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**To: All Indiana Medicaid Pharmacy Providers**

**Subject: Most Common Billing Unit Discrepancies That Result in Manufacturer Drug Rebate Disputes**

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## Overview

As you may be aware, for any drug manufacturer's products (both legend and OTC) to be covered by state Medicaid programs, the manufacturer must have entered into and have in effect a "rebate" agreement with the federal government. The essence of the agreement is that the manufacturer agrees to "rebate" back to each state, on a quarterly basis, a portion of the money that the state expended for that manufacturer's individual products. At its most basic element this process is based on the number of "units" of each drug the state submits to the manufacturer for rebates, it is *critically* important that Medicaid providers submit the correct number of such units on each claim. The greatest number of manufacturer disputes is attributable to questionable numbers of "units" charged to the manufacturer by the state.

Some drug products have billable "units" that are intuitive, such as tablets or capsules being "each". Other products, however—injectable products, in particular—do not readily lend themselves to a clear understanding of what constitutes a correct billing "unit". The IndianaAIM system has built-in claims processing logic edits that were designed to identify potentially mis-billed "units", but even with such edits some products have continually emerged as causing manufacturer rebate disputes. The purpose of this bulletin, and others that will follow on a periodic basis, is to bring to your attention those products that our analyses have shown as causing manufacturer disputes because of potentially mis-billed "units".

Please be aware that we all have a vested interest in ensuring, to the greatest degree possible, that "units" of dispensed drugs are correctly

billed. Incorrectly billed units cause extensive administrative time and resources on the part of the State, pharmacy providers, and rebating drug manufacturers, and delay rebate proceeds to the State. Also, manufacturers **do** retain the right to require audits of specific providers' billing records, in the event of unresolved disputes. None of the involved parties desire to invoke such drastic measures, and your careful adherence to correct billing of "units" will ensure that it is never required to do so.

Tables 1.1 and 1.2, attached, relate those products most commonly disputed by rebating manufacturers, according to our records. Table 1.2 lists the correct "unit" definition for drugs for which substantial dispute activity has recently occurred.

## Billing Unit Definitions

Please be aware that there **only three** acceptable billing "units" for purposes of the Indiana Medicaid program. They are as follows:

- *Each (ea)* – The billing unit for capsules, tablets, kits, and unconstituted vials.
- *Milliliters (ml)* – The billing unit for liquid dosage form having a uniform concentration.
- *Grams (gm)* – The billing unit for products that are packaged by weight, such as ointments, creams, and powders that are not reconstitutable for injection.

## Factors Most Commonly Associated with Rebates-Related Disputes

Our analyses consistently reveal the following factors as most commonly causing rebates disputes:

- Incorrect billing unit (e.g., using the number of milliliters in a vial as opposed to "each", which would specify the entire contents of the vial). NOTE: This example is for illustrative purposes only; some products are billed by ml and some by "each" vial.
- Provider data entry errors, including those involving decimal or fractional quantities.
- Units billed exceeding what would be expected as being within a normal range for the product (i.e., the billed units appear inconsistent with what a normally dispensed quantity would be).

- Charge amounts that suggest a generic might have been dispensed when a brand name NDC was submitted on the claim.

Providers are strongly **encouraged** to contact the Indiana Pharmacy Help Desk toll-free line (877) 877-5182 for assistance if, in the course of billing the Indiana Medicaid program for dispensed drugs, there is a question regarding what constitutes the correct “unit” for that drug. We very much appreciate your efforts to assist us in minimizing the number of manufacturer disputes arising from Indiana Medicaid paid claims data.

Please compare your current billing practices to the indicated billing unit in the following tables to ensure consistency.

Table 1.1 – Billing Units for Commonly Billed Products

Drug Product	Billing Unit
Imitrex 6mg Syringe Kit	ea (kit)
All Oral Inhalers	gm
Ointments and Creams	gm
Lovenox Prefilled Syringes	ml
Toradol Prefilled Tubexes	ml
Metamucil and Psyllium-like Products (Jar)	gm
Metamucil and Psyllium-like Products (Packet)	ea
Birth Control Pills	ea (tablet)
Refresh Plus and Refresh Eye Dropperettes	ea (dropper)
Rocephin 10gm Vial	ea
Ophthalmic Ointments	gm

Table 1.2 contains a list of specific drug products and their correct billing unit.

