PACE/PAP
PROVIDER BULLETIN
February 3, 2026

CHANGES: Other Coverage Code 2 and Other Coverage Code 4 Claims

Effective March 9, 2026, the following changes will occur for the PACE and PAP program only. These changes will not be applied to SPBP, CRDP, or any ancillary programs at this time.

- For any claim submitted with an Other Coverage Code (**field 308-C8**) of OCC 2 or OCC 4, the pricing formula applied to these claims will be changed.
    - **For OCC 4 = "Other Coverage Exists, Payment Not Collected"** *and* **OCC 2= "Other Coverage Exists, Payment Collected"**
        - Payment will be based on the lower of:
            - NADAC + the contracted dispensing fee **OR** U&C

            OR

            (WAC plus 3.2%) + the contracted dispensing fee if NADAC is not found **OR** U&C
        - Prior to final pricing determination, PACE will consider the amounts submitted in the Other Payer Amount Paid (**field 431-DV**) and in the Other Payer Patient Responsibility Amount (**field 352-NQ**).
        - If the Other Payer-Patient Responsibility Amount (**field 352-NQ**) is used to determine payment, an additional amount ***up to*** the contracted dispensing fee will be calculated separately and ***will be*** added to the payment. This amount will be returned in the Dispense Fee Paid (**field 507-F7**).
- For any claim submitted with an Other Coverage Code (**field 308-C8**) of OCC 2 or OCC 4 to be accepted for payment,
    - The Other Payer-Patient Responsibility Amount (**field 352-NQ**) **must** be populated.

- If the Other Payer-Patient Responsibility Amount (**field 352-NQ**) is not populated, the claim will reject with NCPDP Reject Code **NQ -"M/I Other Payer-Patient Responsibility Amount"**.

The D.0 Specification for PACE, SPBP, CRDP, and all ancillary programs have been updated to reflect this change. The D.0 Specifications are available on the PACE Web Portal at https://papaceportal.lh.primetherapeutics.com/ by clicking on the Pharmacist Tab and selecting Documents from the drop down.

Questions may be directed to Provider Services at 1-800-835-4080.