Welcome to *Medical Insurance for Pharmacy Technicians.* This text provides you with an introduction to medical insurance in the pharmacy environment. The goal of this program is to give you the knowledge you will need to process insurance claims in the pharmacy. Whether you plan to work in a small community pharmacy, a large retail chain pharmacy, a hospital, or any other setting which processes prescriptions and dispenses medication, this book is addressed to you.

Your Career as a Pharmacy Technician

Pharmacy technician is one of the fastest-growing allied health occupations, with employment expected to increase by 32 percent from 2006 to 2016 (Source: *Occupational Outlook Handbook 2008–09 Edition,* Bureau of Labor Statistics.) This employment growth is the result of the increased medical needs of an aging population—who use more prescription drugs than younger people—as well as a steady flow of new medications to treat diseases. When there are more prescriptions to be filled, more pharmacy technicians are needed.

Pharmacy technicians perform a number of important tasks as they assist licensed pharmacists provide medication to patients. While the specific duties may be determined by State rules and regulations, technicians are usually involved in clinical and administrative tasks. Clinical tasks may include retrieving, counting, weighing, measuring, and sometimes mixing the medication, preparing prescription labels, and selecting a container for the medication. Once the prescription is filled, it is reviewed by a pharmacist before it is dispensed to the patient. Technicians also perform important administrative tasks, such as answering phones, entering patient and prescription information in a computer, verifying electronic prescriptions, determining patient eligibility, responding to claim denials, and operating cash registers.

Pharmacy technician is a challenging, interesting position, where you are compensated according to your level of skills and how effectively you put them to use. Those with the right combination of skills and abilities may have the opportunity to advance to supervisory positions. Education, coupled with certification, brings more employment options and advancement opportunities.

Overview of This Textbook

This text provides you with an introduction to medical insurance as it pertains to the job of the pharmacy technician. It gives you a solid understanding of many topics in medical insurance. The program focuses on three key aspects of the position of pharmacy technician:

1. Knowledge of procedures—including and an understanding of the different types of prescription plans and of administrative duties important to the financial well-being of a pharmacy.

2. Health information technology skills—understanding the role of technology in the pharmacy billing cycle, from electronic prescriptions to electronic remittance advice.
3. Communication skills—working with patients, pharmacists, and payers to obtain the information necessary to process prescriptions safely and efficiently.

To the Student

The chapter content in *Medical Insurance for Pharmacy Technicians* is as follows:

Chapter 1 discusses the importance of pharmacy benefits to patients, providers, and the pharmacy practice. The main types of medical insurance plans that provide coverage for patients are described, and the steps in the pharmacy billing cycle are explained.

Chapter 2 focuses on the HIPAA legislation and its impact on the pharmacy practice, including the HIPAA Privacy Rule, HIPAA Security Rule, HIPAA Electronic Health Care Transactions and Code Sets standards and National Identifiers, and the Health Care Fraud and Abuse Control Program and related laws.

Chapter 3 describes the major types of health insurance plans, and the patient's financial responsibilities under each type of plan. Concepts specific to the pharmacy are explained, including formularies and tiers. Students also practice calculating patients' payments.

Chapter 4 introduces students to the four parts of the government-based Medicare program. The concepts of participating and nonparticipating physicians and medically unnecessary services are presented. The chapter describes the differences between the pharmacy benefit provided by the Original Medicare Plan and the Medicare Advantage plan, and provides practice calculating payments due from Medicare patients.

Chapter 5 describes prescription coverage under Medicaid, TRICARE, CHAMPVA, Workers' Compensation, and Discount Card Programs. The chapter focuses on the eligibility, benefits, and payments associated with each type of plan.

Chapter 6 focuses on the types of information that are required to complete a pharmacy claim. The chapter content includes coordination of benefits, dispense as written (DAW) codes, prescription pricing, electronic claims, and the methods used to bill for medication therapy management (MTM). This chapter also includes hands-on computer exercises with a pharmacy management system.

Chapter 7 explains the process of payer adjudication of claims, including the criteria for reimbursement. Topics include common administrative and safety edits and the electronic remittance advice used for pharmacy claims. Point-of-sale payment collections, resubmitting and appealing claims, and the need for account reconciliation are also discussed. This chapter also includes hands-on computer exercises with a pharmacy management system.

What Every Instructor Needs to Know

Welcome to Medical Insurance for Pharmacy Technicians!

The pharmacy field that you are training students to enter is changing, as technology changes the way in which prescriptions are received and processed. As you know, the field of health care is in the midst of an enormous transition from paper-based systems to computer-based systems. Your students are entering the field at an exciting time, and you are teaching at an exciting time. While the demand for graduates of pharmacy technician programs exceeds the supply, students entering the field today also need a basic understanding of medical insurance and the technology used to process and receive payment for prescriptions. That is the purpose of this text, which was developed specifically for students in pharmacy technician programs.

Teaching Supplements

For the Instructor
Instructor's Manual, posted to the Online Learning Center, www.mhhe.com/LilesMedInsPharmTech includes:

- Course overview
- Chapter-by-chapter lesson plans
- Tech Check, Your Turn, and end-of-chapter solutions

Instructor Productivity Center assets posted to the Online Learning Center, www.mhhe.com/LilesMedInsPharmTech includes:

- Instructor's PowerPoint® presentation of Chapters 1 through 7.
- Electronic testing program featuring McGraw-Hill's EZ Test. This flexible and easy-to-use program allows instructors to create tests from book specific items. It accommodates a wide range of question types and instructors may add their own questions. Multiple versions of the test can be created and any test can be exported for use with course management systems such as WebCT, Blackboard, or PageOut.
- Instructor's Manual.

Online Learning Center (OLC), www.mhhe.com/LilesMedInsPharmTech, Instructor Resources include:

- Instructor's Manual in Word and PDF format
- PowerPoint® files for each chapter
- Links to professional associations
- PageOut link

For the Student
Online Learning Center (OLC), www.mhhe.com/LilesMedInsPharmTech includes additional chapter quizzes and other review activities.