

Provider Bulletin

2011-03-08

Billing Requirements for 837P and 837I Formats Pharmacy Rebate for Physician-Administered Drugs

Beginning April 1, 2011 physician administered drug claims billed on the CMS 1500 (837P) and UB 04 (837I) must contain the appropriate National Drug Code (NDC). Claims received on or after April 1, 2011 that are billed without the NDC or with an invalid NDC will be denied as provider liability.

Provider will receive the following Remittance Advise Description and Claim Adjustment code:

M119 - missing/incomplete/invalid/deactivated/withdrawn National Drug Code. The Claim Adjustment Reason code will state claim/service lacks information which is needed for adjudication.

16 - Claim/service lacks information which is needed for adjudication.

The Deficit Reduction Act of 2005 (DRA) requires states to collect rebates for physician-administered drugs. As a result, states must now collect the 11-digit NDC on all outpatient claims for drugs administered during the course of a patient's visit. Providers are required to submit their claims with the exact NDC that appears on the product administered. The NDC is found on the medication's packaging and must be submitted in the 5 digit, 4 digit, 2 digit format.

Instructions and specific requirements of how to submit the encounter data can be found in the Minnesota Health Care Programs 837 Encounter Companion Guide at the following link,

http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_FILE&RevisionSelectionMethod=LatestReleased&noSaveAs=1&Rendition=Primary&allowInterrupt=1&dDocName=dhs16_158226