



December 11, 2017

Mr. David Fish, Executive Director
Legal and Regulatory Services
New Jersey Department of Labor and Workforce Development

Via email: david.fish@dol.nj.gov

RE: Comments on Proposed Rule for Electronic Medical Bills for Workers' Compensation Claims

Dear Mr. Fish:

The National Council for Prescription Drug Programs (NCPDP) is a not-for-profit ANSI-Accredited Standards Development Organization (SDO) consisting of more than 1,600 members who are interested in electronic standardization within the pharmacy services sector of the healthcare industry. NCPDP provides a forum wherein our diverse membership can develop solutions, including ANSI-accredited standards, and guidance for promoting information exchanges related to medications, supplies, and services within the healthcare system.

NCPDP creates the standards that facilitate the interchange of data among pharmacies, physicians, pharmacy benefits managers, payers, processors and manufacturers - including the Telecommunication Standard Version D.0, the Universal Claim Form (UCF) and the Workers' Compensation/Property Casualty Universal Claim Form (WC/PC UCF). NCPDP's Work Group 16 (WG16) Property and Casualty/Workers' Compensation is responsible for maintaining the standards and guidance specific to workers' compensation and other property/casualty lines of insurance.

NCPDP is writing in response to the Department of Labor and Workforce Development's proposed new rule (N.J.A.C. 12:235-1.9) to implement legal provisions for electronic billing for workers' compensation claims pursuant to P.L. 2016, c. 64. While we support the use of electronic billing and related electronic processes, we are concerned with the brevity of the proposed rule and its omission of pharmacy standards.

The proposed rule, as summarized in the Department's notice, mirrors the statutory requirements, adding only the standard to be followed in the submission of electronic medical bills for workers' compensation claims will be the "American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 837 National Standard." In the notice, the Department writes that it "has been assured by industry stakeholders that the ANSI ASC X12 837 National Standard is, in fact, the standard already in use for the electronic exchange of medical bills."

The ASC X12 837 is the national standard used for medical billing. It has multiple formats to support billing by professional, institutional and dental providers and is available in multiple versions of which version 5010 is adopted under HIPAA. It is not, however, the only standard used or needed to properly bill and process bills electronically.

Omitted from the proposed rule is reference to billing standards for pharmacy – which include the NCPDP Telecommunication Standard version D.0 and Batch Standard version 1.2 currently adopted under HIPAA. Pharmacies, as a matter of business practice and federal law, seldom bill using the ASC X12 837 standard, and the ASC X12 837 is not intended for billing of medications in the outpatient pharmacy setting. Also omitted from the proposed rule are other transactions involved in the electronic process such as acknowledgements and remittance advice, both of which are addressed in the enabling statute.

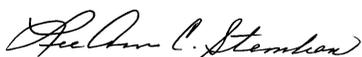
The brevity of the proposed rule does not provide adequate guidance to system participants (providers, insurers, clearinghouses, etc.) and may create compliance gaps. If as stated in the rule, use of the ASC X12 837 is applied to “all workers' compensation healthcare providers,” pharmacies will be faced with an unfeasible billing requirement which would require special programming for both providers and payers, causing delays in the provision of medications and payments instead of their usual real-time processing.

NCPDP recommends the Department consult with the International Association of Industrial Accident Boards and Commissions (IAIABC), specifically the IAIABC Medical Pro-Pay Committee, on how to incorporate the IAIABC model electronic billing rule and companion guide into the New Jersey workers' compensation requirements. The IAIABC has worked with ASC X12 and NCPDP in creating their comprehensive model rule and companion guide specifically for ease-of-use by workers' compensation agencies seeking to adopt an electronic billing and processing framework in their jurisdictions. Modeling the New Jersey rules for workers' compensation billing and processing after the IAIABC models will greatly benefit the Department and those system participants seeking to comply with the enabling statute and Department rules.

Thank you for consideration of our comments and for proposing this rule change. For direct inquiries or questions related to this letter, please contact:

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Sincerely,



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