



# PROVIDER *bulletin*

September 5, 2019

Dear Provider,

## **National Drug Code (NDC) Requirement**

Providers must start using NDC for physician-administered drugs in conjunction with the customary Healthcare Common Procedure Coding System (HCPCS) Level I, II or III code, on all claims submitted to Kern Family Health Care – Kern Health Systems.

Physician-administered drugs include any covered outpatient drug billed by a provider other than a pharmacy. This includes (but is not limited to) the following provider types:

- Physicians
- Clinics
- Hospitals

The NDC reporting requirement will apply to claims submitted using the following formats:

- 837 electronic transactions for Institutional and Professional claims
- CMS-1500 and UB-04 paper claims
- Internet Professional Claims Submission (IPCS) system

**IMPORTANT NOTE:** The State of California requires appropriate NDC numbers to be utilized for ALL claims to Medi-Cal Managed Care Plans, including Medicare Crossover (COBA) claims. Therefore, any claims submitted via COBA (from Medicare (CMS) direct to Kern Health Systems (KHS)) will be denied for corrected billing to include required NDC codes. These do not need to be submitted back through CMS, but rather, can be submitted directly to KHS via standard EDI submission. When submitting the corrected claim with NDC codes to KHS, please include the resubmission code of 7 as well as the KHS claim number of the denied claim.

Loop 2410:

LIN02 (UPN & NDC Qualifiers)

LIN03 (UPN & NDC Values)

CTP04 (Quantity)

CTP05 (Composite Unit of Measure)

