



P R O V I D E R B U L L E T I N

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To: All Indiana Health Coverage Programs Pharmacy Providers

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

Note: The information in this bulletin is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system.

Overview

For any drug manufacturer's products (both legend and over-the-counter) to be covered by the Traditional Medicaid Program 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 pay each state, on a quarterly basis, a portion of the money that the state expended for that manufacturer's individual products. 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 Traditional Medicaid Program providers submit the correct number of units on each claim. The greatest number of manufacturer disputes is attributed to the number of units the state charges to the manufacturer.

Some drug products have billable units that are obvious, for example, tablets or capsules are billed as each. Other products, however—injectable products, in particular—do not have obvious correct billing units. IndianaAIM has built-in claims processing logic edits that were designed to identify potentially misbilled units. Even with such edits, some products have had a large number of manufacturer rebate disputes. The purpose of this bulletin and others that will follow on a periodic basis is to highlight products that analysis has shown to cause manufacturer disputes because of potentially misbilled units.

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Please be aware that incorrectly billed units cause unnecessary administrative time and resources on the part of both the state and rebating drug manufactures and slows down the return to the state of the rebate-related proceeds. Also, manufacturers **do retain** the right to require audits of specific providers' billing records, in the event of unresolved disputes. Careful adherence to correct billing of units will ensure that this is not required.

According to records, Tables 1.1 and 1.2 relate those products most commonly disputed by rebating manufacturers. Table 1.2 lists the correct unit definition for drugs with substantial dispute activity.

Billing Unit Definitions

Please be aware that there are **only** three, acceptable billing units for purposes of the Traditional 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 Rebate-Related Disputes

Analysis consistently reveals the following factors as the most common causes of rebate disputes:

- Incorrect billing unit such as, using the number of milliliters in a vial as opposed to each to 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 for example, the billed units appear inconsistent with what is normally dispensed quantity would be

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- Charge amounts that suggest a generic might have been dispensed when a brand name National Drug Code (NDC) was submitted on the claim

Providers **are encouraged** to contact the Indiana POS/ Pro-DUR Help Desk at 1-877 -877-5182 if in the course of billing the Traditional Medicaid Program for dispensed drugs, there is a question on what constitutes the correct unit for that drug. All efforts to help minimize the number of manufacturer disputes are appreciated.

Please compare 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
Oral Antibiotic Suspensions	ml
All Oral Inhalers	gm
Ointments and Creams	gm
Ativan Tubex Syringes	ml
Ready-To-Use IV Antibiotic Minibags	ml
Metamucil and Psyllium-like Products (Jar)	gm
Metamucil and Psyllium-like Products (Packet)	ea
Birth Control Pills	ea (tablet)
Glucagon F 1 mg Emergency Kit	ea (kit)
Rocephin 10 gm Vial	ea
Norplant System	ea (kit)

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

Table 1.2 – Disputed NDC Information

Description	Billing Unit
2% Xylocaine Viscous Solution	ml
Acetic Acid 5% Solution	ml
Aerobid M Adapter	gm
Albuterol .83 mg/ml Solution	ml
Albuterol 5 mg/ml Solution	ml
Albuterol Sulfate 2 mg/5 ml Syrup	ml
Amicar Syrup 25%	ml

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Table 1.2 – Disputed NDC Information

Description	Billing Unit
Amoxicillin 125 mg/5 ml Suspension	ml
Amoxicillin 250 mg/5 ml Suspension	ml
Ampicillin 250 mg/5 ml Suspension	ml
Anusol Ointment	gm
Anusol Suppository	ea
Artificial Tears Drops	ml
Ativan 2 mg/ml Tubex Syringe	ml
Ativan 2 mg/ml Vial	ml
Atropine 1% Eye Drops	ml
Azmacort Inhaler	gm
Bacitracin 500U/gm Ointment	gm
Bacteriostatic Water Vial	ml
Betamethasone DP .05% Ointment	gm
Betamethasone VA .1% Ointment	gm
Bisocodyl 10 mg Suppository	ea
Catapres-TTS Patch	ea
Cefaclor Suspension	ml
Cleocin Phosphate 150 mg/ml Vial	ml
Clindamycin Ph 1% Solution	ml
Cliquinil Powder	gm
Clobetasol .05% Cream	gm
DDAVP 0.01 Solution	ml
DDAVP 4 mcg/ml Ampule	ml
DDAVP INJ 4 mcg/ml Vial	ml
Depo-Provera 100 mcg/ml Vial	ml
Dermabase Cream	gm
Desmopressin 0.1 mg/ml Solution	ml
Desmopressin AC 4 mcg/ml Vial	ml
Dexamethasone .5 mg/5 ml Elixir	ml
Dobutamine 500 mg/D5W 250 ml	ml
Duragesic 100 mcg/hr Patch	ea
Efudex 5% Cream	gm

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Table 1.2 – Disputed NDC Information

