

MEMORANDUM OF UNDERSTANDING (MOU)
BETWEEN
the Bureau of TennCare (TennCare)
AND
PRIVATE DRUG LABELERS

This Memorandum of Understanding is hereby made and entered into by and between the Bureau of TennCare, hereinafter referred to as "TennCare," and the Private Drug Labeler identified on the signature page of this MOU, hereinafter referred to as "Labeler."

1. Purpose. TennCare is authorized under federal law to enable the designated drug labeler to retrieve, upon request, drug utilization information. This information will enable TennCare to invoice for Drug Rebate per the guidelines and requirements provided by the Centers of Medicare and Medicaid Services (CMS) as they apply to all of the TennCare drug rebate invoices. The information shall be hereinafter referred to as the drug "Data Elements."

The purpose of this agreement is to establish the responsibilities of each party as it pertains to the administrative functions regarding Data Sharing as required by State and federal law. This requirement is designed to promote electronic data sharing, which is easier to secure, reduces printing and mailing costs, and enables the Labeler to access information related to drug rebates and claims details more quickly.

2. Scope. Labeler will provide TennCare with an application and two contacts to certify that the applicant(s) are authorized to access rebate invoices and claim details. TennCare will provide the Labeler with the electronic file format required to view/ retrieve invoices and claim level details.

TennCare will post the drug rebate information on a secure Website no later than 60 days after the end of each quarter unless processing delays occur. The Labeler will be notified via an e-mail that the data is available on the Website, in addition to a notification sent via United States mail. The Labeler has 38 days from the postmark date on the notification to pay the invoices per CMS guidelines.

3. Data Elements. The data elements to be included on the electronic file are found in Appendix A and B of this MOU.

4. Contracting Period. This MOU is effective as of the date it is signed by all parties and shall continue until either party has terminated the agreement and notified the party as such with a 60-day notice. This agreement may be amended at any time upon express mutual consent of both parties, consistent with state and federal law.

5. Data Sharing Privacy and Security. Each party shall have procedures in place to ensure compliance with the requirements of the Health Insurance Portability and

Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), relating to the privacy and security of individually identifiable health information.

If the terms of the MOU are not being fulfilled, one or both parties may terminate the agreement upon notification of such to the other party.

Authorized Signatures:

BUREAU OF TENNCARE

_____ **(LABELER)**

Date: _____

Date: _____

By: _____

Darin J. Gordon, Deputy Commissioner

State of Tennessee

Department of Finance & Administration

310 Great Circle Road

Nashville, Tennessee 37243

Phone: (615) 507-6443

Fax: (615) 741-0882

By: _____

Phone: _____

Fax: _____

Appendix A

Drug Rebate Invoice Record Layout

Field Name	Size	Position	Description
Record ID	4	1-4	Constant of "UTIL"
State Code	2	5-6	TN
Labeler Code	5	7-11	NDC 1
Product Code	4	12-15	NDC 2
Package Size Code	2	16-17	NDC 3
Period Covered	5	18-22	QYYYY
Product FDA Reg. Name	10	23-32	Product name as approved by and / or listed with the FDA (1st 10 characters)
Unit Rebate Amount	12	33-44	9(5).9(6)
Units Reimbursed	15	45-59	9(11).999
Rebate Amount Claimed	12	60-71	9(9).99
Number of Prescriptions	8	72-79	9(8)
M'Caid Amount Reimb.	13	80-92	9(10).99
Non-M'Caid Amount Reimbursed	13	93-105	9(10).99
Total Amt reimbursed	14	106-119	9(11).99
Correction Flag	1	120-120	0 = Original record 1 = Correction record

Appendix B

Claim Level Detail File Format

Field Name	Description	Type	Length	Precision
Billing Provider NPI	The number issued by the National Plan and ProviderEnumeration System	Character	10	
From date	The From Date of Service on the claim	Character	8	
To Date	The To Date of Service on the claim	Character	8	
Prescription Number	Prescription number for pharmacy claims	Character	12	
Date Paid	The date the claim paid. (CCYYMMDD)	Character	8	
MCC ICN	The Internal Control Number assigned by TennCare Managed Care Contractor	Character	30	
Rebate Units	The units dispensed for a specific claim detail used for Drug Rebate calculations (999999999V999)	Character	13	
ICN	The Internal Control Number assigned by TennCare	Character	13	
NDC	The National Drug Code is comprised of a 5 byte numeric labeler code, 4 byte numeric product code and a 2 byte numeric package code. Used to uniquely identify a drug, its labeler & package size of a product for pricing and prior authorization	Character	11	
Detail Line Number	The detail line number on the claim where the NDC is located	Character	4	
Days	The number of days supply of the prescription	Character	9	
Billed Amount	The amount the provider billed the MCC. (99999999V99)	Character	10	
Paid Amount	The amount the MCC reimbursed the provider. (99999999V99)	Character	10	
Rebate Quarter	The quarter and year related to the claim. (QCCYY)	Character	5	
Procedure	The procedure code	Character	5	
Submitter Identification	The submitter of the claims. This will be the MCC number or "COBA" for the crossover claims.	Character	4	
Dispense fee	The dispensing fee. (99999V99)	Character	7	
Co pay	The co pay amount. (99999V99)	Character	7	
TPL	The Third Party Liability (TPL) amount. (99999999V99)	Character	10	
Medicare Paid amount	The amount paid by Medicare for this claim or claim detail. (99999999V99)	Character	10	