DoD Pharmacy Rate Table
Data Requirement / Quality Assurance

Oct 2008 Rx Rate Update

UBO prepares the pharmacy rate data used to support Third Party billing in the Third Party Outpatient Collection System (TPOCS) and Composite Health Care System (CHCS). The requirements and data quality assurance tasks used in the data preparation process are documented below.

Requirements: The following requirements are followed when preparing the GFI for Pharmacy Rate data used for Third Party Collections (TPC):

1.) Rates will use the "Median AWP-Based Generic Price" methodology

- NDCs are grouped by Generic Sequence Number (GSN)
- The median unit measure price for all AWP priced NDCs in each GSN cohort is determined and applied to all NDCs in the cohort; if there are no AWP priced NDCs in the cohort, the median unit measure price for PVP or FSS priced NDCs is determined and applied to all NDCs in the cohort
- Required due to current CHCS system limitations
- No dispensing fee

2.) Rates will be submitted in MS Excel
- Follows past business practices. This is the file format that CHCS and TPOCS can accept

3.) Rates will be formatted into separate tables with approximately 65000 data lines per table
- Suggested to prevent data loss during data processing

4.) Data fields will be labeled as:
- NDC
- Name
- Drug Strength
- Unit Price

5.) Drug Strength field will not be populated when the Managed Care Pricing File (MCPF) is used as the data source
- MCPF includes Drug Strength data within the drug name

6.) Any drugs associated with a package size less than 0.009 will not be included in the DoD Pharmacy Rate Table
- CHCS does not allow for fractional package sizes with more than 2 decimal places when calculating rates

7.) Drugs will be rounded to 2 decimal places prior to submitting the data to CHCS and TPOCS

8.) If zero rate drugs result as a product of rounding to 2 decimal places, UBO will overwrite the zero rates with $0.01 prior to submitting the data to CHCS and TPOCS

Data Quality Assurance: The following data quality assurance tasks will be performed when preparing the GFI for Pharmacy Rate data used for Third Party Collections:

- Data meets the all of the criteria listed under the 'Requirements" section
- Assessment of total # of records: Total # of records in the produced data file = Total # of records in the "MCPF+" file – Number of records with a package size = or >0.009
- No zero rate data exists on the table
- No drugs with a package size less than 0.009 are included in the file
- Use database report queries to compare MCPF to Pharmacy Rate Table to ensure that "Lowest Generic Prices" were applied
- Total # records in Table 1 + Total # of records in Table 2 = Total # of records in the "pre-split" file
- Variance report is run to compare the current loaded Pharmacy Table to the proposed updated Pharmacy Table to determine the following information:
    a. Price increase/decrease $\leq$10%
    b. Drugs that are no longer on the MCPF
    c. New drugs that are on the MCPF
- Data file is submitted to CHCS and TPOCS for initial analysis. Review period of 5 business days
- CHCS and TPOCS respond with analysis/issues. UBO review period 5 days. TMA approves final data for submission to CITPO/CHCS and RITPO/TPOCS for implementation