The Deficit Reduction Act of 2005 directs state Medicaid agencies to collect manufacturer rebates on physician-administered drugs and biologicals (hereafter referred to as drugs). In order to identify the manufacturer from whom the rebate should be collected, the state Medicaid agencies are requiring that an 11-digit National Drug Code (NDC) be reported on claims for physician-administered drugs in addition to the applicable Healthcare Common Procedure Coding System (HCPCS) and ICD-10 codes. Claims submitted with invalid or missing NDC information are likely to result in a rejected claim.

Each state has the authority to determine which physician-administered drugs are subject to the NDC reporting requirement. Some states have excluded vaccines from the reporting requirement, and others require that all claims for physician-administered drugs include the NDC for the drug administered. Check with your state Medicaid administrator to determine specific NDC reporting requirements and coding requirements for Vaccines for Children (VFC) program and Medicaid funded immunizations.

**What is an NDC and where can I find it?**
The NDC is a unique identifier assigned to a drug product by the labeler or manufacturer under Food and Drug Administration (FDA) regulations. The first segment identifies the labeler or manufacturer. The second segment identifies the product, product's strength, dosage form, and formulation. The third segment identifies the specific packaging of the particular product presentation. New FDA guidelines require all manufacturers to assign different NDCs to a product's outer carton or unit-of-sale and the vial or syringe or unit-of-use. Sanofi Pasteur created new NDCs for the unit-of-use, while maintaining the original NDC on the carton.

Most payers do not require the NDC. However, those that do may have a preference for the carton NDC or the unit NDC. It’s best to check with any payers that do require NDCs on vaccine claims to see which they prefer. Many NDCs, including the NDCs for Sanofi Pasteur’s products, are assigned and therefore displayed on the package, unit-of-use, and Prescribing Information (PI) sheet in a 10-digit format.

**How do I convert NDCs from 10 digits to 11 digits?**
Proper billing of an NDC requires an 11-digit number in a 5-4-2 digit format. The following table shows common 10-digit NDC formats found on packaging and the associated conversion to an 11-digit format using the proper placement of an extra zero. To change the 5-3-2 digit format used on Sanofi Pasteur packaging to an 11-digit format, insert a zero at the beginning of the second segment as highlighted below.

<table>
<thead>
<tr>
<th>Manufacturer assigned NDC</th>
<th>5-4-2 Format</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1234-5678-91</td>
<td>01234-5678-91</td>
<td>Add a zero to the beginning of the first segment if the first segment has only four numbers.</td>
</tr>
<tr>
<td>12345-678-91</td>
<td>01234-0678-91</td>
<td>Add a zero to the beginning of the second segment if the second segment has only three numbers.</td>
</tr>
<tr>
<td>12345-6789-1</td>
<td>12345-6789-01</td>
<td>Add a zero to the beginning of the third segment if the third segment has only one number.</td>
</tr>
</tbody>
</table>
Reporting National Drug Codes for Physician-administered Drugs

Please refer to the Proper Coding of Sanofi Pasteur Products brochure or the Reimbursement Information section on VaccineShoppe.com (www.vaccineshoppe.com/Resources/Reimbursement/General Immunization Coding & Billing>Average Wholesale Price Information) for a complete listing of 11-digit NDC codes for Sanofi Pasteur products. The NDC number of each influenza vaccine changes annually to represent the current immunization season’s formulation. Ensure your systems are updated annually to correctly reflect the vaccine you are providing.

How is the NDC reported on a CMS-1500 (02/12 version) claim form?

The shaded portion of fields 24A to 24G will be used to report NDC information. To report this information, begin at field 24A as follows:

1. Enter the NDC qualifier of N4
2. Enter the NDC 11-digit numeric code
3. Enter the drug description
4. Enter the NDC Unit qualifier
   • F2 – International Unit
   • GR – Gram
   • ML – Milliliter
   • UN – Unit
5. Enter the NDC Administered Amount in the format 9999.99

The following example shows a claim form reporting an 11-digit NDC for a 0.5mL dose of Adacel® (Tetanus Toxoid, Reduced Diphtheria Toxoid and Acellular Pertussis Vaccine Adsorbed, to a patient 20 years of age. When reporting the NDC on the CMS-1500 claim form the hyphens that appear on the packaging and in the PI should be omitted.

Guidance on state-specific requirement for NDC reporting on physician-administered drugs can be obtained from your state Medicaid administrator or Medicaid managed care plan.