



## National Drug Code (NDC) — Billing Requirements

### Important Notice:

Earlier this year, the New York State Department of Health (NYSDOH) mandated that all Managed Care Plans **must report National Drug Codes (NDCs) for all dispensed practitioner-administered drugs.**

As a means of ensuring that plans properly report practitioner-administered drugs, the NYSDOH implemented a *hard rejection edit* in its All Payer Database (APD). This requires plans to include applicable and complete NDC information on all claims, for all provider types. Recently, the NYSDOH clarified that **drugs obtained at 340B prices are the only exception to the NDC reporting requirement, and that these drugs must be reported with the "UD" modifier.** The inclusion of the UD modifier for ALL 340B drug claims is also required for Medicaid Fee-for-Service.

### What this Means for Providers:

Based on this policy change, in June of 2015 Healthfirst instituted the NDC billing requirements listed below for providers enrolled in the 340B Program;

- Outpatient drug claims billed by **340B qualified** providers must contain a UD modifier
- Outpatient drug claims billed by providers who are **not 340B qualified** must contain the NDC number
- All outpatient drug claims with an **unlisted or miscellaneous HCPC/CPT code for both 340B and non-340B qualified providers** must contain the NDC number

**It is important to note that effective January 1, 2016, failure to include the required UD modifier or NDC number on claims will result in denials.**

- Institutional claims: All claim lines will be denied.
- Professional claims: Only the drug line will be denied.

Denied claims will be subject to the Healthfirst claims reconsideration policy. Corrected claims must be marked "Corrected," should include the original claim number, and should be submitted within 180 days of the date of service. Failure to indicate corrected claims may result in a duplicate denial. These requests are accepted through the Healthfirst secure Provider Portal, or they may be mailed to:

**Healthfirst Correspondence Unit  
P.O. Box 958438  
Lake Mary, FL 32795-8438**

### Resources:

For more information on this policy, providers can reference the [NYSDOH Medicaid Update from July 2015](#). To see whether you are a qualified provider enrolled in the 340B Program and contained in the Office of Pharmacy Affairs database, go to [www.opanet.hrsa.gov/OPA/CEMedicaidExtract.aspx](http://www.opanet.hrsa.gov/OPA/CEMedicaidExtract.aspx).