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SPECIAL BULLETIN

FOR PROFESSIONAL AND FACILITY PROVIDERS

JULY 27, 2015

PREPARE NOW FOR HIGHMARK NATIONAL DRUG CODE (NDC) REQUIREMENT

ALL DRUG CLAIMS BILLED UNDER MEDICAL BENEFIT MUST INCLUDE NDC, EFFECTIVE NOV. 16, 2015

Effective Nov. 16, 2015, Highmark will require submission of the National Drug Code (NDC) information on all drug claims billed under the medical benefit for all Highmark members. (NDC information is the 11-digit NDC+NDC quantity.) Medicaid and many other health insurance carriers already have this requirement in place. While Healthcare Common Procedure Coding System (HCPCS) codes are non-specific and may represent more than one drug product, NDC information is specific to manufacturer, drug dosage, dosage form and package size.

Capturing this additional data will enable Highmark to:

- Integrate pharmacy and medical claims to enhance clinical management for our members
- Collect and analyze more specific drug data to determine appropriateness of utilization
- Distinguish between use of brand and generic drugs

WHAT PROVIDERS AND THEIR BILLING STAFF NEED TO KNOW

- Reimbursement will continue to be based on the HCPCS codes, not the NDCs.
- Claims without an NDC will be rejected and will need to be resubmitted with the correct information. We are currently developing the rejection language for these claims. Please watch for additional information.
- You already can report the NDC on claims. There is no need to wait until the official implementation date.
- For all drug claims submitted under the medical benefit, report the 11-digit NDC + NDC quantity in addition to the HIPAA-required HCPCS information (HCPCS + billing units). See the enclosed materials for additional information on how to include this information on claims.

(Over, please)

HOW TO REPORT NDC INFORMATION ON ELECTRONIC AND PAPER CLAIMS

For your convenience, instructions regarding how to report NDC information are included with this Special Bulletin.

WE'RE HERE TO HELP!

Highmark is dedicated to supporting our provider community to accomplish the goal of providing the most precise coding information possible on claims. If, after reviewing the enclosed information, you have questions regarding the inclusion of NDCs on claims, please contact your Provider Relations Representative or Provider Service at 1-800-547-3627, Option 7.

We appreciate the quality care you provide to our members, and we thank you for your continued support of Highmark products.



INSTRUCTIONS FOR CLAIM SUBMISSION

This guide provides instruction for both professional and facility providers for reporting NDC information on claims. The NDC number is used for reporting prescribed drugs and biologics to enhance claim reporting/adjudication processes and will be required for all Highmark drug claims effective Nov. 16, 2015.

REPORTING NDC ON PAPER CLAIMS

Professional Claims (1500 Claim Form)

Item 24

Submit the NDC number in the red shaded portion of the detail line item in positions 01 through position 13. The NDC is to be preceded with the qualifier N4 and followed immediately by the 11-digit NDC number (e.g. N499999999999). Report the NDC quantity in positions 17 through 24 of the same red shaded portion. The quantity is to be preceded by the appropriate qualifier: UN (units), F2 (international units), GR (gram) or ML (milliliter). There are six bytes available for quantity. If the quantity is less than six bytes, left justify and space-fill the remaining positions (e.g. UN2 or F2999999).

24. A. DATE(S) OF SERVICE			B. PLACE OF SERVICE			C. EMG			D. PROCEDURES, SERVICES, OR SUPPLIES			E. DIAGNOSIS	F. \$ CHARGES	G. DAYS OR UNITS	H. ICD-9-CM	I. ID. QUAL.	J. RENDERING PROVIDER ID. #				
From	To																				
MM	DD	YY	MM	DD	YY																
N4XXXXXXXXXX			UN2 Drug Name Dosage						J3490					2		NPI					
National Drug Code (NDC), quantity, Drug Name and Dosage													Procedure Code (NOC)			Procedure Code quantity					
															NPI						
															NPI						
															NPI						
															NPI						
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															NPI						

Facility Claims (UB-04 Claim Form)

Form Locator 43

Submit the NDC number in Form Locator 43. The NDC is to be preceded with the qualifier N4 and followed immediately by the 11-digit NDC number (e.g. N499999999999). Immediately following the last digit of the NDC (no space), report the appropriate Unit of Measurement Qualifier: UN (units), F2 (international units), GR (gram), ME (milligram) or ML (milliliter), then finally the unit quantity with a floating decimal for fractional units. Any spaces unused for the quantity should remain blank. The Description field on the UB-04 is 24 characters in length.

42 REV. CD.	43 DESCRIPTION	44 HCPCS / RATE / HIPPS CODE	45 SERV. DATE
1 636	N4XXXXXXXXXXXXUNXXX	J0125	
2			
3			
4			
5			
6			

REPORTING NDC ON ELECTRONIC CLAIMS

The NDC is reported in the same segment for both Professional 837P and Facility 837I formats.

Drug Identification Loop 2410

The NDC number is reported in the LIN segment of Loop ID-2410.

Field Name	Field Description	Loop ID	Segment
Product ID Qualifier	Enter N4 in this field	2410	LIN02
National Drug Code (NDC)	Enter the 11-digit NDC billing format assigned to the drug administered	2410	LIN03
National Drug Unit Count	Enter the quantity (number of NDC units)	2410	CTP04
Unit or Basis for Measurement	Enter the NDC unit of measure for the drug given (UN, ML, GR or F2)	2410	CTP05

Example: LIN**N4*01234567891~

CONVERTING NDCS FROM 10 DIGITS TO 11 DIGITS

It should be noted that many NDCs are displayed on drug packaging in a 10-digit format. Proper billing of an NDC requires an 11-digit number in a 5-4-2 format. Converting NDCs from a 10-digit to 11-digit format requires a strategically placed zero, dependent upon the 10-digit format. The following table shows common 10-digit NDC formats indicated on packaging and the associated conversion to an 11-digit format, using the proper placement of a zero. The correctly formatted, additional "0" is in a **bold font and underlined** in the following example. Note that hyphens indicated below are used solely to illustrate the various formatting examples for NDCs. **Do not use hyphens when entering the actual data in your claim.**

Converting NDCs from 10 Digits to 11 Digits					
10-Digit Format on Package	10-Digit Format Example	11-Digit Format	11-Digit Format Example	Actual 10-Digit NDC Example	11-Digit Conversion of Example
4-4-2	9999-9999-99	5-4-2	<u>0</u> 9999-9999-99	0002-7597-01 Zyprexa® 10mg Vial	<u>0</u> 0002-7597-01
5-3-2	99999-999-99	5-4-2	99999- <u>0</u> 999-99	50242-040-62 Xolair® 150mg vial	50242- <u>0</u> 040-62
5-4-1	99999-9999-9	5-4-2	99999-9999- <u>0</u> 9	60575-4112-1 Synagis® 50mg vial	60575-4112- <u>0</u> 1