August 12, 2004

Dear Medicaid Pharmacy Provider:

You are receiving this letter because you have been identified as a provider that is sending pharmacy transactions to New York State Medicaid that do not adhere to the NCPDP Version 5.1 standard, as required by the Health Insurance Portability and Accountability Act (HIPAA). New York State Medicaid has established a deadline of October 6, 2004 for HIPAA compliance. Following October 6, New York Medicaid will only accept NCPDP transactions that are Version 5.1. Failure to comply will affect your Medicaid revenue.

Please take the necessary measures to upgrade your NCPDP transactions to Version 5.1 as soon as possible. If you have a vendor supplied software package or are using a vendor service, contact your vendor immediately to ensure compliance by the October 6 deadline.

If you have any questions relating to Medicaid’s HIPAA requirements or need technical clarification, please visit the website www.emedny.org or www.nyhipaadesk.com. You or your software vendor may call eMedNY Provider Services at 1-800-343-9000 for technical assistance or to schedule testing.

Sincerely,

Provider Services