



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 a drug manufacturer's products (legend and over-the-counter) to be covered by the Indiana Health Coverage Programs (IHCP), the manufacturer must have entered into and have in effect a rebate agreement with the federal government. The agreement states that the manufacturer agrees to pay each state a portion of the money that the state expended for that manufacturer's individual products each quarter. This is based on the number of units of each drug the state submits to the manufacturer for rebates. Therefore, IHCP providers must 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 the manufacturer.

Billing units for some drug products may seem easy to determine, such as tablets or capsules that are billed as each. Correct billing unit for injectable products and other products may not be easy to determine. IndianaAIM has built-in claims processing logic edits 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 is to highlight products that analysis has shown to cause manufacturer disputes because of potentially misbilled units.

Note: Incorrectly billed units require more administrative time and resources of the state and rebating drug manufacturers and slows down the return to the state of the rebate-related proceeds.

Also, manufacturers **retain the right** to audit specific providers' billing records, in the event of unresolved disputes. Careful adherence to correct billing units should help ensure that this is not required.

According to drug rebate 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

The IHCP accepts **only three** billing units. 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 packaged by weight, such as ointments, creams, and powders that cannot be reconstituted 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, billing for the number of milliliters in a vial instead of billing *each* to specify the entire contents of the vial

Note: This example is an illustration 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 exceed what would be expected as being within a normal range for the product; for example, 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 National Drug Code (NDC) was submitted on the claim

Providers should contact the Indiana Point-of-Service (POS)/ Prospective Drug Utilization and Review (Pro-DUR) Help Desk at 1-877-877-5182 if there is a question about what constitutes the correct unit for a drug being billed to the IHCP. 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 for Reconstitution	ml
Enbrel 25mg Kit	ea (kit)
Gammagard s/d 5gm v1 w/set	ea (vial/set)
Norplant System Kit	ea (kit)
Novoseven 4800mcg	ea (mcg)
Ready-To-Use IV Antibiotic Minibags	ml
Recombinate 801-1240AHFU vial	ea (AHFUnit)
Birth Control Pills	ea (tablet)
Glucagon F 1 mg Emergency Kit	ea (kit)
Premarin 1.25mg Cycle Pak	ea (tab)

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

Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Activase 50mg Vial	ea (vial)
Anzemet 20mg/ml Vial	ml
Ativan 2mg/ml Tubex Syringe	ml
Capoten 50mg Tab	ea
Ceenu Dose Pack	ea (cap)

(Continued)

Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Cleocin Phos 150mg/ml Vial for Injection	ml
Corgard Tab	ea
Cortef 10/mg5ml Oral Susp	ml
Cortef 20mg Tab	ea
Depakene 250mg Capsule	ea
Depo-Testosterone 200mg/ml for Injection	ml
Dibenzyline 10mg Capsule	ea
Doxycycline 100mg Vial for Injection	ea (vial)
Epogen 10000U/ml Vial	ml
Fragmin 2500U Syringe	ml
Gentamicin 40mg/ml Vial	ml
Inderal Tab	ea
Isordil Tab	ea
Kenalog-40 40mg/ml Vial for Injection	ml
Kytril 1mg/ml Vial for Injection	ml
Levaquin 25mg/ml Vial for Injection	ml
Lidex 0.05% Cream	gm
Lupron Depot-3 Month Kit	ea (kit)
Maxitrol Eye Ointment	gm
Maxzide 50/75 Tab	ea
Mellaril 30mg/ml Oral Conc.	ml
Methotrex 2.5mg Tab	ea
Minocin 50mg Pelletized Cap	ea
Nascobal Nasal Gel	ml
Nebupent 300mg Inhalation Powder Vial	ea (vial)
Primaxin I.V. 250mg Vial for Injection	ea
Procrit 20000U/ml Vial	ml
Provera 10m Tab	ea
Rebetron Therapy Pak	ea (kit)
Rheumatrex 2.5mg Tab	ea
Robinul 0.2mg/ml Vial for Injection	ml
Robinul Tab	ea

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Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Rocephin 500mg Vial for Injection	ea (vial)
Solu-Medrol 125mg Vial for Injection	ea (vial)
Tobramycin 40mg/ml Vial for Injection	ml
Tobrex 0.3% Eye Drops	ml
Vancoled 1gm Vial for Injection	ea (vial)
Vancomycin 5gm Vial for Injection	ea (vial)
Vosol Ear Drops	ml
Xanax 0.5mg Tab	ea
Xylocaine 2% Viscous Solution	ml
Zinacef 1.5gm Vial for Injection	ea (vial)
Zosyn 36/4.5g Bulk Vial for Injection	ea (vial)

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