Table 1.2 - Disputed NDC Information

Description	Billing Unit
Acetaminophen/Cod #4 Tab	ea
Acetic Acid w/HC Ear Drops	ml
Acthar HP Gel	ml
Aerobid M Adap	gm
Albuterol .83mg/ml Solution	ml
Albuterol Inhaler	gm
Albuterol Sulfate 4mg Tab	ea
Allbee w/c Cap	ea
Amiloride HCL/HCTZ 5/50 Tab	ea
Amitrip/Perphen 10-2 Tab	ea
Amitrip/Perphen 25-4 Tab	ea
Amoxil 500 mg	ea
Anti-Oxidant Tab (Vite)	ea
Artane 2mg Liquid	ml
Artificial Tears Drops	ml
Artificial Tears Eye Oint	gm
Ascorbic Acid Tab	ea
Atropine 1% Eye Drops	ml
Bacitracin 500U/g Oint.	gm
Banophen 12.5mg/5ml Elix	ml
Benztropine MES 2mg Tab	ea
Betagan 0.5% Eye Drops	ml
Bethaprim Suspension	ml
Bisacodyl 10mg Suppository	ea
Bisacodyl 5mg Tab EC	ea
Butisol SOD 30mg	ea
Bydramine 12.5mg/5ml Syr	ml
Calcimar 200 Injection	ml
Catapres-TTS 2 Patch	ea
Catapres-TTS 3 Patch	ea
Ceclor 250/5ml Susp	ml
Centrum-Jr / Centrum Silver	ea

(Continued)

Description	Billing Unit
Centrum-Liquid	ml
Certa-Vite Tab	ea
Chewable Vitamins	ea
Chlorzoxazone 500mg Tab	ea
Clonidine HCL Tab	ea
Clorpheniramine 4mg	ea
Clotrimazole cream	gm
Codclear DH	ml
Colace 100mg	ea
Colace 60mg Liquid	ml
Colace 60mg/15ml Syrup	ml
Condylox 0.5% Gel	gm
Condylox 0.5% Topical Soln	ml
Cortomycin Eye Drops	ml
Coumadin 2.5mg	ea
Cyproheptadine 2mg/5ml SYR	ml
Cyproheptadine 4mg	ea
Cystospaz-M Cap SA	ea
Daily Vitamin w/Iron Tab	ea
Dalpro 250mg Cap	ea
Darvocet N100	ea
DDAVP 0.01 Sol	ml
DDAVP 0.2mg Tab	ea
Depo-Provera	ml
Desipramine 25mg Tab	ea
Desipramine 50mg Tab	ea
Desipramine 75mg Tab	ea
Desmopressin 0.1mg/ml Sol	ml
Dicyclomine 10mg Cap	ea
Digoxin 0.25mg Tab	ea
Diphenoxylate/Atropine Tab	ea
Diphenhydramine 50 mg/ml Syn	ml
Docusate Sod	ea
Dok 100mg Cap	ea

(Continued)

Description	Billing Unit
Dok Plus Cap	ea
Doktose Plus Cap	ea
Doxepin Capsules	ea
Doxycycline 50mg Cap	ea
DSS/Casanthranol Syrup	ml
Dulcolax 5mg Tab EC	ea
Elimite 5% cream	gm
Emla cream	gm
Emla Cream-Tega -kit	ea
Ergoloid Mesylates 1mg Tab	ea
Erythromycin 2% Solution	ml
Estradiol Powder	gm
E-Vitamin 400 IU	ea
Farbee w/c Caplet	ea
Ferrous Sulf 220mg/5ml Elix	ml
Fiber-Eze Powder	gm
Floxin 400mg	ea
Floxin 4mg/ml Mini-Bag	ml
Fluocinolone 0.25% Cream	gm
Formula-B Tab	ea
Furosemide 80mg Tab	ea
Gentamicin `0.1% Cream	gm
Geravine Liquid	ml
Geritol Complete Tab	ea
Geritol Liquid	ml
Gevrabon	ml
Haloperidol 0.5mg Tab	ea
Humalog	ml
Humatrope	ea
Humibid L.A. Tab SA	ea
Hycomine Syrup	ml
Hydralazine Tablets	ea
Hydralazine/HCTZ 25/25 Cap	ea
Hydrocortisone 1% Cream	gm

