



MEDIKREDIT

EXPANSION OF NAPPI CODES TO 7-DIGITS

TECHNICAL GUIDELINES AND IMPLEMENTATION TIMELINES

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1 INTRODUCTION

1.1 NAPPI® as a Standard

MediKredit Integrated Healthcare Solutions (Pty) Limited (“MediKredit”) has over the years undertaken to facilitate the adoption of NAPPI (National Pharmaceutical Product Interface) as a national standard. NAPPI is a trade mark registered in the name of MediKredit.

A NAPPI code is a unique identifier for a given product and does not serve as an endorsement or accreditation of the said product by MediKredit.

MediKredit is responsible for the management and maintenance of the NAPPI file subject to the governing authority of the NAPPI Advisory Board (NAB).

The standard for electronic information exchange in the healthcare industry are tariff codes for procedure and consultation claims and NAPPI codes for surgical products, ethical products and consumables.

MediKredit is responsible for the day to day management of the NAPPI file and to make it available in the public domain. Public domain information on each product includes NAPPI code, product description, strength, pack size and manufacturer.

Policies regarding the allocation of NAPPI codes and standards are established by NAB, e.g. decisions regarding units of measure, parallel imported products, etc.

1.2 More about NAB

NAB was established by industry representatives during February 2002 with its main objectives:

- To govern the allocation of NAPPI codes, and
- To promote the NAPPI code as the preferred code for the electronic exchange of healthcare claims information.

NAB does not enter into any commercial negotiations regarding prices, tariffs, fees, scheme rules, reimbursement and other similar issues.

2 BACKGROUND

MediKredit has over the past few years monitored the rate of allocation of NAPPI codes with a view of determining when unallocated NAPPI codes would run out.

The NAPPI Advisory Board (NAB) and the industry have always supported the view of not reusing a NAPPI code to ensure the historical data integrity of the NAPPI code was not compromised.

In 2015, MediKredit advised the NAB that based on the rate of allocation of NAPPI codes at that time, unallocated NAPPI codes were estimated to run out by 2018 and MediKredit proposed at that time to expand the NAPPI code to a 7-digit code.

Expanding the NAPPI code by a single digit would have far less impact to the industry and furthermore a 7-digit code would provide 10 times the capacity than the current 6-digit code and this would be sufficient for the future.

The NAB at the time supported the proposal but cautioned that this would have a huge impact to all users of NAPPI codes therefore the industry would require at least 12 months' notice to implement this change.

At the NAB meeting held in May 2016, it was noted that the number of NAPPI codes allocated per month had increased significantly over the past few months and that unallocated NAPPI codes were at risk of being depleted earlier than anticipated.

On this basis and on feedback from various stakeholders not to impact the medical scheme year-end, which usually begins during quarter 3 of each year, it was proposed to implement the change to accommodate a 7-digit NAPPI code during mid-2017.

Based on feedback from the industry on the proposed implementation date of May 2017 and to accommodate the industry's concerns over the timelines, the implementation date has been moved to March 2018 which is the latest possible date to implement this change.

Until this change has been implemented, MediKredit will monitor the number of NAPPI codes allocated to ensure the codes are not depleted before this date and will endeavour to manage the number of NAPPI codes allocated in collaboration with the NAB as far as practically possible.

3 TECHNICAL GUIDELINES

3.1. Technical Guidelines for NAPPI Code Expansion

The NAPPI code will be increased from 6 numeric digits to 7 numeric digits. This excludes the NAPPI suffix (indicating pack size) which remains unchanged. The existing 6-digit NAPPI code values are to remain unchanged and new NAPPI codes will utilise 7 digits from a specific date onwards.

Where the NAPPI code is used together with the NAPPI suffix as one value, this will increase from 9 digits to 10 digits.

3.2. Recommendations for all NAPPI Code Users

3.2.1 Data Storage

For data storage purposes, a numeric data type (integer) is recommended. It is possible to store the NAPPI code as an alphanumeric if necessary, however this is not recommended.

