



Horizon NJ Health

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J and Q Code Billing Provider Update April/May 2017



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Ground Rules

- Please mute your phones
- Webinar is dedicated to education on how to correctly submit claims with drug-related (J or Q) codes
- Individual provider claims issues will not be discussed on this call; please contact your Provider Rep
- A copy of the presentation will be available upon request



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How to Correctly Submit Claims with Drug-Related (J or Q) Codes

- Professional and institutional primary and secondary claims submitted with drug-related (J or Q) codes must include the National Drug Code (NDC) number, quantity and the unit of measure.
- The NDC, quantity and the unit of measure is being enforced in addition to the corresponding Healthcare Common Procedure Coding System (HCPCS) and Current Procedural Terminology (CPT) codes and the units administered for each code.
- If the NDC number, quantity and the unit of measure are not submitted correctly with your claim submission, the claim will be rejected or denied and a clean claim will needed to be submitted within timely filing guidelines.



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Common Questions

- **Q1. What if a member is dual eligible for Medicare and Medicaid?**
- **A1.** While the Centers for Medicaid and Medicare Services (CMS) does not require the NDC on traditional Medicare claims, NJ Medicaid NDC requirements are being reviewed, communicated and enforced by the State of New Jersey. Therefore, Horizon NJ Health has to comply with the State rules and requires NDC number, quantity and the unit of measure for claim lines that have J and Q procedure codes billed.



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Common Questions

Q2. What NDC information will be required?

A2. Providers need to submit the unit of measure that is on the NJMMIS website <https://www.njmmis.com/ndcLookup.aspx>

The following information will be required when submitting an NDC:

- Valid 11-digit NDC number. The NDC number must be entered in the 24D field of the CMS-1500 Form or the LIN03 segment of the HIPAA 837 Professional Electronic form.
- NDC unit of measure (F2, GR, ML, UN).
- NDC units dispensed (must be greater than 0).



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Common Questions

- **Q3. Will the NDC information submitted be subject to any additional clinical edits?**
- **A3. Yes.** The following criteria will also be applied initially:
 - NDC and HCPCS verification: identifies incorrect billing when the NDC and HCPCS codes are not a match on the drug claim.
 - NDC max unit: targets drugs that have specific strengths where an unexpected number of units are exceeded.
 - Inactive NDCs: targets inactive/obsolete drugs.



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Common Questions

- **Q4. Where is the NDC located?**
- **A4.** The NDC is an 11-digit number found on the prescription drug label of the drug container (e.g. vial, bottle or tube). If the NDC on the label does not include the 11 digits, it will be necessary to add a leading zero to the appropriate section to create a 5-4-2 configuration (i.e. 66733-0948-23). A valid NDC without spaces or hyphens should be placed on the medical claim. The NDC submitted must be the actual valid NDC number on the container from which the medication was administered.



Common Questions

- **Q5. Are the NDC units different from the HCPCS/CPT code units?**
- **A5. Yes. NDC units are based upon the numeric quantity administered to the patient and the unit of measure.**

UOM	Description	Guidelines
F2	International unit	International units will mainly be used when billing for Factor VIII-Antihemophilic Factors
GR	Gram	Grams are usually used when an ointment, cream, inhaler, or bulk powder in a jar are dispensed. This unit of measure will primarily be used in the retail pharmacy setting and not for physician-administered drug billing.
ML	Milliliter	If a drug is supplied in a vial in liquid form, bill in millimeters.
UN	Unit	If a drug is supplied in a vial in powder form, and must be reconstituted before administration, bill each vial (unit/each) used.



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Common Questions A5 Continued...

☐ NDC Units

Submit the decimal quantity administered and the units of measurement on the claim. If reporting a partial unit, use a decimal point.

- GR0.025
- ML2.5
- UN3.0



Common Questions A5 Continued...

- The quantity should be eight digits before the decimal and three digits after the decimal. If entering a whole number, do not use a decimal. Do not use commas. Do not zero fill, leave remaining positions blank. The following are some examples:
 - 12345678.123
 - 2
 - 1234.56



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How should the NDC unit of measure and quantity be submitted?

