

IMPORTANT Provider information

Medicare Part B: National Drug Code (NDC) Requirement

Dear Prescriber,

This letter is a notification of the upcoming change to Part B prior authorization requests and claims form, to require a National Drug Code (NDC), the universal drug product identifiers assigned by the Food and Drug Administration (FDA). The purpose of this change is to ensure alignment with current industry standards to include the NDC, NDC units, and NDC unit qualifier on all drug-related medical claims. NDC information helps differentiate and identify medications that share the same Healthcare Common Procedure Coding System (HCPCS) code for drug preferences, detect billing errors, and improve reimbursement processes.

Effective July 1, 2024, an NDC for prior authorization requests and professional or outpatient claims must be submitted for injectable drugs administered under the medical benefit in a physician's office, outpatient facility, or by home infusion. The paper or electronic submission of prior authorization may be delayed, and a claim will be denied if a physician-administered drug is billed without a valid HCPCS / NDC combination.

Aspire Health Plan, in alignment with Centers for Medicare & Medicaid Services (CMS) requirements, request that the following information be included in the designated fields on drug-related medical claims:

- Applicable HCPCS or Current Procedural Terminology (CPT®) codes
- Number of HCPCS or CPT code units
- 11-digit NDC, including the N4 qualifier
- Dosage unit of measurement (F2, GR, ML, or UN)
- Number of NDC units administered/dispensed (must be greater than 0)

This requirement applies to all Part B physician-administered drug products, network and non-network physicians, qualified health care providers, outpatient facilities, and home infusion providers.

Additional Information

For reference, a current Healthcare Common Procedure Coding System (HCPCS) / NDC crosswalk is a listing of NDCs associated with a given HCPCS code is located at: <u>2024</u> <u>NDC/HCPCS Crosswalk (dmepdac.com)</u>. The crosswalk is updated monthly. The NDC number is printed on the drug package and official literature (package insert), and the number may be in 10- or 11-digit format with three segments of the number separated by a hyphen. The NDC accurately identifies the manufacturer, drug name, dosage, strength, package size, and quantity.

Thank you for the care you provide for our members, your patients. If you have any questions about this update or questions about prior authorizations, please contact us at (831) 657-0700.

Sincerely,

Gilly Guez, MD, MBA

Chief Medical Officer, Aspire Health Plan Chair Pharmacy & Therapeutics Committee

Questions?

Tina Lamaa

Director of Pharmacy (831) 392-6287 | tina.lamaa@aspirehealthplan.org

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