



A Public Entity

Inland Empire Health Plan



To: All PCPs, Specialists, Vision, and BH Providers
From: IEHP – Provider Relations
Date: August 29, 2019
Subject: **National Drug Code (NDC) Format – Claim Edits re-applied effective September 1, 2019**

Inland Empire Health Plan (IEHP) will no longer accept claims for Physician-Administered Drugs (PAD) that do not meet the National Drug Code (NDC) reporting requirements. **This applies to all claims for PAD including those billed when IEHP is the secondary payer.** A recent review of claims for Physician Administered Drugs revealed some claim denials occurred due to incorrect NDC reporting.

The primary issue(s) relate to missing or invalid Product Qualifier and NDC data completed on Box 24A and/or missing or invalid Unit of Measure Qualifier and Quantity information completed on Box 24D of the CMS-1500 claim form. Some of the common NDC billing errors IEHP has identified include:

- Missing Unit of Measure Qualifier and Quantity
- Product Qualifier missing
- Unit of Measure Qualifier and Quantity billed in wrong Box
- Drug name submitted instead of Unit of Measure and Quantity billed

It is vital that IEHP receives properly billed claims that contain all NDC information in the correct boxes (24A and 24D). We would like to address that the Physician-Administered Drugs – NDC: CMS-1500 Billing Instructions include a note that states unit of measure qualifier and numeric quantity are optional; however, that **does not apply** to the billing of NDCs to IEHP. **IEHP requires unit of measure qualifier and numeric quantity as these are requirements by DHCS for acceptance of encounter submissions.**

If claims are submitted with the incorrect NDC format on September 1st, 2019 or after, regardless of date of service (DOS), they will be rejected. This will cause an unnecessary payment delay until a correct claim is received. Please refer to the Paper Claims section that describes the NDC billing requirements in the Medi-Cal NDC billing policy that can be found https://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/physicianndccems_m00.doc.

As a reminder, all communications sent by IEHP can also be found on our Provider portal at: www.iehp.org > For Providers > Plan Updates > Correspondence.

If you have any questions, please do not hesitate to contact the IEHP Provider Relations Team at (909) 890-2054.