

CAUTION: Read the [ICD-9 Policy Holding Library](#) page about policy in this document.

Physician-Administered Drugs – NDC: CMS-1500 Billing Instructions

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This section contains information to help providers bill accurately for physician-administered drugs on the CMS-1500 claim form with a National Drug Code (NDC). For general policy information, refer to the *Physician-Administered Drugs: NDC* section in this manual.

NDC Format

An NDC number on a drug container consists of digits in a 5-4-2 format. Hyphens (-) separate the number into three segments. Although an NDC on a drug container may have fewer than 11 digits, an 11-digit number must be entered on the claim. An NDC entered on the claim must have five digits in the first segment, four digits in the second segment, and two digits in the last segment. The first five digits of an NDC identify the manufacturer of the drug and are assigned by the Food and Drug Administration (FDA). The remaining digits are assigned by the manufacturer and identify the specific product and package size. Placeholder zeros must be entered on the claim wherever digits are needed to complete a segment.

Here are examples of entering placeholder zeroes on the claim:

| Package NDC | Zero Fill | 11-digit NDC |
|--------------|-----------------|--------------|
| 1234-1234-12 | (01234-1234-12) | 01234123412 |
| 12345-123-12 | (12345-0123-12) | 12345012312 |
| 2-22-2 | (00002-0022-02) | 00002002202 |

Box 24A: Product Qualifier and NDC

In the shaded area of Box 24A, enter the product ID qualifier N4 followed by the 11-digit NDC. Omit spaces and hyphens.

Box 24D: Unit of Measure Qualifier and Quantity

In the shaded area of Box 24D, enter the two-character unit of measure qualifier followed by the numeric quantity (a 10-digit number) administered to the patient. The 10 digits consist of seven digits for the whole number, followed by three decimal places. Omit the decimal point when entering the number on the claim. Valid unit of measure qualifiers are as follows.

| Qualifier | Unit of Measure |
|-----------|--------------------|
| F2 | International Unit |
| GR | Gram |
| ML | Milliliter |
| UN | Unit |

Note: Unit of measure qualifier and numeric quantity are optional. Absence of these two elements will not result in claim denial.

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| 24. | A. DATE(S) OF SERVICE | | | | | | B. PLACE OF SERVICE | C. EMG | D. PROCEDURES, SERVICES, OR SUPPLIES | | E. DIAGNOSIS POINTER | F. \$ CHARGES | G. DAYS OF UNITS | H. EPSDT Family Plan | I. ID. QUAL. | J. RENDERING PROVIDER ID. # | PHYSICIAN OR SUPPLIER INFORMATION |
|-----|-----------------------|------------|-----------|----|----------|----|---------------------|--------------|--------------------------------------|----|----------------------|---------------|------------------|----------------------|--------------|-----------------------------|-----------------------------------|
| | From | To | OPT/HCPCS | | MODIFIER | MM | | | DD | YY | | | | | | | |
| 1 | N4 | 0062179615 | | | | | | UN0000028000 | | | | 156.00 | 13 | | | | |
| 2 | | 07 | 01 | 08 | 07 | 01 | 08 | 11 | X7706 | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | | | |

Annotations:

- Box 1: NDC with N4 qualifier (points to N4)
- Box 2: Enter modifier UD if billing for Section 340B drugs (points to X7706)
- Box 3: 2-character unit of measure qualifier and numeric quantity (points to 13)

Note: All other necessary billing information (dates of service, HCPCS codes, etc.) is entered in the unshaded areas of the form.

Quantity Reporting

It is sometimes necessary for providers to bill multiple NDCs for a single drug. For example, when two different strengths of the same drug are needed in order to administer the appropriate dose, or when multiple vials of the same drug are used to administer the appropriate dose, and the vials are from different manufacturers. When more than one NDC is needed to bill with one HCPCS code, all NDCs must be included on the claim. The quantity for each NDC must be reported separately by repeating the HCPCS code with its corresponding NDC.

Section 340B Drugs

Providers billing for physician-administered drugs subject to the federally established 340B Drug Pricing Program must include the modifier UD in the modifier area (unshaded) of Box 24D. Section 340B drugs may be billed on the same claim as non-340B drugs.