30 May 2016

SAAA / SASLHA audiology members and colleagues

**RE: NAPPI CODES FOR HEARING AIDS**

Dear audiology members and colleagues

**Background:**

MediKredit Integrated Healthcare Solutions (Pty) Limited, otherwise known as “MediKredit”, is the organization who facilitates the creation of and the adoption of the NAPPI (National Pharmaceutical Product Interface) model across the entire healthcare industry including: surgical products, ethical products, most medical devices and consumables. 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 manages the maintenance of these NAPPI files in conjunction with the suppliers of such products within the borders of South Africa. In addition, the NAPPI code has no inherent meaning i.e. none of the digits are utilized to indicate categorization or groupings of items, it is merely a unique identifier of a given product and/or pack size.

There are a number of healthcare disciplines that do not use NAPPI codes as their preferred model for medical device reimbursement when claiming from the various medical insurance companies. Such medical devices include: diagnostic tests, optometric lenses and various forms of prosthetics. The Hearing aid sector is another discipline that never used the NAPPI model as NAPPI codes could not meet the specific patient customization needs of every hearing aid dispensed by hearing healthcare professionals. Furthermore, the NAPPI model has neither added benefit nor the intelligence needed for complex hearing instrument fittings. This is the very reason why delegates of SAAA, SASLHA, HealthMan, PBAE Consulting and HIASA (Hearing Industry Association of SA) formed a coding committee approximately 2 years back to focus on an intelligent alternative to the NAPPI model. The result of the teams work took on the form of a Hearing-aid Alpha Numeric Coding structure and named the new coding system, the HANC model. A core team represented by the different associations mentioned above undertook the opportunity to present the HANC model to key stakeholders such as PHISC (Private Healthcare Information Standards Committee), medical schemes and administrators to assess the
acceptance of HANC. We can confirm that we have received only positive responses with a few recommendations received for minor adjustments to the coding model.

**Reason for this letter:**

On behalf of the joint SAAA-SASLHA Audiology Coding Committee, we’re writing to you in response to the recent Transmed/Metropolitan correspondence sent to members regarding NAPPI code requirements for hearing aids (see the content of the letter below).

A joint delegation consisting representation from SAAA-SASLHA Audiology Coding Committee, HIASA (Hearing Industry Association of South Africa) and HealthMan will be meeting members from Transmed and Metropolitan Health Risk Management team on Wednesday 1st June 2016 at their head office in Cape Town.

This meeting will offer us the opportunity to present the Hearing-aid Alpha Numeric Coding (HANC) model as the preferred coding system for the hearing aid market and discuss the benefits of the HANC model as an intelligent alternative to the NAPPI coding model. Discussion regarding the Transmed/Metropolitan letter, as received by select association members of late, will be addressed as it is of major importance for us to have these letters retracted from circulation and for Transmed/Metropolitan to revert back to their original payment plans for prescribed hearing instruments without the need of the NAPPI codes.

As mentioned above, we’ve received positive sentiment towards the HANC model from other medical insurance companies presented to and we’re confident that HANC will make a real difference in the hearing aid industry.

Further communication as related to the Transmed/Metropolitan meeting will be sent to members post the scheduled meeting next week.

Yours sincerely

Mariet du Plooy, Rene Visagie, Priya Rajaram  
Dion Watson

**SAAA-SASLHA CODING COMMITTEE**  
**HIASA**

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**Letter from Transmed/Metropolitan:**

**REQUIREMENT FOR INCLUSION OF NAPPI CODES ON MEDICAL CLAIMS**

During a routine review process, it was noted that your practice submits claims without the *NAPPI codes where applicable.

Please take note that all submitted claims need to be processed and validated as per standard coding practice requirement. This means that claims for appliances, medicine and materials/surgical used or dispensed MUST be accompanied by the applicable NAPPI code(s). In order to allow providers time to make the required system and process changes, compliance to the NAPPI code requirement will be enforced as from 1 April 2016. Please note that after this date, claims that do not comply to the NAPPI code requirement will be rejected for payment.

Electronic Benefit Management
NAPPI is the abbreviation for National Pharmaceutical Product Interface, and is a national standard. Any given appliances, medicine and materials/surgical product is uniquely identified by a NAPPI code and these coding is used is in the application of benefits and limits when processed. These codes are available from your practice management vendor or alternatively you may contact MediKredit. MediKredit is responsible for the day-to-day management and maintenance of the NAPPI Product File.

Kind regards
Desire du Plessis

Client Service
Metropolitan Health Group
(Transmed Administrator)