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**TO:** Pharmacy Providers and Software Vendors

**FROM:** First Health Services Corporation

**DATE:** December 9, 2003

**SUBJECT:** *State of Alaska, Department of Health and Social Services, Division of Health Care Services*  
**Implementation of NCPDP Version 5.1 Compound Segment**

**IMPORTANT NOTE→: Implementation of NCPDP Version 5.1 Compound Segment has been postponed from December 17, 2003 to December 31, 2003.**

This mailing is going to one addressee per mailing address, if additional copies are needed for colleagues, please contact Maria Hogan at 804-965-7451 or [mphogan@fhsc.com](mailto:mphogan@fhsc.com) or refer them to the FHSC web site (<http://alaska.fhsc.com>).

This notice is to advise you of important changes that will impact the Point-of-Sale (POS) system used for processing pharmacy claims for the *Alaska Medical Assistance Programs*. These changes are effective **December 31, 2003**. Some of these changes will require changes to your software. Please **contact your software vendor immediately** in order to ensure that you will be able to submit your claims without interruption.

**First Health Services Corporation** will continue to receive claims electronically in the National Council for Prescription Drug Programs (NCPDP) standardized Version 5.1. On December 31, 2003, **First Health Services Corporation** will begin to accept and process the NCPDP Version 5.1 Compound Segment in order to provide electronic submission of multi-ingredient compounds. To facilitate your effort we are enclosing an updated Payer Specifications Sheet which includes the Compound Segment. Please **contact your software vendor immediately** in order to ensure that you will be able to submit your claims utilizing the Compound Segment without interruption.

Important Notes effective **December 31, 2003**:

- ❖ The Compound Segment (Segment 10) must be submitted effective **December 31, 2003** for Multi-Ingredient Compound claims. The fields that are required for the compound segment are bolded on the attached Payer Specification.
- ❖ The amount requested for the **compounding fee** or **high tech preparation fee** must be submitted using the Other Amount Claimed Submitted (NCPDP field 480-H9), Other Amount Claimed Submitted Count (NCPDP field 478-H7), Other Amount Claimed Submitted Qualifier (NCPDP field 479-H8). The Other Amount Claimed Submitted Qualifier (479-H8) must be submitted as '99 – Other' for reimbursement of the **compounding fee or high tech preparation fee**. (*Note* – Be sure to include this amount in the Gross Amount Due (NCPDP field 430-DU).)

If you have any questions, please contact the Richmond, Virginia **First Health Services Corporation** Provider Relations staff at (804) 965-7729. Your cooperation in transitioning to a HIPAA compliant POS system is appreciated.