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What's Changing? - New National Drug Code (NDC) Requirements

- Starting with July 1, 2011 dates of service, CareOregon will require the NDC for all outpatient drugs that are part of the Medicaid Drug Rebate Program administered in the professional or outpatient hospital setting.
- In order to identify the drug manufacturer the NDC code is required with the appropriate HCPC code.



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Purpose for Change?

- Since 1991, pharmacies billing the Division of Medical Assistance Programs (DMAP) have been required to include the NDC in order for DMAP to collect drug rebates from Drug manufacturers.
- To comply with the Affordable Care Act of 2010, DMAP will expand these requirements to prescriptions and physician-administered drugs billed to the OHP medical managed care organizations (MCOs).



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What is the NDC?

- The NDC is the number which identifies a drug.
- The NDC number consists of 11 digits in a 5-4-2 format.
- The digits are not limited to numbers as there can be alpha numeric NDC numbers in the 5-4-2 format.
- The first 5 digits identify the manufacturer of the drug and are assigned by the Food and Drug Administration.
- The remaining digits are assigned by the manufacturer and identify the specific product and package size.



What is the NDC? -continued

- The NDC is found on the drug container (i.e. vial, bottle, tube).
- The NDC submitted on your claim must be the actual NDC number on the package or container from which the medication was administered.
- Some packages will display fewer than 11 digits, but leading "0"s can be assumed and need to be used when billing to convert the NDC to the 5-4-2 format.

NDC Code 5-4-2 Format Examples

NDC on label (fewer than 11 digits)	Configuration format on label	Convert NDC in required 5-4-2- format
05678-123-01	5-3-2	05678- 0 123-01
5678-0123-01	4-4-2	0 5678-0123-01
05678-0123-1	5-4-1	05678-0123- 01

14. DATE OF CURRENT: MM DD YY			ILLNESS (First symptom) OR INJURY (Accident) OR PREGNANCY(LMP)			15. IF PATIENT HAS HAD SAME OR SIMILAR ILLNESS. GIVE FIRST DATE MM DD YY			16. DATES PATIENT UNABLE TO WORK IN CURRENT OCCUPATION FROM MM DD YY TO MM DD YY			
17. NAME OF REFERRING PROVIDER OR OTHER SOURCE						17a.	-----			18. HOSPITALIZATION DATES RELATED TO CURRENT SERVICES FROM MM DD YY TO MM DD YY		
19. RESERVED FOR LOCAL USE						17b.	NPI			20. OUTSIDE LAB? \$ CHARGES		
21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY (Relate Items 1, 2, 3 or 4 to Item 24E by Line)						22. MEDICAID RESUBMISSION CODE ORIGINAL REF. NO.						
1. _____						3. _____						
2. _____						4. _____						
24. A. DATE(S) OF SERVICE			B. PLACE OF SERVICE	C. EMG	D. PROCEDURES, SERVICES, OR SUPPLIES (Explain Unusual Circumstances)		E. DIAGNOSIS POINTER	F. \$ CHARGES	G. DAYS OR UNITS	H. EPSDT Family Plan	I. ID. QUAL.	J. RENDERING PROVIDER ID. #
From To MM DD YY MM DD YY					CPT/HCPCS MODIFIER							
N412345678090 UN2					J##### UD for 340B drugs			####. ##	20		NPI	123456789
MM DD YY MM DD YY												12345678090
											NPI	
											NPI	
											NPI	
											NPI	
											NPI	
25. FEDERAL TAX I.D. NUMBER			SSN EIN	26. PATIENT'S ACCOUNT NO.		27. ACCEPT ASSIGNMENT? (For govt. claims, see back)		28. TOTAL CHARGE		29. AMOUNT PAID		30. BALANCE DUE
			□ □			□ YES □ NO		\$		\$		\$
31. SIGNATURE OF PHYSICIAN OR SUPPLIER INCLUDING DEGREES OR CREDENTIALS (I certify that the statements on the reverse apply to this bill and are made a part thereof.)				32. SERVICE FACILITY LOCATION INFORMATION				33. BILLING PROVIDER INFO & PH # ()				



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<p>CMS-1500 claims</p> <ul style="list-style-type: none"> In the “supplemental information” above fields 24A-24H: <ul style="list-style-type: none"> ✓ Enter NDC information in the following order: N4, NDC, one space, Unit of Measurement Qualifier (see below), quantity. ✓ The number of digits for the quantity is limited to eight digits before the decimal and three digits after the decimal. ✓ If entering a whole number, do not use a decimal. Do not use commas. In field 24D, enter the HCPCS code. If billing for drugs purchased for Medicaid clients through a 340B entity, also enter modifier “UD.” 	<p>UB-04 claims</p> <ul style="list-style-type: none"> In FL 43, enter information about the administered drug in this order on the appropriate line: <ul style="list-style-type: none"> ✓ N4 ✓ NDC ✓ Unit of Measurement Qualifier (see below) ✓ Unit quantity (fractional units limited to 3 digits to the right of the decimal) In FL 44, enter the HCPCS code.
<p>NDC Unit of Measurement Qualifiers (for CMS-1500 and UB-04 claims):</p> <ul style="list-style-type: none"> F2 – International Unit GR – Gram 	<ul style="list-style-type: none"> ML – Milliliter UN – Unit

Paper billing examples

CMS-1500:

24. A. DATE(S) OF SERVICE				B.	C.	D. PROCEDURES, SERVICES, OR SUPPLIES		E.	F.	G.	H.	I.	J.
From		To		PLACE OF SERVICE	EMG	(Explain Unusual Circumstances)		DIAGNOSIS POINTER	\$ CHARGES	DAYS OR UNITS	EPSDT Flag	ID QUAL	RENDERING PROVIDER ID.#
MM	DD	YY	MM	DD	YY		MODIFIER						
N4	1234567890	UN2											123456789
MM	DD	YY	MM	DD	YY	1	J####	UD [for 340B drugs]	1	### ##	20	NPI	1234567890

Billing tips above are provided by DHS. See full billing tips at:
http://www.oregon.gov/DHS/healthplan/tools_prov/tips/ndc-tips.pdf



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Frequently Asked Questions/Billing Tips/ Resources

- http://www.oregon.gov/OHA/healthplan/data_pubs/faqs/ndc.shtml
- http://www.oregon.gov/OHA/healthplan/tools_prov/tips/ndc-tips.pdf
- <https://apps.state.or.us/cf1/OHP/OHPadmin/files/ndcRevCntr%20Code%20change--reminders0711.pdf>
- <https://apps.state.or.us/cf1/OHP/OHPadmin/files/ndc-resources0411.pdf>
- http://www.oregon.gov/OHA/healthplan/tools_prov/training/ndc-webinar.pdf

CareOregon Customer Service at 1-800-224-4840