

Office of Health Services
Medical Care Programs



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

Larry Hogan, Governor - Boyd Rutherford, Lt. Governor - Van Mitchell, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM

Hospital Transmittal No. 232

March 30, 2015

TO: Hospital Providers *Susan J. Tucker*

FROM: Susan J. Tucker, Executive Director, Office of Health Services

RE: Reporting National Drug Code (NDC)/Quantity by 340B designated hospitals when billing for drugs

NOTE: Please ensure that the appropriate staff members in your organization are informed of the content of this transmittal.

Effective May 1, 2015, the Medical Assistance Program will require 340B designated hospitals to use the National Drug Code (NDC) on outpatient claims for bill types 131 and 135 when billing revenue codes 0250, 0251, 0252, 0257, 0258, 0259, 636 and 0637. **This implementation date is specific for claims submitted for payment on or after May 1, 2015 regardless of date of service.**

Federal law prohibits the Maryland Medicaid Program from reimbursing providers for drugs obtained from companies that do not have a drug rebate agreement under the federal Medicaid Drug Rebate Program (MDR) (42 U.S.C. § 1396r-8). Any such drugs are not “covered drugs” under federal law and may not be subject to provider’s reimbursement claim to the Medicaid Program. As a result, Maryland Medicaid:

- Will not reimburse providers for drugs obtained from companies that do not participate in the Medicaid Drug Rebate Program; and
- Will not reimburse providers for drugs unless a valid 11 digit NDC number and quantity administered are reported on the UB 04 for outpatient claims.

The Maryland Medicaid billing instructions can be found at:
<https://mmcp.dhmh.maryland.gov/SitePages/Billing%20Instructions.aspx>.

In order to identify the unit of measure of the various drugs, the Program has created a National Drug Code (NDC) Unit of Measure Listing on the Maryland Medical Programs Web Services site at: <http://encrypt.emdhealthchoice.org/emedicaid/>. The listing can be accessed via the “NDC Unit of Measure” link on the left menu of the first screen that you will be presented with after you have successfully logged into the system. This list will be updated monthly.

Questions concerning this transmittal can be directed to the Staff Specialist at (410) 767-1722. UB04 billing questions should be directed to the Institutional Hotline at (410) 767-5457 or via e-mail to DHMH.UB04MAPR@maryland.gov.