



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 units for injectable products and other products may not be easy to determine. IndianaAIM has systematic claim 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.

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.

Billing Unit Definitions

The IHCP accepts **only three** billing units. They are the following:

- *Each (ea)* – The billing unit for capsules, tablets, kits, and unreconstituted 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
- The charged price on the claim that suggests 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 (ProDUR) Help Desk at 1-877-877-5182 for questions 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.

According to drug rebate records, Tables 1.1 and 1.2 show those products most commonly disputed by rebating manufacturers. Table 1.2 lists the correct unit definition for drugs with substantial dispute activity. Table 1.2 also contains a list of specific drug products with the correct billing unit.

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 5gm vial 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)
Allergy 4mg Tablet	ea (tablet)
Ambisome 50mg Vial	ea (vial)
Ana-Kit Anaphylax Emergency Kit	ea (kit)
Asprin 325mg Coated Tablet	ea (tablet)
Bactroban 2% Ointment	gm
Benzamycin Gel	gm
Brethine 1mg/ml Ampul	ml
Cafcit 20mg/ml Vial	ml
Capoten 50mg Tablet	ea (tablet)
Capozide 25/15 Tablet	ea (tablet)
Ceenu Dose Pack	ea (capsule)

(Continued)

Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Cefotan 1gm Add-Vantage VL	ea (vial)
Claforan 1gm Add-Vantage VL	ea (vial)
Cleocin Phos 150mg/ml Vial	ml
Colestid Granules	gm
Cordarone 200mg Tablet	ea (tablet)
Cyclocort 0.1% Ointment	gm
Derma-Smoothe/FS Atopic Pak	ea (kit)
Desferal Mesylate 500mg Vial	ea (vial)
Dexedrine Spansule 10mg	ea (spansule)
Diaper Relief Ointment	gm
Dibucaine 1% Ointment	gm
Dyrenium 100mg Capsule	ea (capsule)
Epogen 3000U/ml Vial	ml
Fortaz 2gm Vial	ea (vial)
Fragmin 5000U	ml
Garamycin 40mg/ml Vial	ml
Getamicin 40mg/ml Vial	ml
Humate-P 2000U Kit	ea (kit)
Hydrocortisone 100mg Enema	ml
Hylorel 10mg Tablet	ea (tablet)
Iletin II Pork Len 100u/ml	ml
Kefzol 1 gm add-vantage	ea (vial)
Kenalog 0.5% Cream	gm
Kenalog-40 40mg	ml
Lac-Hydrin 12% Lotion	gm
Liothyronine Sodium Powder	gm
Lupron Depot 22.5mg 3mo Kit	ea (kit)
Maalox Suspension	ml
Macrochantin 50mg Capsule	ea (capsule)
Maxipime 2g Vial	ea (vial)
Maxitrol Eye Ointment	gm
Mepergan 25/25 Tubex	ml

(Continued)

Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Minocin 50mg Pelletized Capsule	ea (capsule)
Moban 100mg Tablet	ea (tablet)
Motrin 100mg/5ml Suspension	ml
Neosporin G.U. Irrigant Amp	ml
Novoseven 4800mcg Vial	ea (vial)
Nystatin 50 mmu / Powder	gm
Ortho-Cept 21 day Tablet	ea (tablet)
Phenergan 25mg/ml Ampul	ml
Pipracil 3gm Vial	ea (vial)
Polytrim Eye Drops	ml
Pred Forte 1% Eye Drops	ml
Pregnenolone Powder	gm
Premarin 25mg Vial	ea (vial)
Primaxin 250mg Injection	ea (vial)
Procardia 10mg Capsule	ea (capsule)
Procrit 3000U/ml Vial	ml
Prolixin 10mg Tablet	ea (tablet)
Prostaglandin E1 Powder	gm
Psorcon 0.05% Cream	gm
Reglan 5mg/5ml Syrup	ml
Remicade 100mg Vial	ea (vial)
Robinul 0.2mg/ml Vial	ml
Saline 0.6% Nose Spray	ml
Sandostatin Lar 30mg Kit	ea (kit)
Solu-Cortef 100mg	ea (vial)
Solu-Medro 1000mg	ea (vial)
Solu-Medrol 40mg	ea (vial)
Soma 350mg Tablet	ea (tablet)
Soma Compound Tablet	ea (tablet)
Tazidime 6gm	ea (vial)
Tigan 100mg/ml Ampul	ml
Timentin 31gm Bulk Vial	ea (vial)

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Table 1.2 – Disputed NDC Information

Drug Product	Billing Unit
Tobrex 0.3% Eye Drops	ml
Triamcinolone at 40mg/ml vl	ml
Unasyn 3gm Add-Vantage Vial	ea (vial)
Vancocin HCL 10gm Vial	ea (vial)
Vepesid 20mg/ml Vial	ml
Vibramycin 100mg Capsule	ea (capsule)
Vinblastine Sufl 10mg Vial	ea (vial)
Vosol HC Ear Drops	ml
Xylocaine 2% Viscous Soln	ml
Zinacef 7.5gm Vial	ea (vial)
Zosyn 4/0.5gm Add-Vantage VL	ea (vial)
Zyvox 100mg/5ml Suspension	ml

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