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Division of Medical Assistance Programs

Authorized Signature

Number: DMAP- IM-08-201

Issue Date: 12/30/2008

**Topic:** Medical Benefits

**Subject:** Effective January 1, national drug code (NDC) required for Medicaid claims with physician-administered drugs

**Applies to (check all that apply):**

- |  |   |
|--|---|
| <input type="checkbox"/> All DHS employees             | <input type="checkbox"/> County Mental Health Directors   |
| <input type="checkbox"/> Area Agencies on Aging        | <input type="checkbox"/> Health Services  |
| <input type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> County DD Program Managers    | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |

**Message:**

The attached announcement has been mailed to hospitals and medical/surgical providers regarding the Center for Medicare & Medicaid Services (CMS) requirement for state Medicaid agencies to collect drug manufacturer rebates on physician-administered drugs.

DHS will require the addition of the National Drug Code (NDC) number for all drug claims beginning January 1, 2009.

*If you have any questions about this information, contact:*

|                    |                         |
|--------------------|-------------------------|
| <b>Contact(s):</b> | Angel Wynia             |
| <b>Phone:</b>      | 503-945-5754            |
| <b>E-mail:</b>     | angel.wynia@state.or.us |



## Important Reminder

### National Drug Code Required for Medicaid Claims with Physician-Administered Drugs

#### Effective January 1, 2009

The Center for Medicare & Medicaid Services (CMS) requires State Medicaid agencies to collect rebates from drug manufacturers for physician-administered drugs.

To comply, DHS will require the National Drug Code (NDC) number for all submitted claims beginning January 1, 2009.

Prior to submitting claims please verify that the:

- Drug has an approved NDC, and
- Drug is rebatable. For a current list, see: [http://www.cms.hhs.gov/MedicaidDrugRebateProgram/09\\_DrugProdData.asp](http://www.cms.hhs.gov/MedicaidDrugRebateProgram/09_DrugProdData.asp)

#### Questions?

Contact Provider Services at :

- [dmap.providerservices@state.or.us](mailto:dmap.providerservices@state.or.us), or
- 800-336-6016, Monday through Friday, 8:00 a.m. to 5:00 p.m.

#### Outpatient Professional and Institutional Claims

*Include both NDC and HCPCS on forms here:*

##### Institutions:

- Form UB04 — add NDC in locator field 43
- Electronic form 837I — add NDC in Loop ID 2410 and HCPCS in Loop ID 2400

##### Professional:

- CMS 1500 — add NDC to shaded part of field 24
- Electronic form 837P — add NDC in Loop ID 2410 and HCPCS in Loop ID 2400

#### Drugs purchased for Medicaid clients through a 340B entities:

- Include UD modifier with HCPCS and NDC