Billing instructions: Reporting the National Drug Code
For BCN HMO℠ (commercial) and Blue Cross’ PPO (commercial)

Finding the NDC and unit of measure
The National Drug Code, or NDC, is located on a medication’s packaging. An asterisk may appear as a placeholder for any leading zeros. The container label also displays the appropriate unit of measure for that drug.

Note: For Blue Cross’ PPO claims only, when the medication comes in a vial or syringe, use the NDC found on the vial or syringe itself, not the packaging the medication came in. This does not apply to BCN HMO claims.

A medication’s unit of measure is represented by weight (grams: GR), volume (milliliters: ML), or count (units: UN). Each dispensed dose must be converted into one of these units of measure, following the manufacturer’s guidelines. International units (F2) must be converted to standard measurements (GR, ML and UN).

- For drugs that come in a vial in powder form that needs to be reconstituted before administration, bill each vial in units (UN).
- For drugs that come in a vial in liquid form, bill in milliliters (ML).
- For topical forms of medicine (cream, ointment, bulk powder in a jar), bill in grams (GR).

When billing for a medication, report the NDC by using the NDC qualifier (N4), 11-digit NDC, NDC unit of measurement qualifier and NDC quantity. In addition to billing the NDC and the units of measurement, the applicable HCPCS or CPT code for the medication must be included in the submission. The NDC must be active for the date of service for which you are billing.

The NDC must follow the “5digit4digit2digit” format, which is 11 numeric digits with no spaces and no special characters (including hyphens). Some NDCs are displayed on the drug packaging in a 10-digit format. If the NDC on the package label is fewer than 11 digits, you must add leading zeros to total 11 digits.

The table below shows an example of how to convert a 10-digit NDC label configuration to 11 digits.

Note: The hyphens shown below are used only to illustrate the various ways to format NDCs and should not be used when billing.

<table>
<thead>
<tr>
<th>Label configuration</th>
<th>Add the leading zero</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-4-2 (0002-7597-01)</td>
<td>00002-7597-01</td>
</tr>
<tr>
<td>5-3-2 (50242-040-62)</td>
<td>50242-0040-62</td>
</tr>
<tr>
<td>5-4-1 (60575-4112-1)</td>
<td>60575-4112-01</td>
</tr>
</tbody>
</table>
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Reporting the National Drug Code
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RC Claim Assist tool
You can use the RC Claim Assist tool to help you identify the correct NDC and NDC quantity for claims related to BCN HMO (commercial) and Blue Cross’ PPO (commercial) members:

- For BCN commercial members, information on this tool is available at ereferrals.bcbsm.com > BCN > Medical Benefit Drugs – Pharmacy. Look under the heading “RC Claim Assist tool.”
- For Blue Cross commercial members, information is available at ereferrals.bcbsm.com > Blue Cross > Medical Benefit Drugs – Pharmacy. Look under the heading “RC Claim Assist tool.”

Submitting the NDC on electronic claims
To submit the NDC on electronic professional claims (837P), report the following information:

<table>
<thead>
<tr>
<th>Field name</th>
<th>Field description</th>
<th>Loop 2410 - Drug Identification Data Element</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product ID Qualifier</td>
<td>Enter “N4” in this field.</td>
<td>LIN02</td>
</tr>
<tr>
<td>National Drug CD</td>
<td>Enter the 11-digit NDC assigned to the drug administered (no hyphens).</td>
<td>LIN03</td>
</tr>
<tr>
<td>NDC Units</td>
<td>Enter the quantity (number of grams, units or milliliters) for the prescription drug.</td>
<td>CTP04</td>
</tr>
<tr>
<td>NDC Unit / MEAS</td>
<td>Enter the unit of measure qualifier for the entered prescription drug quantity (GR = grams, UN = unit or ML = milliliter).</td>
<td>CTP05-1</td>
</tr>
</tbody>
</table>

Submitting the NDC on paper claims
Submit the required information for the NDC in the shaded portions of fields 24A through 24G on the CMS-1500 claim form, as follows:

1. Report the N4 qualifier in the first two positions, left-justified.
2. Follow this immediately with the 11-character NDC number in the 5-4-2 format (no hyphens).
3. Follow this immediately with the unit of measurement qualifier. The unit of measurement qualifier codes are as follows:

<table>
<thead>
<tr>
<th>Code</th>
<th>Unit of measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>GR</td>
<td>Gram</td>
</tr>
<tr>
<td>ML</td>
<td>Milliliter</td>
</tr>
<tr>
<td>UN</td>
<td>Unit</td>
</tr>
</tbody>
</table>
Billing instructions:
Reporting the National Drug Code
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Submitting the NDC on paper claims (continued)

4. Follow this immediately with the NDC quantity, with a floating decimal for fractional units limited to three digits to the right of the decimal. Any spaces not used for the quantity should be left blank. (Note: Left-justify the field and do not enter the drug name.)

An example of the methodology to be used is shown here:

The format for the billing should be: N4 + NDC number + three spaces + unit of measure + quantity

<table>
<thead>
<tr>
<th>A</th>
<th>1</th>
<th>B</th>
<th>1</th>
<th>C</th>
<th>1</th>
<th>D</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>M25 .569</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>1</td>
<td>F</td>
<td>1</td>
<td>G</td>
<td>1</td>
<td>H</td>
<td>1</td>
</tr>
<tr>
<td>I</td>
<td>1</td>
<td>J</td>
<td>1</td>
<td>K</td>
<td>1</td>
<td>L</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY</th>
<th>Relate A-L to service line below (24E)</th>
<th>ICD Ind.</th>
<th>22. RESUBMISSION CODE</th>
<th>ORIGINAL REF. NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>1</td>
<td>B</td>
<td>1</td>
<td>C</td>
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<tr>
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<td>F</td>
<td>1</td>
<td>G</td>
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<tr>
<td>I</td>
<td>1</td>
<td>J</td>
<td>1</td>
<td>K</td>
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</tbody>
</table>

<table>
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<tbody>
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<td>1</td>
<td>N40003029305 ML1</td>
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<td>11</td>
<td>J2792</td>
<td></td>
<td>A</td>
<td>80.00</td>
</tr>
</tbody>
</table>

Revised May 2020
Additional information

Reimbursement for discarded drugs applies only to single-use vials. Discarded amounts of drugs in multi-use vials are not eligible for payment.

For home infusion therapy and specialty drugs, providers must submit claims electronically that include the NDC and the National Council for Prescription Drug Programs quantities.

To access the National Drug Code Directory published by the U.S. Food and Drug Administration, visit fda.gov and click Drugs > Drug Approvals and Databases > More information* (under National Drug Code Directory Search).

For additional information about drugs covered under the medical benefit, refer to:

- The Medical Benefit Drugs – Pharmacy page in the BCN section at ereferrals.bcbsm.com
- The Medical Benefit Drugs – Pharmacy page in the Blue Cross section at ereferrals.bcbsm.com

Note: If any of the information presented here conflicts with the provider contract, the contract language should be followed.

*Clicking this link means that you’re leaving the Blue Cross Blue Shield of Michigan and Blue Care Network website. While we recommend this site, we’re required to let you know we’re not responsible for its content.