

## National Drug Code (NDC) Billing Requirements Frequently Asked Questions and Answers

The questions and answers below were developed to assist with NDC billing requirements effective January 26, 2015.

### **1. Q: What is changing?**

A: Humana asks that all Healthcare Common Procedure Coding System (HCPCS) drug codes be submitted with the corresponding NDC. Effective January 26, 2015, Humana requires that the following types of drug codes be submitted with an NDC:

- Shared HCPCS codes
- Not Otherwise Classified (NOC) codes

Charges for these codes may be denied when submitted without an NDC.

### **2. Q: What drugs in particular require an NDC?**

A: The drugs are identified on the current versions of the Humana preauthorization and notification lists, found here: [Humana.com/PAL](http://Humana.com/PAL). Note that preauthorization lists are plan-specific.

### **3. Q: Why is an NDC needed when drugs are already being billed with HCPCS codes?**

A: Billing NDCs for shared HCPCS drug codes and NOC drug codes provides the ability to determine precisely which drugs are administered.

### **4. Q: Does the requirement to bill NDCs apply to all plans?**

A: No. It applies to all plans except Medicare Supplemental plans.

### **5. Q: Which claim types require NDCs?**

A: The requirement to bill NDCs applies to both professional and institutional claim types except inpatient institutional claims.

### **6. Q: Can a charge be resubmitted if it is denied for not billing an NDC?**

A: Yes. All charges for HCPCS drug codes that require NDCs can be resubmitted with NDCs, within timely filing guidelines, for reconsideration of payment.

### **7. Q: What fields should be used to bill NDCs?**

A: Use the following fields to bill NDCs:

- For the CMS-1500 paper claim form: Bill the NDC in the shaded area of box 24.

- For the UB-04 (CMS-1450) paper claim form: Bill the NDC in box 43.
- For electronic claims: Bill the NDC in Loop 2410. Report NDC qualifier N4 in segment LIN 02 and the NDC in segment LIN 03.

**8. Q: Should the dashes in the NDC be entered in the NDC field?**

A: No. Eleven digits should be entered in the field.

**9. Q: How should an NDC with only 10 digits be billed?**

A: Add a zero to create a 5-4-2 digit format as indicated in the following examples:

<b>NDC ON PACKAGE</b>	<b>ADD ZERO TO CREATE A 5-4-2 FORMAT</b>	<b>NDC REPORTED ON CLAIM</b>
3333-4444-55	03333-4444-55	03333444455
33333-444-55	33333-0444-55	33333044455
33333-4444-5	33333-4444-05	33333444405

**10. Q: Are there special modifiers to report when billing for multiple vial sizes under the same HCPCS drug code?**

A: No. There are no special modifiers for billing multiple vial sizes under the same HCPCS drug code. If there are multiple vials for one charge, bill the NDC of the largest vial size used.

**11. Q: Are there special billing requirements when multiple vials are used from different manufacturers, resulting in more than one NDC per HCPCS drug code?**

A: No. If there are multiple vials with different labels for one charge, any one of the applicable drug NDCs are acceptable.

**12. Q: Does billing the NDC affect current reimbursement methodology?**

A: No. NDCs do not affect the reimbursement amount, when payment is appropriate.

**13. Q: Are other payers requiring NDCs?**

A: Yes. Other payers have established similar billing requirements regarding specialty medications. Additionally, several state Medicaid programs require the billing of NDCs. Please check your state's legislation for further information.