Outpatient Pharmacy – Billing with NDCs
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Pharmacy Claims

Effective 07/01/2016 IHS and Tribally operated 638 facilities must submit the NDC information on the claim to receive the All Inclusive Rate.

Billing Pharmacy Claims Title XIX

- Use revenue code 0519.

- Use bill type 131 (hospital Outpatient, admit through discharge) or 711 (clinic, rural health, admit through discharge).

- All pharmacy claim lines billed with rev code 0519 must have a valid NDC code on every line, with the **first line** containing a valid/covered NDC code.

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Common Pharmacy Billing Errors

- An invalid and or non-covered NDC code on the first line will cause the whole claim to deny.

- Invalid NDC codes: If the NDC code on each line does not follow the standard NDC format (i.e. typo) the whole claim will deny even if the first line has a valid/covered NDC code.

- Note: The only exception is when billing for anticoagulants with the corresponding diagnosis code

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Billing Pharmacy Claims Title XXI

- Claims for Title XXI (KidsCare) recipients must be submitted to OptumRx as described in Chapter 10 of the IHS/Tribal Provider Billing Manual.

https://www.azahcccs.gov/PlansProviders/Downloads/IHS-TribalManual/IHS-Chap10Pharmacy.pdf

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Billing Pharmacy Claims -Example

Example 1, Line 1 billed with a valid AHCCCS covered NDC code
Line 2 billed with a valid AHCCCS covered NDC code

Will pay the AIR on line 1

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16

Billing Pharmacy Claims -Example

Example 2:

Line one billed with a valid AHCCCS covered NDC code and the AIR Line two can be billed with a covered or non-covered NDC code.

Will pay the AIR on line 1

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16

Billing Pharmacy Claims -Example

Example 3:

Line 1 billed with an invalid or a non-covered NDC code
Line 2 billed with a valid AHCCCS covered DNC code and the AIR

The whole claim will deny

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00603053500	UN	30	1	0.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	368.00	11/01/16 – 11/01/16

Billing Pharmacy Claims -Example

Example 4:
Line 1 billed with a valid AHCCCS covered NDC code and the AIR
Line 2 billed with a valid AHCCCS covered or a non-covered NDC code
Line 3 billed with a invalid NDC code

The whole claim will be denied

LN	Rev code	NDC Code	MEAS CD	NDC Units	SVC Units	Charges	Service Dates
L1	0519	00074455219	UN	30	1	368.00	11/01/16 – 11/01/16
L2	0519	00603053550	UN	30	1	0.00	11/01/16 – 11/01/16
L3	0519	00603053500	UN	30	1	0.00	11/01/16 – 11/01/16

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Questions?

Thank You.

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