Date: 01/05/07

Web Announcement 122

National Drug Codes Now Accepted on New CMS-1500 (08/05) Claim Form

To comply with the federal Deficit Reduction Act (DRA) of 2005, the Division of Health Care Financing and Policy (DHCFP) and First Health Services are asking CMS-1500 billers to submit both a Healthcare Common Procedure Coding System (HCPCS) code and a National Drug Code (NDC) when billing for physician-administered drugs.

Effective immediately, when billing for physician-administered drugs on the new, CMS-1500 claim form, version 08/05, please enter the NDC (one per claim line) in the top, shaded half of Field 24D and enter the HCPCS code (one per claim line) in the bottom, white half of Field 24D. Do not enter NDC quantities until 2008.

24. A	A. DATE(S) OF SERVICE B				B.	C.	D. PROCEDURES, SERVICES, OR SUPPLIES E.		E.	F.	G.	H.	l.	J.	
	From To			PLACE OF	F (Explain Unusual Circumstances)		DIAGNOSIS		DAYS	EPSDT Family	ID.	RENDERING			
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The DRA includes a provision requiring State Medicaid programs to collect NDC information on claims to facilitate drug manufacturer rebates for physician-administered drugs, i.e., drugs that are administered in physician offices.

Inclusion of the NDC for physician-administered drugs should be an integral part of your practice's conversion to the new CMS-1500, version 08/05, which may now be submitted for claims received at First Health Services on and after Jan. 2, 2007. Claims received by First Health Services on and after Jan. 1, 2008, for physician-administered drugs without corresponding NDCs will be denied.

