

# Medicare Part D Processing Update

## Long Term Care Short Cycle Dispensing Processing Requirements

Effective January 1, 2013

Effective January 1, 2013, in accordance with 42 CFR § 423.154, Participating Pharmacies shall dispense solid oral doses of brand name drugs, as specified by CMS, to Covered Persons residing in Long-Term Care Facilities in no greater than 14-day increments at a time, except to the extent such requirements have been waived as specified by applicable Medicare regulations (including, without limitation, 42 CFR § 423.154).

CMS considers “waste” to occur when a Medicare Part D drug is dispensed to Medicare Part D Covered Persons residing in a Long Term Care (LTC) facility and billed to a Medicare Part D Health Plan Sponsor, but is not consumed by the Medicare Part D enrollee. Unused drugs may occur if the Covered Person is discharged, hospitalized, or died leaving unused dispensed drugs.

### For more information

- If you have questions regarding claims processing, please contact Prime’s Contact Center at 800.821.4795
- For software setup information, please visit Prime’s website at [Primetherapeutics.com](http://Primetherapeutics.com) > Pharmacists > Payer sheets > Medicare Part D D.0 Payer Sheet
- For Prime’s helpful resources for Medicare Part D coverage and issues, please visit: [PrimeTherapeutics.com](http://PrimeTherapeutics.com)>Pharmacists>Medicare PartD>Medicare Resources>Helpful Resources

**To access the terms and conditions for the Prime Standard LTC Network, Pharmacy must submit the following values in order to identify the Prescription Drug Service as a Long Term Care Facility Short Cycle Dispensed drug:**

NCPDP Segment Name	NCPDP Field Number	NCPDP Field Name	Value
Claim Segment	147-U7	Pharmacy Service Type	01-Community/Retail Pharmacy Services 03- Home Infusion Therapy Provider Services 05-Long Term Care Pharmacy Services
Claim Segment	420-DK	Submission Clarification Code	Refer to grid below
Insurance Segment	997-G2	CMS Part D Defined Qualified Facility	Y
Patient Segment	384-4X	Patient Residence	03-Nursing Facility
Patient Segment	307-C7	Place of Service	01-Pharmacy

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Pharmacy must submit one of the following NCPDP Submission Clarification Code values outlined below in NCPDP Field 420-DK:

NCPDP Code/Value	NCPDP Description	NCPDP Explanation
16	Long Term Care Emergency box (kit) or automated dispensing machine	Indicates that the transaction is a replacement supply for doses previously dispensed to the patient after hours.
21	LTC dispensing: 14 days or less not applicable	Fourteen day or less dispensing is not applicable due to CMS exclusion and/or manufacturer packaging may not be broken or special dispensing methodology (i.e vacation supply, leave of absence, ebox, splitter dose). Medication quantities are dispensed as billed
22	LTC dispensing: 7 days	Pharmacy dispenses medication in 7 day supplies
23	LTC dispensing: 4 days	Pharmacy dispenses medication in 4 day supplies
24	LTC dispensing: 3 days	Pharmacy dispenses medication in 3 day supplies
25	LTC dispensing: 2 days	Pharmacy dispenses medication in 2 day supplies
26	LTC dispensing: 1 day	Pharmacy or remote (multiple shifts) dispenses medication in 1 day supplies
27	LTC dispensing: 4-3 days	Pharmacy dispenses medication in 4 day, then 3 day supplies
28	LTC dispensing: 2-2-3 days	Pharmacy dispenses medication in 2 day, then 2 day, then 3 day supplies
29	LTC dispensing: daily and 3-day weekend	Pharmacy or remote dispensed daily during the week and combines multiple days dispensing for weekends
30	LTC dispensing: Per shift dispensing	Remote dispensing per shift (multiple med passes)
31	LTC dispensing: Per med pass dispensing	Remote dispensing per med pass
32	LTC dispensing: PRN on demand	Remote dispensing on demand as needed
33	LTC dispensing: 7 day or less cycle not otherwise represented	
34	LTC dispensing: 14 days dispensing	Pharmacy dispenses medication in 14 day supplies
35	LTC dispensing: 8-14 day dispensing method not listed above	8-14-Day dispensing cycle not otherwise represented
36	LTC dispensing: dispensed outside short cycle	Claim was originally submitted to a payer other than Medicare Part D and was subsequently determined to be Part D.