



January 20, 2021

B. Dale Hamblin, Jr.  
Assistant General Counsel  
Department of Workers' Claims

Via email: [Dale.Hamblin@ky.gov](mailto:Dale.Hamblin@ky.gov)

RE: NCPDP Comments to Kentucky Department of Workers' Claims on Proposed Changes to Workers' Compensation Pharmacy Fee Schedule

Dear Mr. Hamblin:

The National Council for Prescription Drug Programs (NCPDP) is a not-for-profit, American National Standards Institute (ANSI) accredited Standards Developer (ASD) consisting of more than 1,700 members who represent drug manufacturers, chain and independent pharmacies, drug wholesalers, insurers, mail order prescription drug companies, pharmaceutical claims processors, pharmacy benefit managers, physician services organizations, prescription drug providers, software vendors, telecommunication vendors, service organizations, government agencies, professional societies and other parties 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 and Casualty Universal Claim Form (WC/PC UCF). NCPDP's Work Group 1 (WG1) P and C/WC Monitoring, Billing and Education Task Group is responsible for maintaining the standards and guidance specific to workers' compensation and other property/casualty lines of insurance.

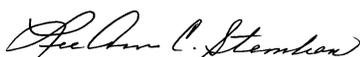
NCPDP WG1 P and C/WC Monitoring, Billing and Education Task Group is writing in response to the proposed changes to 803 KAR 25:092, the workers' compensation pharmacy fee schedule regulation. Specifically, we are writing to recommend the Department of Workers' Claims (DWC) adopt the NCPDP pharmacy billing standards. Despite adopting nationally recognized standard forms for non-pharmaceutical bills, separate regulation 803 KAR 25:096 does not adopt a specific form but only references a small number of minimum data requirements for pharmaceutical bills (the identity of the prescribed medication, the number of units prescribed, the date of the prescription and the name of the prescribing physician). This permits an assortment of non-standard, proprietary forms and invoices to be used with a wide variation in the information included or excluded – which can add to administrative burdens, costs and confusion.

To advance adoption of standards and remove administrative burdens, costs and confusion often seen with the use of an assortment of proprietary form types and invoices, the International Association of Industrial Accident Boards and Commissions (IAIABC) has incorporated the NCPDP Telecommunication Standard Version D.0 for electronic billing and the NCPDP WC/PC UCF for paper billing as part of their latest model rules for use in workers' compensation pharmacy billing transactions across the country. The NCPDP electronic billing format and the paper billing form are aligned to provide standardization for pharmacy providers and payers and similarity whether billing on paper or electronically.

The NCPDP WC/PC UCF was also developed to support special needs for workers' compensation billing. For example, the NCPDP WC/PC UCF specifically supports, as discrete data elements, the following information essential to workers' compensation billing: date of injury, state of jurisdiction and employer information. In addition, it accommodates regulatory variations from state to state through use of assigned jurisdictional fields to accommodate a jurisdiction's unique billing data requirements. For instance, jurisdictional fields are currently designated to accommodate regulations (such as have been adopted in Kentucky) allowing the injured worker's election to receive a brand name medication in lieu of an available generic equivalent and pay the difference in the cost between the two. Other unique data elements accommodated by this form and relevant to the Kentucky workers' compensation regulations include the original manufacturer National Drug Code (NDC) for repackaged drugs and ingredient-level NDCs for compounds.

To effectuate our recommendation, NCPDP recommends the following language be added to the regulation: "Absent an agreement to the contrary, pharmacies shall submit bills using the National Council for Prescription Drug Programs (NCPDP) Workers' Compensation/Property and Casualty Universal Claim Form (WC/PC UCF) or the electronic equivalent NCPDP Telecommunication Standard." The use of the word "pharmacies" rather than a "pharmaceutical" bill is intentional as the separate national standard billing form and the one recognized by the IAIABC for professional practitioners (including physicians when billing for medications they dispense) is the CMS-1500.

Sincerely,



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**For direct inquiries or questions related to this letter, please contact:**

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CC:  
NCPDP Board of Trustees