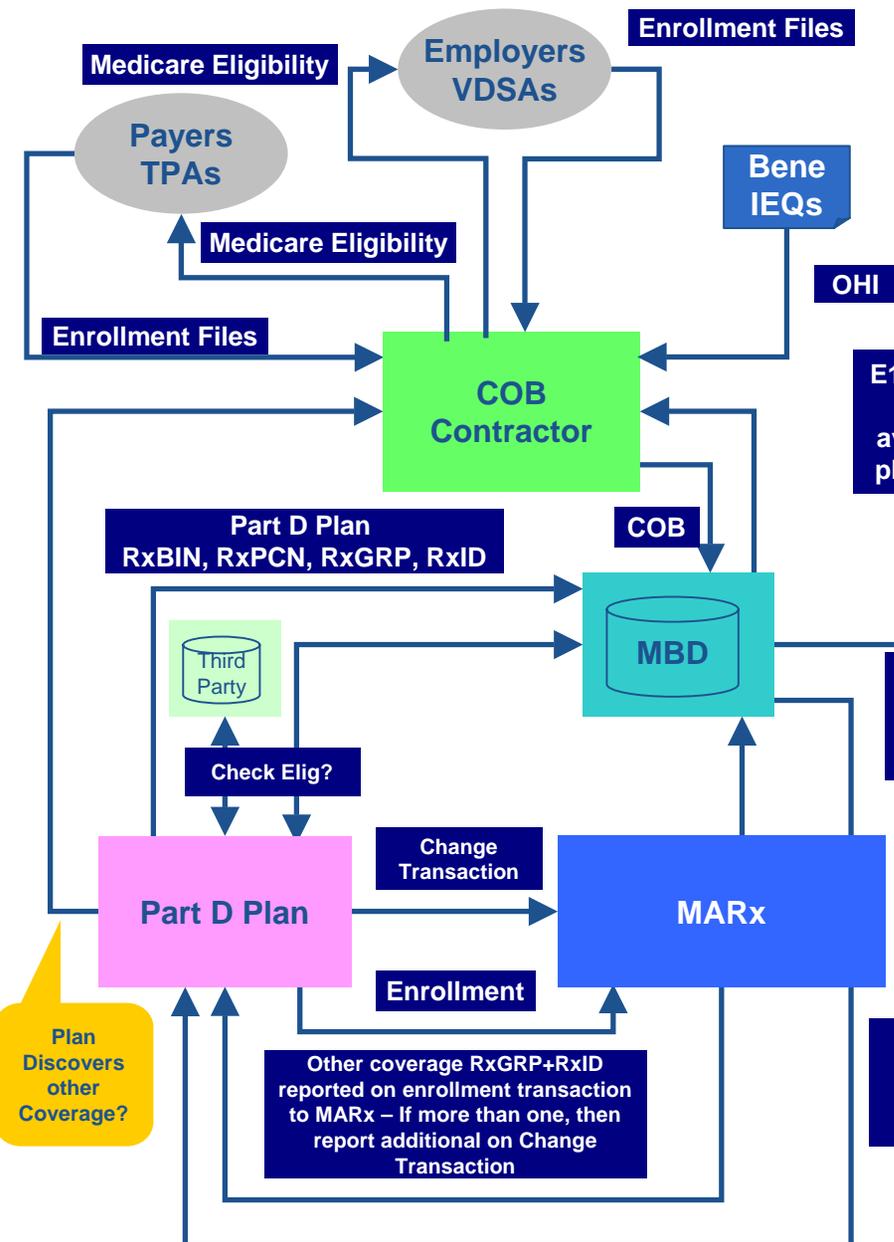


TrOOP Facilitation



Enrollment & COB Transactions

Claim & Eligibility Transactions



In Conclusion...

- TrOOP facilitation leverages the current industry real-time pharmacy transactional network and standards framework.
- The initial implementation of the Part D benefit for Plans/Payers/PBMs, Pharmacies, switching networks, software vendors, and CMS poses a significant challenge to maintaining current real-time processing standards for claims adjudication and back-end financial payment, reconciliation, and audit processing synchronization.

In Conclusion (continued)...

- There will be some initial adjustments to the real-time model as each stakeholder fine tunes its business process and systems.
- CMS and its partners should maintain steady and open dialogue with industry regarding progress, readiness in order to properly set expectations.
- CMS TrOOP Facilitation contractor is currently NDC Health. Questions may be directed to troopquestions@ndchealth.com.

TrOOP Facilitated Process and Transaction Flows

Questions and Answers