

## Compound Drugs- NDC

When billing claims for combination drugs, or same procedure codes with different NDC's you need to report a prescription link number or qualifier to prevent the service lines from denying as a duplicate. The prescription link number or qualifier is assigned by the provider and needs to be the same on each line to link the services together so the system will bypass the duplicate edit.

Policy: [Medicaid Provider Manual](#)

### **Chapter “Billing and Reimbursement of Institutional Providers” Section 7.18. A. ELECTRONIC CLAIMS**

The following NDC information is reported in the appropriate segments of the electronic claim format:

- N4 (2-digit qualifier)
- NDC (11 digits, with 5-4-2 format)
- Unit of Measurement Value (2-digit qualifier)
- NDC Quantity

To report the NDC information in an 837 HIPAA-compliant format with the correct information in the 2410 Loop:

- Repeat the HCPCS code on multiple service line loops, allowing one NDC to be reported within each LIN segment.
- Within the LIN segment, report the 2-digit qualifier along with the 11-digit NDC.
- Within the CTP segment, report the quantity and unit of measurement.
- For the REF segment, the prescription number or Compound Drug Association Number must be reported on each service line to link this service together.

### **Chapter “Billing and Reimbursement for Professionals” Section 6.4 ANCILLARY MEDICAL SERVICES**

#### Electronic Claims:

Providers must report the NDC supplemental information in the appropriate segments in the electronic format. Zero dollars (0.00) may also be reported as the NDC Unit Price. A provider who bills a procedure code with multiple NDCs (e.g., compound drug) must repeat the same HCPCS code on multiple service lines allowing each NDC to be reported. The prescription number must be listed on each service line (REF segment) to link this service as one compound drug.

DDE Claims:

To report a procedure code with multiple NDCs (e.g., compound drug), the same HCPCS code must be repeated on multiple service lines, allowing each NDC to be reported. The prescription number must be reported on each service line to link this service together as one compound drug.