3.2.2 Data Exchange

Different formats are used for data exchange, each with its rules for handling numeric and alphanumeric data types. The following table gives recommendations for how NAPPI codes should be populated depending on format and data type:

Layout Type	Data Type	NAPPI without Suffix		NAPPI with Suffix	
		6-digit Code	7-digit Code	9-digit Code	10-digit Code
Fixed Format	Numeric	"0123456"	"1234567"	"0123456001"	"1234567001"
XML & Delimited Formats (csv, pipe delimited, etc.)	Numeric	"123456"	"1234567"	"123456001"	"1234567001"
All Formats	Alphanumeric	"123456 "	"1234567"	"123456001 "	"1234567001"

- Numeric data type is recommended
- If alphanumeric data types are used, it is recommended they have trailing blanks for 6 or 9-digit NAPPI codes – not leading blanks or leading zeroes
- Note that fixed format layouts right justify numeric values and left pad with zeroes

3.2.3 Data Display

For data display on screens and reports, it is recommended that NAPPI codes are displayed as numeric values:

NAPPI without Suffix		NAPPI with Suffix	
6-digit Code	7-digit Code	9-digit Code	10-digit Code
"123456"	"1234567"	"123456001"	"1234567001"

3.2.4 Data Usage for a NAPPI code with Suffix

Where the NAPPI code includes the suffix, the suffix always occupies the last 3 digits of the code.

For alphanumeric data types where the NAPPI code is populated as recommended above, when the NAPPI code is 6 digits, the suffix will start in position 7 and if the NAPPI code is 7 digits, the suffix will start in position 8.

As a result, it will be necessary to start at the right-most digit and work backwards to obtain the suffix (or to strip off the suffix). It will not be possible to start at the left-most digit and work forward to obtain the suffix code.

3.2.5 Other Considerations

- The above recommendations are a guide, and it is understood that exceptions may be found where it is necessary to deviate. The decision lies with the owner of the data exchange layout
- Detailed investigations are required by each organisation currently utilising NAPPI codes in order to determine the impact of the changes
- Data exchanges containing NAPPI codes can take place between two organisations, but may also be within an organisation
- Data exchanges between 2 organisations must be managed by the relevant parties.

3.3. Advantages

The primary advantage of this solution is that it allows for keeping all existing 6-digit NAPPI code values unchanged. Thus no data conversions of NAPPI code values are required, only changes to accommodate the increased length.

If the current codes were changed (by either adopting a totally new coding structure or prefixing a fixed value to all the existing codes), this would require/result in:

- Data conversions of all existing NAPPI codes to use the new value, possibly including historical transactional data
- If historical data was not converted to use the new codes, it would not be possible to associate historical NAPPI code data with NAPPI code data after the implementation date of this change

If the current codes were changed to include a preceding 0, this would:

- Require formatting to add the zero in many cases
- Create problems where leading zeroes are dropped in Excel
- Change the format to alphanumeric which would result in more changes

The NAPPI code has no inherent meaning i.e. none of the digits are utilised to indicate categorisation or groupings of items, it is merely a unique identifier of a given product and/or pack size.

This solution will result in the least impact and changes required for all parties, compared to alternatives.

4 IMPLEMENTATION TIMELINES

The implementation date for this change will be **1 March 2018**, at which point all parties must have catered for the 7-digit NAPPI code as well as the expanded 10-digit NAPPI code, where the current expanded 9-digit NAPPI code is being used.

7-digit NAPPI codes will only start being allocated when all 6-digit NAPPI codes have already been allocated.

The test period prior to the implementation must be negotiated amongst affected parties.

5 ROLES AND RESPONSIBILITIES

It is the responsibility of each organisation affected by the changes to evaluate the impact of this change, then plan and implement their changes by the implementation date confirmed above accordingly.

Since this change will also affect how organisations interface with each other, each organisation will need to co-ordinate with their interfacing parties to ensure changes are tested and implemented by the implementation date.

MediKredit's Role and Responsibility

It is important to note that MediKredit has dual responsibilities in terms of this change. The one is as custodian of the NAPPI coding system and the other is as a Specialist Claims Processor, Managed Care Organisation and Switch.

As the custodian of the NAPPI coding system, MediKredit's role is to communicate the technical guidelines for this change and the implementation date of the change, both of which is contained in this document.

As a Specialist Claims Processor, Managed Care Organisation and Switch, MediKredit will need to evaluate all impact to its business and interfacing parties as would all other impacted organisations, and develop a project plan for development and testing in collaboration with its interfacing parties.

In this regard, once the MediKredit Project Team has completed its analysis, it will engage each of its interfacing parties to agree on a project plan for development and testing requirements. Should you be an interfacing party to MediKredit, you may contact your MediKredit liaison for more information in this regard.