

## National Drug Code Requirement – UB 04

In November 2007 VTMedicaid announced that the collection and submission of data on all drugs dispensed or administered other than by a pharmacy would be required. This is a program change that is a result of the Deficit Reduction Act of 2005. The purpose of this is to allow for the collection of Medicaid drug rebates from manufacturers on all drugs dispensed in any outpatient setting as required by § 1927 of the Social Security Act.

The original start date for this change was January 1, 2008. The **effective date for reporting National Drug Codes (NDCs)** for electronic submission, 837I or paper submission, UB 04 claim form is now **July 1, 2008**.

Drugs supplied by manufacturers, currently participating in the rebate program will be the only drugs reimbursed by VTMedicaid. A list of these manufacturers, by code and name, can be found at [http://www.cms.hhs.gov/MedicaidDrugRebateProgram/10\\_DrugComContactInfo.asp](http://www.cms.hhs.gov/MedicaidDrugRebateProgram/10_DrugComContactInfo.asp).

In order to collect rebates from the correct manufacturers, VT Medicaid will require data elements at the detail level in addition to the HCPCS codes. These elements are the 11 digit National Drug Code (NDC) number, the Unit of Measurement Qualifier code, and the unit quantity. These must be reported on paper and electronic submissions of all outpatient claims.

The NDC billing requirement will apply to all details where HCPCS reporting is required.

### Requirement on UB 04 form:

FL 42: Revenue Code

FL 43: NDC 11 digit number, Unit of Measurement Qualifier, and Unit Quantity

FL 44: HCPCS Code

42. Rev. CD	43. Description	44.HCPCS/Rate	45. Serv. Date	46. Serv. Units
636	[60126598741][UN][1111.234]	HCPC code	07/01/2008	HCPCS unit

↑            ↑            ↑  
11 digit NDC    Unit of    Unit Quantity  
                    Measurement  
                    Qualifier \*

* Unit of Measurement Qualifier
F2-International Unit
GR-gram
ML-Milliliter
UN-Unit

### Requirement for 837I Electronic

- 2410 loop, LIN segment 03 field/element
- CTP segment – 04 Unit Quantity
- CTP segment – 05 Unit of Measurement Qualifier

A NDC code is an 11 numeric digit that describes who the manufacturer is, what drug is being supplied, and the package size.

### NDC Anatomy:

Manufacturer	Drug Code	Package Size
↓	↓	↓
[60126]	[5987]	[41]

### PES (Provider Electronic Software)

**Upgrade version 2.20** – This is now available on the VTMedicaid website at [www.vtmedicaid.com](http://www.vtmedicaid.com) under Downloads/software version 2.20. If you currently have PES software installed on your computer you would need to use the 2.20 upgrade. Please note, **DO NOT** skip an upgrade. If you use the 2.18 version you must install the 2.19 version upgrade and then the 2.20 version.

**837 Institutional Outpatient** – At the Service tab use the RX Indicator field to switch from N to Y to bill with a NDC number. This will populate a RX tab.

In the RX tab there will be three fields: NDC number, Units (Unit Quantity), and Basis of measurement (Unit of Measurement Qualifier).

NOTE: You will be able to input 10 NDCs per detail.

## National Drug Code Requirement - CMS 1500 08/05

In November 2007 VTMedicaid announced that the collection and submission of data on all drugs dispensed or administered other than by a pharmacy would be required. This is a program change that is a result of the Deficit Reduction Act of 2005. The purpose of this is to allow for the collection of Medicaid drug rebates from manufacturers on all drugs dispensed in any office setting as required by § 1927 of the Social Security Act.

The original start date for this change was January 1, 2008. The **effective date for reporting National Drug Codes (NDCs)** for electronic submission, 837P or paper submission, CMS 1500 08/05 claim form is now **March 1, 2008**.

Drugs supplied by manufacturers, currently participating in the rebate program will be the only drugs reimbursed by VTMedicaid. A list of these manufacturers, by code and name, can be found at [http://www.cms.hhs.gov/MedicaidDrugRebateProgram/10\\_DrugComContactInfo.asp](http://www.cms.hhs.gov/MedicaidDrugRebateProgram/10_DrugComContactInfo.asp).

In order to collect rebates from the correct manufacturers, VT Medicaid will require data elements at the detail level in addition to the HCPCS codes. These elements are the 11 digit National Drug Code (NDC) number, the Unit of Measurement Qualifier code, and the unit quantity. These must be reported on paper and electronic submissions of all professional claims.

### Requirement on CMS 1500 08/05 Form:

FL 24D: HCPCS code

FL 24D Shaded area: NDC 11 digit number, Unit of Measurement Qualifier, and Unit Quantity

FL 24G: HCPCS unit

24D CPT/HCPCS	Modifier	DX Pointer	Charges	Days or Units
[60126598741][UN][1111.234]				
J1234	XX	1,2,3	\$637.00	5

↑                    ↑                    ↑  
**11 digit NDC    Unit of    Unit Quantity**  
**Measurement**  
**Qualifier \***

* Unit of Measurement Qualifier
F2-International Unit
GR-gram
ML-Milliliter
UN-Unit

### Requirement for 837P Electronic

- 2410 loop, LIN segment 03 field/element.
- CTP segment – 04 Unit Quantity
- CTP segment – 05 Unit of Measurement Qualifier

A NDC code is an 11 numeric digit that describes who the manufacturer is, what drug is being supplied, and the package size.

### NDC Anatomy:

Manufacturer	Drug Code	Package Size
↓	↓	↓
[60126]	[5987]	[41]

### PES (Provider Electronic Software)

**Upgrade version 2.20** – This is now available on the VTMedicaid website at [www.vtmedicaid.com](http://www.vtmedicaid.com) under Downloads/software version 2.20. If you currently have PES software installed on your computer you would need to use the 2.20 upgrade. Please note, **DO NOT** skip an upgrade. If you use the 2.18 version you must install the 2.19 version upgrade and then the 2.20 version.

**837 Professional** – At the Service 1 tab use the RX Indicator field to switch from N to Y to bill with a NDC number. This will populate a RX tab.

In the RX tab there will be three fields: NDC number, Units (Unit Quantity), and Basis of measurement (Unit of Measurement Qualifier).

NOTE: You will be able to input 10 NDCs per detail.