

August 10, 2006

Centers for Medicare and Medicaid Services
Department of Health and Human Services
PO Box 8015
Baltimore, MD 21244-8015

Attention: CMS-0018-IFC

Dear Centers for Medicare and Medicaid Services:

Re: 42 CFR Part 423 [CMS-0018-IFC] RIN 0938-A042 Medicare Program; Identification of Backward Compatible Version of Adopted Standard for E-Prescribing and the Medicare Prescription Drug Program (Version 8.1)

413 North Lee Street
P.O. Box 1417-D49
Alexandria, Virginia
22313-1480

The National Association of Chain Drug Stores (NACDS) is pleased to submit the following comments regarding the Medicare Prescription Drug Benefit.

The National Association of Chain Drug Stores (NACDS) represents the nation's leading retail chain pharmacies and suppliers, helping them better meet the changing needs of their patients and customers. Chain pharmacies operate more than 37,000 pharmacies, employ 114,000 pharmacists, fill more than 2.3 billion prescriptions yearly, and have annual sales of nearly \$700 billion. Other members include more than 1,000 suppliers of products and services to the chain drug industry.

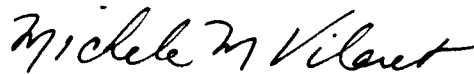
Page 36022 of the *Federal Register*/Volume 71, No. 121, dated Friday, June 23, 2006 under Provisions of the Interim Final Rule reads:

"According to the November 7, 2005 final rule (70 FR 67580), entities that voluntarily adopt later versions of standards that are backward compatible must still accommodate the earlier adopted version without modification. Since both versions of the standard would be compliant, trading partners who wish to conduct standard e-prescribing transactions may voluntarily adopt Version 8.1 of the NCPDP SCRIPT Standard, but must continue to accept the earlier Version 5.0 transactions without alteration until Version 5.0 is officially retired. In this interim final rule with comment period, we will revise § 423.160(b) (1) and (c) to reflect the voluntary use of Version 8.1 of the NCPDP SCRIPT Standard. We seek comment on permitting the voluntary use of the backward compatible Version 8.1 of the NCPDP SCRIPT Standard as satisfying the requirements of the adopted standard Version 5.0. We also seek comment on whether and when to retire Version 5.0."

Commenting on this section, NACDS currently supports the use of technology using NCPDP Version 8.1 of the SCRIPT Standard. We believe that there is no reason to continue to support Version 5.0. This version may be officially retired 180 days after the effective date of this interim final rule. We also believe that a delay in the rule's effective date will not be needed.

NACDS is committed to assisting CMS in your efforts toward continued adoption and utilization of electronic prescribing. Our members serve as leaders and key representatives on industry task groups dedicated to the implementation of electronic prescribing as set forth by the MMA. Please do not hesitate to contact us with any questions or concerns. I can be reached at 703-837-4221, or mvilaret@nacds.org.

Sincerely,

A handwritten signature in black ink, reading "Michele M. Vilaret". The signature is fluid and cursive, with the first name "Michele" and last name "Vilaret" clearly legible.

Michele M. Vilaret, R.Ph
Director, Telecommunications Standards



August 1, 2006

Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-0018-IFC
P.O. Box 8015
Baltimore, MD 21244-8015

Re: Version 8.1 of the NCPDP Script Standard. (File Code CMS-0018-IFC)

Dear Centers for Medicare and Medicaid Services:

We appreciate the opportunity to comment on the proposed rule¹ ("Proposed Rule") relating to Version 8.1 of the NCPDP Script Standard.

INTRODUCTION

Zix Corporation is the parent company of PocketScript, Inc. ("PocketScript"), the leading vendor for e-prescribing and prescription management services.

We have been in the electronic prescribing business since July 2003. Since that time we have processed well over 6 million prescriptions and are currently transporting electronic prescriptions at a rate exceeding 100,000 per week. We are certified with RxHub, Express Scripts, Medco Health Solutions, and Caremark/Advance PCS for the purposes of accessing eligibility, formulary, and dispensed drug history information, and we are certified with SureScripts to send prescriptions via electronic data interchange. Our PocketScript e-prescribing service is the e-prescribing vendor for the country's largest e-prescribing initiative – the eRX Collaborative in Massachusetts. And, we currently have or will have in the near future a meaningful number of prescribers using our system to write electronic prescriptions in California, Louisiana, New Jersey, New York, North Carolina, and Pennsylvania, in addition to prescribers in other states across the country. Our PocketScript system processed more than 1.3 million electronic prescriptions in the April through June 2006 period.

COMMENT ON "PROVISIONS"

We agree with permitting the voluntary use of the backward compatible Version

¹ Centers for Medicare and Medicaid Services, Medicare Program; Identification of Backward Compatible Version of Adopted Standard for E-Prescribing and the Medicare Prescription Drug Program (Version 8.1); Proposed Rule, 71 Fed. Reg. 36020 (June 23, 2006).

8.1 of the NCPDP SCRIPT Standard as satisfying the requirements of the adopted standard Version 5.0, and we are already implementing the use of Version 8.1.

Relative to the question posed by CMS as to whether and when to retire Version 5.0, we recommend that Version 8.1 be expeditiously adopted as the baseline standard and that Version 5.0 be retired as soon as reasonably practicable. Furthermore, CMS should consider retiring Version 5.0 without any requirement for backward compatibility in order to avoid unnecessary implementation complexity for future versions. It has been our experience that few, if any, of our industry trading partners have put Version 5.0 systems into full production use. Expeditiously retiring Version 5.0 would minimize the costs associated with maintaining backward compatibility, as and when future versions (beyond Version 8.1) of the NCPDP SCRIPT Standard are released and codified as the defining standard.

CONCLUSION

We hope CMS finds this information useful. For further information or if we may offer additional assistance, please contact Ronald A. Woessner, Esq., Senior Vice President, Zix Corporation at 214.370.2219.

Respectfully submitted,

ZIX CORPORATION

/s/ Ronald A. Woessner

Ronald A. Woessner

Senior Vice President and General Counsel

/s/ David J. Robertson

David J. Robertson

Vice President, Engineering