

June 2006

Provider Bulletin Number 662

FQHC, RHC and IHS Providers

New Requirement When Billing Drug-Related HCPCS (Including All J-Codes)

In order to comply with CMS (Centers for Medicare & Medicaid Services) requirements related to the Deficit Reduction Act, effective with dates of service on and after July 1, 2006, KMAP will require providers billing for prescription drug products in an office or outpatient setting to submit National Drug Code (NDC) information.

NOTE: Public Health Service (PHS) providers who have not carved out Medicaid and are submitting 340B prices to Medicaid will be excluded from the above requirements. For information on becoming a covered entity in the 340B program, the Office of Pharmacy Affairs Database can be accessed at <http://opanet.hrsa.gov/opa/Login/MainMenu.aspx>. Claims submitted to Medicare that crossover electronically to Medicaid will be excluded from the above requirements for beneficiaries with both Medicare and Medicaid.

If submitting a drug-related HCPCS code as a claim detail, please submit the NDC details as outlined below:

1. **National Drug Code (NDC)** for each drug-related HCPCS code billed. The NDC must be an 11-digit numeric code in a 5-4-2 format (99999-9999-99). The 837 transaction data element is LIN03 – Product/Service ID.
2. **Quantity for each submitted NDC.** The 837 transaction data element is CTP04 – Quantity.
3. **Unit of Measurement for each submitted NDC.** The 837 transaction data element is CTP05-1 – Unit or Basis for Measurement Code. Valid codes include:
 - UN (unit)
 - GR (gram)
 - ML (milliliter)
 - F2 (international unit)
4. **Unit Price for each submitted NDC, if known.** The 837 transaction data element is CTP03 – Unit Price. If not known, submit a value of \$0.00.

It is imperative that all NDC fields be populated for the claim to be submitted. If the *NDC* and/or *NDC Quantity* are not known (listed as 1 and 2 above), submit all 9s. If the *NDC Unit of Measurement* is not known (listed as 3 above), submit any one of the valid values listed above (UN, GR, ML or F2). If the *NDC Unit Price* is not known (listed as 4 above), submit a value of \$0.00.

These requirements are applicable to all electronic, Internet, and paper claim submissions. The fields listed above are currently available for users of the batch 837 health care claim and encounter transactions (professional and institutional). Users of the Provider Electronic Solutions (PES) application will need to install an upgrade to version 2.06, or higher prior to the policy effective date. The fields listed above will become available on the Internet claim format prior to the July 1, 2006 policy effective date. For users of paper claims, a KMAP form titled NDC Detail Attachment is to be filled out and attached to the paper claim when billing for drug-related HCPCS codes. The NDC Detail Attachment form is included in this bulletin and can be used to make photocopies. It will be added to the forms section of applicable provider manuals.

NOTE: Individual billing software programs may need to be modified to include the above required fields.

For assistance or additional information, contact the KMAP Customer Service Center at 1-800-933-6593 (in-state providers) or 785-274-5990, option 0, between 7:30 a.m. and 5:30 p.m., Monday through Friday. For questions related to electronic transactions, contact the EDS Electronic Data Interchange (EDI) help desk at 800-933-6593, option 3, or via e-mail at edi.kmap@eds.com.

Information about the Kansas Medical Assistance Program as well as provider manuals and other publications are on the KMAP Web site at <https://www.kmap-state-ks.us>.

If you have any questions, please contact the KMAP Customer Service Center at 1-800-933-6593 (in-state providers) or (785) 274-5990 between 7:30 a.m. and 5:30 p.m., Monday through Friday.



From the office of the Fiscal Agent

This form is a required attachment for any Kansas Medicaid paper claim billed using a drug HCPCS code on a CMS-1500 or a UB-92

Provider Name _____ Provider Number _____
Beneficiary Name _____ Beneficiary ID Number _____ Date of Service _____

[illegible]

GR – Gram
ML - Milliliter
UN - Unit
F2 – International Unit