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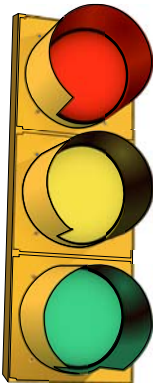
Durable Medical Equipment Regional Carriers and VIPs, Processing National Drug Code Numbers

Note: This article was revised to contain web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Suppliers and Providers who bill Medicare Durable Medical Equipment Regional Carriers (DMERCs).

Provider Action Needed



STOP – Impact to You

Suppliers and providers who bill for medications using National Drug Codes (NDCs) on claims submitted to Medicare need to note this change.

CAUTION – What You Need to Know

Suppliers and providers should note that if an NDC has been de-activated, even for a short time, the related claim will be rejected if the date of service occurs during the time the code is deactivated or terminated.

GO – What You Need to Do

Please refer to the *Background* and *Additional Information* sections of this instruction for further details.

Background

With the implementation of the Health Insurance Portability and Accountability Act (HIPAA), DMERCs now receive many NDCs for drugs, and they must also be able to process the following formats:

- The National Council for Prescription Drug Programs (NCPDP) format;
- The X12N 837P format (claims, encounters, and coordination of benefits); and
- The National Standard Format (NSF) format.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

DMERCs will receive monthly updates of the NDC crosswalk files from CMS, beginning in April, 2004. The DMERCs will use these updates in editing NDCs submitted on claims. Where a claim is submitted for an NDC and the date of service is during a time when the NDC is deactivated, terminated, or otherwise invalid, the CMERC will reject the claim back to the provider with remittance advice message M119 to indicate that the claim contains a "Missing/Incomplete/Invalid/Deactivated or withdrawn National Drug Code(NDC)."

Providers should note that if an NDC code has been deactivated, even for a short time, the claim line will be rejected if the date of service occurs during the time the code is deactivated/terminated.

Implementation

The implementation date for this instruction is April 5, 2004.

Additional Information

The official instruction issued to your carrier regarding this change may be found by going to <http://www.cms.hhs.gov/Transmittals/downloads/R104CP.pdf> on the CMS website.

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