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Description	Billing Unit
Hydrocortisone Powder	gm
Hydroxyzine 50mg/ml Vial	ml
Hytone 2.5% Cream	gm
Ibuprofen Tablets	ea
Imitrex 6mg Syringe Kit	ea
Imodium 1mg/5ml Liq	ml
Inderal LA 80/25	ea
Infant's Tylenol Drops	ml
Infergen 15MCG/0.5ml Vial	ml
Intal Inhaler	gm
Iron Folic 500mg Tab SA	ea
Isopto Carbacho 0.75% Drops	ml
Isosorbide DN 2.5mg Tab SL	ea
Isosorbide DN 40mg Tab SA	ea
Keflex 500mg Pulvule	ea
Lactulose 10g/15ml Syr	ml
Levora-21 or 28 day Tablets	ea
Levothyroxine Tablets	ea
Lidocaine HCL 2% Jelly	ml
Lidocaine HCL 2% Syr	ml
Lithium Carbon	ea
Lithium Carbonate 300mg Cap	ea
Lodine XL 600mg	ea
Lopressor HCT	ea
Lovenox Injections	ml
Loxol 1.25mg or 2.5 mg tablets	ea
M.V.I. Tab	ea
Major Tears Drops	ml
Major Tears Eye Ointment	gm
Major-Con Drops	ml
Maxaquin 400mg	ea
Megestrol 20mg Tab	ea
Metamucil Fiber Wafer	ea
Metamucil Packet	ea

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Description	Billing Unit
Metamucil Powder bulk	gm
Methenamine MD 500mg Tab EC	ea
Methotrexate	ea
Metoclopramide 5mg/5ml Syr	ml
Miacalcin 200U	ml
Miconazole Nitrate	gm
Micro-K capsules	ea
Minocin capsules	ea
Minoxidil 2.5mg Tab	ea
Moinstat-7 100mg	ea
Monistat-7 Cream	gm
Monoket 10mg	ea
Morphine Syringes	ml
Morphine Sulf Solution	ml
Multivitamin Tablet	ea
Mysoline Tablets	ea
Nasacort Nasal	gm
Nasal crom 4%	ml
Nasalide	ml
Natural Vegetable Powder	gm
Neptazane 50mg Tab	ea
Niacin 250mg Cap SA	ea
Niacin 50mg Tab	ea
Niferex PN Forte	ea
Nitroglycerin	ea
Nitroglycerin Patches	ea
Nitroglycerin Capsules SA	ea
Nordette-28	ea
Nor-QD	ea
Nystatin 100000U/gm Cream	gm
Nystatin Powder	gm
Nystatin 500000U Oral	ea
Ocuvite	ea
Ortho Tri-Cyclen	ea

