



## **Drug Rebate Equalization Act of 2009 (DRE) Billing Guidelines**

NDC numbers consist of 11 digits in a 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. Some packages will display less than 11 digits, but leading "0"s can be assumed and need to be used when billing.

For example:

XXXX-XXXX-XX = **0**XXXX-XXXX-XX

XXXXX-XXX-XX = XXXXX-**0**XXX-XX

XXXXX-XXXX-X = XXXXX-XXXX-**0**X

Providers are required to submit their claims with the exact NDC that appears on the product administered. Do not bill for one manufacturer's product and dispense another. It is considered a fraudulent billing practice to bill using an NDC other than the one administered.

NDC units are based upon the numeric quantity administered to the patient and the unit of measurement. The unit of measurement (UOM) codes are:

F2 = International Unit

GR=Gram

ML = Milliliter

UN = Unit (Each)

The actual metric decimal quantity administered and the units of measurement are required for billing. If reporting a fraction, use a decimal point. For example: Three 0.5ml vials are dispensed, the correct quantity to bill is 1.5 ml.

Below are examples of how the NDC information should be submitted.

**CMS 1500 Claim Form**

Providers must enter the identifier N4, the eleven-digit NDC code, unit qualifier, and number of units from the package of the dispensed drug in the shaded area of item 24. Begin entering the information above 24A.

**CMS-1500 Claim Form**

**Scenario 1: No drug description**

1. Enter the NDC qualifier of N4

2. Enter the 11-digit NDC number

24. A	DATE(S) OF SERVICE			B. PLACE OF SERVICE	C.	D. PROCEDURES, SERVICES, OR SUPPLIES	E.	F.	G.	H.	I.	J.
MM	DD	From	To	YY	EMG	(Explain Unusual Circumstances)	DIAGNOSIS	\$ CHARGES	DAYS OR UNITS	ESRPT	ID.	RENDERING
						CPT/HCPCS	POINTER			Form	QUAL.	PROVIDER ID. #
N4	00	26	06	48	71	ML80				N	1B	12345678901
10	01	05	10	01	05	J1563	13	500.00	20	N	NPI	0123456789

3. Enter 3 spaces

4. Enter the Unit of Measurement

5. Enter the metric decimal quantity or unit

Unit of Measurement codes are as follows:  
 F2 – International Unit  
 GR – Gram e.g. 15 milligrams is equal to .015 grams  
 ML – Milliliter  
 UN - Unit

**CMS-1500 Claim Form**

**Scenario 2: Long drug description**

1. Enter the NDC qualifier of N4

2. Enter the 11-digit NDC number

24. A	DATE(S) OF SERVICE			B. PLACE OF SERVICE	C.	D. PROCEDURES, SERVICES, OR SUPPLIES	E.	F.	G.	H.	I.	J.
MM	DD	From	To	YY	EMG	(Explain Unusual Circumstances)	DIAGNOSIS	\$ CHARGES	DAYS OR UNITS	ESRPT	ID.	RENDERING
						CPT/HCPCS	POINTER			Form	QUAL.	PROVIDER ID. #
N4	00	26	06	48	71	Immune Globulin Intravenous, ML80				N	1B	12345678901
10	01	05	10	01	05	J1563	13	500.00	20	N	NPI	0123456789

3. Enter 1 space

4. Enter the Description

5. Enter 3 spaces

6. Enter Unit of Measurement

7. Enter the metric decimal quantity or unit

Unit of Measurement codes are as follows:  
 F2 – International Unit  
 GR – Gram e.g. 15 milligrams is equal to .015 grams  
 ML – Milliliter  
 UN - Unit

**EDI Submission**

If you bill electronically using the 837 transactions, the NDC number is reported in the LIN segment of Loop ID-2410.

<b>IG PAGE</b>	<b>LOOP</b>	<b>SEGMENT</b>	<b>DATAELEMENT</b>	<b>COMMENTS</b>
445	2400	SV2	Sv202-2-Product/Service ID	Populate with the J-HCPCS code
445	2400	SV2	SV205 - Quantity	Populate with the number of units
Addenda 35	2410	LIN	LIN02 – Product/Service ID Qualifier	“N4” – National Drug Code in 5-4-2 Format
Addenda 35	2410	LIN	LIN03 – Product/Service ID	Populate with the National Drug Code ID
Addenda 38	2410	CTP	CTP04 – Quantity	National Drug Code Unit Count
Addenda 38	2410	CTP	CTP05-1 – Unit/Basis of Measurement	Populate with valid code qualifier from 837I addenda
Addenda 40	2410	REF	REF01 – Code Qualifier	“XZ” – Pharmacy Prescription Number
Addenda 40	2410	REF	REF02 – Prescription Number	Populate with the Prescription Number

## UB-04 Claim Form

Use the Revenue description Field (From Locator 43) on the UB04. The decision to make all data elements left-justified was made to accommodate the largest quantity possible; the Description Field on the UB-04 is 24 characters long.

10 BIRTHDATE		11 SEX	12 DATE			ADMISSION: 13 HR 14 TYPE 15 SRC			16 DHR 17 STAT			CONDITION CODES													
31 OCCURRENCE CODE	32 OCCURRENCE DATE	33 OCCURRENCE CODE	34 OCCURRENCE DATE	35 OCCURRENCE CODE	36 OCCURRENCE DATE	OCCURRENCE SPAN FROM		THROUGH	38 CODE	OCCURRENCE FROM															
										09 CODE		VALUE CODES AMOUNT		40 CODE		VALUE CODES AMOUNT									
42 REV. CD.		43 DESCRIPTION				44 HCPCS / RATE / HIPPS CODE				45 SERV. DATE		46 SERV. UNITS		47 TOTAL CHARGES											
		N400026064871GR.015																							

1. Enter the NDC qualifier of N4

2. Enter the 11-digit NDC number

3. Enter the Unit of Measurement

4. Enter the metric decimal quantity or unit

Unit of Measurement codes are as follows:  
 F2 – International Unit  
 GR – Gram e.g. 15 milligrams is equal to .015 grams  
 ML – Milliliter  
 UN - Unit

Please refer to our website at [www.americhoice.com](http://www.americhoice.com) or you may contact your provider service helpline.