To submit the NDC, unit of measure and the quantity, following the instructions below:

Paper Claim Requirements

CMS-1500 form:

- Enter the NDC in the shaded area of the service lines in Field 24.
- The six service lines in section 24 have been divided horizontally to accommodate submission of supplemental information to support the billed service. The top portion in each of the six service lines is shaded and is the location for reporting supplemental information.
- Submit the NDC code in the red-shaded portion of the detail line item starting in positions 01.
- The NDC is to be preceded with the qualifier N4 and followed immediately by the 11 digit NDC code (e.g. N412345678901).



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How should the NDC unit of measure and quantity be submitted?

To submit the NDC, unit of measure and the quantity, following the instructions below:

UB-04 form:

- Field 42: Revenue code
- Field 43: NDC 11 digit number, Unit of Measurement Qualifier and Unit Quantity
- Field 44: HCPCS code



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How should the NDC unit of measure and quantity be submitted?

Loop	Segment	Element Name	Information
2410	LIN	02	Product or Service ID Qualifier If billing for a national drug code (NDC), enter N4.
2410	LIN	03	Product or Service ID If billing for drugs, include the NDC. Sample - LIN**N4*12345678901
2410	CTP	04	Quantity If an NDC was submitted in LIN03, include the quantity for the NDC billed.
2410	CTP	05-1	Unit or Basis for Measurement Code If an NDC was submitted in LIN03, include the unit or basis for measurement code for the NDC billed. F2 - International unit GR - Gram ML - Milliliter UN - Unit Sample - CTP****3*UN
2410	REF	01	VY: Link Sequence Number, XZ : Prescription Number Link Sequence # (to report components for compound drug)
2410	REF	02	Link Sequence Number or Prescription Number Sample - REF01*VY*123456



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Pharmaceutical Claims

- **Pharmaceutical Claims** - May be submitted electronically. These drug claims should not be for retail pharmacy claims nor can they be in an NCPDP format.
- If you are submitting a claim for pharmaceutical services, the HCPCS J codes are required to identify the drug.
- NDC code to be submitted in the LIN segment in the 2410 loop with a qualifier of N4, and the associated data of the NDC code submitted in the CTP segment in the 2410 loop.
- The associated data for the NDC consists of the **Quantity** (National Drug Unit Count) and the **Unit of Measure** which can be one of the 5 qualifiers:
F2 – International Unit, GR - Gram, ML – Milliliter, ME – Milligram, or UN - Unit



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Additional Resources

- **For additional information on the valid NDC codes, unit and units of measure, please refer to the NJ Medicaid website.**

<https://www.njmmis.com/ndcLookup.aspx>



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Submitting Corrected Claims

Submitting Corrected Claims with EDI

- Providers using electronic data interchange (EDI) can submit “professional” corrected claims electronically rather than via paper to Horizon NJ Health.
- **Note:** A corrected claim is defined as a resubmission of a claim with a specific change that you have made, such as changes to CPT codes, diagnosis codes or billed amounts. It is not a request to review the processing of a claim. The electronic corrected claim submission capability allows for faster processing, increased claims accuracy and a streamlined submission process. For your EDI clearinghouse or vendor to start using this new feature they need to:
 - Use “6” for adjustment of prior claims or “7” for replacement of a prior claim utilizing bill type in loop 2300, CLM05-03 (837P).
 - Include the original claim number in segment REF01=F8 and REF02=the original claim number; no dashes or spaces.
 - Include the Horizon NJ Health claim number in order to submit your claim with the 6 or 7.
 - Bill all services, not just the services that need corrections.
 - Do use this indicator for claims that were previously processed (approved or denied).
 - Do not use this indicator for claims that contained errors and were not processed (such as claims that did not appear on a remittance advice; i.e., rejected up front).
 - Do not submit corrected claims electronically and via paper at the same time.



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Please forward request to
Provider_Relations@HorizonNJhealth.com**

**Include: “J and Q Code Billing Provider Training”
in the subject line**



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Q & A