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Description	Billing Unit
Ortho-Diaph.	ea
Ortho-Personal	gm
Oxycodone W/APAP 5/325 Tab	ea
Oxycodone/ASA 4.88/325 Tab	ea
Oyster Shell 500mg Tab	ea
Oyster Shell w/Vit. D Tab	ea
Pancrelipase Cap EC	ea
Papaverine 150 mg	ea
Peri-Colace	ea
Peri-Colace Liquid	ml
Perphenazine Tablets	ea
Phenazopyridine Tablets	ea
Phenobarbital 20mg/5ml Elix	ml
Polysporin Oint	gm
Polytab 0.5mg Chewable	ea
Polytab-F 1mg Tab	ea
Poly-Vi-Sol Drop	ml
Poly-Vi-Sol with or w/o Iron Tablets	ea
Potassium Chlor Liquid	ml
Potassium CL 10MEQ Tab SA	ea
Prazosin Capsules	ea
Prednicen-M 5mg Tab	ea
Prednisolone 5mg Tab	ea
Premarin 0.625	ea
Prenatal 1 Tablet	ea
Primidone 250mg Tab	ea
Procainamide 500mg Cap	ea
Procainamide 750mg Tab SA	ea
Progesterone Powder	gm
Promethazine 50mg Suppos	ea
Promethazine 50mg/ml Ampul	ml
Promethazine 6.25mg/5ml Syr	ml
Propranolol Tablets	ea
Propine 0.1% Eye Drops	ml

(Continued)

Description	Billing Unit
Propoxyphene HCL 65mg Cap	ea
Propranol/HCTZ 40/25 Tab	ea
Psorcon 0.05%	gm
Pyridoxine 50mg	ea
Quibron-T-SR	ea
Quinine Sulfate 260mg Tab	ea
Recombinate 401-800AHFU VL	ea
Recombinate 801-1240AHFU VL	ea
Refresh Eye Drops	ea
Reglan 10 mg	ea
Reserpine 0.25mg Tab	ea
Rhematrex 2.5	ea
Robafen AC Syrup	ml
Robaxisal	ea
Robinul 0.2mg/ml Vial	ml
Robinul Tablets	ea
Salsalate 500mg Tab	ea
Slo-Bid Gyro caps	ea
Sodium Chloride 0.9% Ampule	ml
Stelazine 2mg	ea
Stimate 1.5mg	ml
Stress Form with or w/o Vit. C Tab	ea
Sudogest 30mg Tab	ea
Sulfasalazine 500mg Tab	ea
Sunkist Vit C 500mg	ea
Superior Pain Med 200mg Tab	ea
Synvisc-Syringe	ml
Syrvite Liquid	ml
Tab-A Vite with or w/o Iron Tab	ea
Taxotere 20mg Vial	ml
Tenex 1mg	ea
Testosterone Propionate Pwd	gm
Theophylline 200 Tab	ea
Theophylline 450mg Tab SA	ea

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Description	Billing Unit
Thera Liquid	ml
Thera with or w/o Minerals Tablet	ea
Theravim-M Tab	ea
Thiamine 100mg	ea
Thioridazine Tablets	ea
Tilade Inhaler	gm
Timentin 3.1 g/100ml 750	ml
Tobradex Eye Ointment	gm
Tobrex 0.3% Eye Ointment	gm
Tolazamide 250mg Tab	ea
Tolbutamide 500mg Tab	ea
Topamax 25mg	ea
Toradol Injection	ml
Torecan 10mg Tab	ea
Transderm-Nitro	ea
Trexan 50mg	ea
Triamterne/HCTZ 50/25 Cap	ea
Tri-Fac Capsule	ea
Trifluoperazine Tablets	ea
Trihexy-2 2mg Tab	ea
Trihexy-5 5mg Tab	ea
Trinicon Cap	ea
Triple Sulfa Vaginal Cream	gm
Tri-Vi-Sol Drops	ml
Trivora-28 Tab	ea
Tums 500 Tab Chewable	ea
Tylenol w/Cod Tab	ea
TY-Pap w/Codeine Elixer	ml
TY-Tab 325mg Tab	ea
Valium	ea
Valproic Acid 250mg/5mg Syr	ml
Ventolin 90	gm
Verazinc 200	ea
Vicon-Forte	ea

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Description	Billing Unit
Vita Drops w/Iron	ml
Vitab-C Cap	ea
Vitamin B-1 100mg Tab	ea
Vitamin B-6 50mg Tab	ea
Vitamin C Tablets	ea
Vitamin E Capsules	ea
Wyamycin-250	ea
Xalatan 0.005% Drops	ml
Xylocaine 5% Vial	gm
Zagam 200 mg	ea