Description	Billing Unit
Erythromycin Estolate 250 mg/5 ml Suspension	ml
Estradiol Powder	gm
FEIBA VH Immuno 400-800U Vial	ml
Floxin IV 4 mg/ml Mini Bag	ml
Fluocinolone .01% Solution	ml
Fluocinolone .025% Cream	gm
Fluocinonide 0.05% Ointment	gm
Fortaz ADD-Vantage Vial	ea
Furosemide 10 mg/ml Oral Solution	ml
Gammagard S/O .5 gm	ea
Gentamicin 0.1% Cream	gm
Gentamicin 0.1% Ointment	gm
Gentamicin 40 mg/ml Sryringe	ml
Gevabron-Liquid	ml
Glucagon F 1 mg Emergency Kit	ea
Gyne-Lotrimin 7 Day 100 mg	ea
Heparin Sodium 10 mU/ml Vial	ml
Herceptin 440 mg Vial	ea
Humalog	ml
Humulin R 500 U/ml Vial	ml
Hydrocortisone 1% Cream	gm
Hydrocortisone 2.5% Cream	gm
Hydrocortisone Powder	gm
Hydrocream Base	gm
Iletin II Pork Lente 100U/ml	ml
Imitrex 6 mg/.5 ml Syringe Kit	ea
Infergen 15 mcg/0.5 ml Vial	ml
Insulin N Beef 100U/ml Vial	ml
Intal Inhaler	gm
Intron A 6 mmU/ml Vial	ml
Keflex 250 mg/5 ml Oral Suspension	ml
Ketoprofen 75 mg Cap	ea

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Table 1.2 – Disputed NDC Information

Description	Billing Unit
Ketoprofen Crystalline Powder	gm
Lactulose 10 gm/15 ml Syrup	ml
Leucovorin Calcium 350 mg Vial	ea
Libirum 100 mg Ampule	ea
Lidex Cream .05%	gm
Lorabind 100 mg/5 ml Suspension	ml
Lorazepam .5 mg Tab	ea
M.V.I. 12 Combo Package	ea
Maalox Suspension	ml
Major Tears Drops	ml
Major Tears Eye Ointment	gm
Meperidine 25 mg/ml Tubex	ml
Metamucil Powder	gm
Metamucil Packet	ea
Metoclopramide 5 mg/5 ml Syrup	ea
Monistat-7 Cream	gm
Mycelex-7 1% Cream	gm
Mycelex-7 100 mg Vaginal Tab	gm
Mylanta Liquid	ml
NasalCrom 4%	ml
Neupogen 300 mcg/ml Vial	ml
Norplant System Kit	ea
Nordette-28	ea
Norinyl 1+35-28 Tab	ea
Norinyl 1+50-28 Tab	ea
Novolin 70/30	ml
Novolin N 100U/ml Cartridge	ml
Novoseven 1200 mcg Vial	ea
Novoseven 4800 mcg Vial	ea
Nystatin 150000000U Powder	gm
Nystatin Cream 100000U/gm	gm
Omnicef 125 mg/5 ml Suspension	ml

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Table 1.2 – Disputed NDC Information

Description	Billing Unit
Opticrom 4% Eye Drops	ml
Ora-Sweet SF Syrup	ml
Ortho-Diaph.65	ea
Ortho-Diaph.70	ea
Ortho-Diaph.75	ea
Ortho-Diaph.80	ea
Ortho-Diaphragm Allflex 85 mm	ea
Pediapred 6.7 mg/5 ml Solution	ml
Penicillin VK 125 mg/5 ml Liquid	ml
Phenergan 25 mg/ml Ampule	ml
Phenergan 25 mg/ml Tubex Syringe	ml
Phenobarbital 20 mg/5 ml Elixir	ml
Phospholine Iodide .25%	ml
Pilocarpine 4% Eye Drops	ml
Poly-Vi-Sol	ea
Potassium Chloride 10% Liquid	ml
Premarin Vaginal Cream Refill	gm
Premarin Vaginal Cream w/Applicator	gm
Prochlorperazine 5 mg/ml Vial	ml
Progesterone Powder Micronized	gm
Promethazine 25 mg/ml Ampule	ml
Promethazine 50 mg/ml Ampule	ml
Promethazine 6.25 mg/5 ml syrup	ml
Promethazine VC Syrup	ml
Promethazine w/Codeine Syrup	ml
Propine .1% Eye Drops	ml
Pulmozyme 1 mg/ml Ampule	ml
Recombinate 801-1240AHFU Vial	ea
Robinul .2 mg/ml Vial	ml
Sandostatin .2 mg/ml Vial	ml
Silver Sulfadiazine 1% Cream	gm
Sodium Bicarbonate 8.4% Vial	ml

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Table 1.2 – Disputed NDC Information

Description	Billing Unit
Sodium Chloride 0.9% Ampule	ml
Sulfamethoxazole w/TMP Ssuspension	ml
Sulfamide 10% Eye Drops	ml
Synvisc-Syringe	ml
Tazidime 2 gm Vial	ea
Testosterone Powder	gm
Testosterone Propionate Powder	gm
Theophylline 80 mg/15 ml Elixir	ml
Thera Liquid	ml
Tilade Inhaler	gm
Timentin 3.1 gm/100 ml RTU	ml
Timoptic .5% Eye Drops	ml
Torecan 5 mg/ml Ampule	ml
Transderm-Nitro .8 mg/hr	ea
Transderm-Scop 1.5 mg/72 hr	ea
Tri-Norinyl 21 Tab	ea
Tri-Norinyl 28 Tab	ea
Tussionex Pennkinetic Suspension	ml
Ty-Pap w/Codeine Elixir	ml
Valisone .01% Cream	gm
Valproic Acid 250 mg/5 mg Syrup	ml
Vancocin HCl 1 gm Solution	ml
Vasolate-HC Ear Drops	ml
Ventolin 90 Inhaler	gm
Vivelle .1 mg Patch	ea
Vivelle .075 mg Patch	ea
Xalatan 0.005%	ml
Zosyn 3/0.375G Pre-Mix Bag	ml
Zosyn 4/0.5G Pre-Mix Bag	ml