

To: Medi-Cal network participants

August 3, 2022

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Subject: **Billing reminder – Entering correct National Drug Codes for physician-administered drugs**

(This reminder was sent to Medi-Cal network participants on August 3, 2022. We have recently added it to our website for your convenience.)

We are writing to remind you that Blue Shield of California Promise Health Plan requires providers to bill physician-administered drugs using National Drug Codes (NDC) according to Medi-Cal guidelines that accurate claim information is required for drug reimbursement.

Billing guidelines

Per the [Medi-Cal manual](#) *Physician-Administered Drugs – NDC: CMS-1500 Billing Instructions* (“physician ndc cms”) and *Physician-Administered Drugs – NDC: UB-04 Billing Instructions* (“physician ndc ub”), an 11-digit number must be entered on the claim. The NDC entered on the claim must have five digits in the first segment, four digits in the second segment, and two digits in the last segment. The first five digits of an NDC identify the manufacturer of the drug and are assigned by the Food and Drug Administration (FDA). The remaining digits are assigned by the manufacturer and identify the specific product and package size. **Placeholder zeros must be entered on the claim wherever digits are needed to complete a segment.**

Providers must bill the product ID qualifier N4 followed by the 11-digit NDC. In order for us to correctly reimburse for physician-administered drugs, it is imperative that providers bill a valid NDC along with the corresponding unit of measure qualifier (ML, GR and UN) AND the numeric quantity (10-digit number). The 10 digits consist of seven digits for the whole number, followed by three decimal places. (Example: If the NDC unit of measure is in “MG/ML”, providers should bill with “MG/ML” as the qualifier and not “UN.”)

Absence of these elements will result in claim denial.

An incorrect unit of measure qualifier or numeric quantity will result in claim denial.

If you have questions about Blue Shield Promise billing, please call our Provider Services Department at **(800) 468-9935** from 6 a.m. to 6:30 p.m., Monday through Friday.