IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201230 AUGUST 14, 2012

Appropriate billing of leuprolide acetate NDCs minimizes drug rebate disputes

The Medicaid Drug Rebate Program is a partnership between the Centers for Medicare & Medicaid Services (CMS), State Medicaid agencies, and participating drug manufacturers that helps offset the Federal and State costs of most outpatient prescribed drugs dispensed to Medicaid patients. The rebate program requires a drug manufacturer to enter into and maintain a national rebate agreement with the Secretary of the Department of Health and Human Services (HHS), in exchange for State Medicaid coverage of most of the manufacturer's drugs. Manufacturers are then responsible for paying rebates on those drugs each time the drugs are dispensed to Medicaid patients. These rebates are paid quarterly by drug manufacturers and shared between the States and the Federal government to offset the overall cost of Medicaid prescribed drugs.

Xerox State Healthcare LLC, the rebate contractor for the Indiana Health Coverage Programs (IHCP), has been working with Abbott Pharmaceuticals to resolve rebate disputes regarding inconsistent utilization and number of units dispensed for leuprolide acetate products. These inconsistencies are the result of inappropriate billing by providers of leuprolide acetate's multiple indications and strengths. Some providers have billed multiple Healthcare Common Procedure Coding

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System (HCPCS) units for a particular drug strength that did not coincide with the product administered at the time of service. In other cases, the actual National Drug Code (NDC), which should have been recorded at the time of service, was not submitted on the claim, or the NDC for a different drug strength was submitted with multiple units to equal the strength administered.

It is extremely important that only the NDC specified on the label of the product administered to the member be billed to the IHCP. It is not permissible to bill the IHCP for any other NDC. For example, billing systems should not be programmed to automatically bill a predetermined NDC for a procedure code, regardless of whether that NDC accurately reflects the product that was administered to the member, nor should billing clerks choose an NDC that does not accurately reflect the drug administered. The provider that administers the product must provide the billing clerk with the NDC for the drug that was administered, and that NDC must be submitted on the claim. If the incorrect NDC is submitted, the IHCP cannot obtain rebate dollars from the manufacturer. If rebate dollars cannot be obtained from the manufacturer due to noncompliant claims, these dollars will be recouped from the provider.

As an example, the following table illustrates the appropriate billing of procedure code quantity to NDC quantity for the available leuprolide acetate NDCs when billing procedure code J9217. Each NDC is listed, along with the indication, the appropriate procedure code quantity to bill, the NDC dose and unit, and the appropriate NDC quantity to bill. **The table is for educational purposes only and is not to be used as a reference for NDC selection; only the NDC specified on the label of the product administered to the member is billed to the rebate program.**

Examples of procedure code J9217 – leuprolide acetate (for depot suspension), 7.5mg – procedure code quantity to NDC quantity

NDC	NDC description	Indication	Procedure code quantity to bill	NDC dose/ volume	NDC quantity billed	NDC unit qualifier
00074210803	Lupron Depot – Ped 7.5mg Kit	Children with central precocious puberty (CPP)	1	7.5mg/ea	1	EA
00074228203	Lupron Depot – Ped 11.25mg Kit	Children with central precocious puberty (CPP)	1.5	11.25mg/ea	1	EA
00074244003	Lupron Depot – Ped 15mg Kit	Children with central precocious puberty (CPP)	2	15mg/ea	1	EA
00074334603	Lupron Depot 22.5mg 3 month Kit	Palliative treatment of advanced prostate cancer	3	22.5mg/ea	1	EA
00024022205	Eligard 22.5mg					

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Examples of procedure code J9217 – leuprolide acetate (for depot suspension), 7.5mg – Procedure code quantity to NDC quantity

NDC	NDC description	Indication	Procedure code quantity to bill	NDC dose/ volume	NDC quantity billed	NDC unit qualifier
00074347303 00024060545	Lupron Depot 45mg 6 month Kit Eligard 45mg	Palliative treatment of advanced prostate cancer	6	45mg/ea	1	EA
00074364103	Lupron Depot 3.75mg Kit	Used before fibroid surgery	0.5	3.75mg/ea	1	EA
00074364203 00024079375	Lupron Depot 7.5mg Kit Eligard 7.5mg	Palliative treatment of advanced prostate cancer	1	7.5mg/ea	1	EA
00074366303	Lupron Depot 11.25mg 3 month Kit	Used before fibroid surgery	1.5	11.25mg/ea	1	EA
00074368303 00024061030	Lupron Depot 30mg 4 month Kit Eligard 30mg	Palliative treatment of advanced prostate cancer	4	30mg/ea	1	EA
00074377903	Lupron Depot – Ped 11.25mg 3 month Kit	Children with central precocious puberty (CPP)	1.5	11.25mg/ea	1	EA
00074969403	Lupron Depot – Ped 30mg 3 month Kit	Children with central precocious puberty (CPP)	4	30mg/ea	1	EA

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