NDC Reporting Guidelines

An NDC is required for pharmaceuticals that are dispensed from a pharmacy and physician-administered drugs in an office/clinic (i.e. FQHC/RHCs, dialysis facilities) or outpatient facility/hospital setting.

- Provider must submit an 11-digit National Drug Code (NDC) associated with the administered drug. Generally the NDC number on the package is a 10 digit number and must be expanded to 11 digits by inserting a “0” in the appropriate spot.
- NDC codes should be reported according to the format set out by the National Drug Code Directory.
- NDC codes contain 3 segments each with a set number of characters.
- NDC codes MUST be billed with the N4 qualifier before the 11 digit NDC code, when billing on a paper claim.
- N4 qualifier also applies to EDI claims. Include on EDI claim, open the loop for NDC in the Practice Management System and enter the 11 digit NDC code. The system will electronically insert the N4 qualifier in the correct location upon activating the loop.
- A complete list of NDC codes and additional information can be found at: [http://www.cms.gov/McrPartBDrugAvgSalesPrice/01a19_2010aspfiles.asp](http://www.cms.gov/McrPartBDrugAvgSalesPrice/01a19_2010aspfiles.asp)

**Example:**

```
N400056498000
```

<table>
<thead>
<tr>
<th>Seg 1</th>
<th>Seg 2</th>
<th>Seg 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Digits</td>
<td>4 Digits</td>
<td>2 Digits</td>
</tr>
<tr>
<td>Labeler</td>
<td>Product</td>
<td>Size</td>
</tr>
</tbody>
</table>

**NOTE:** Segments are to run together with no spaces, dashes, or hyphens

- **Segment 1 = Labeler Code:** this segment will contain a 5 digit labeler code. Code should be preceded by 0’s (zeros) if the code does not equal 5 digits.
  - **Example:** Labeler Code is 56 then the segment entry would be 00056. (Padded with 3 zeros to complete the 5 digit label code)

- **Segment 2 = Product Code:** this segment will contain a 4 digit product code. The code should be preceded by 0’s if the code does not equal 4 digits.

- **Segment 3 = Trade Package Size:** this segment will contain a 2 digit size code. The code should be preceded by a 0 if the code does not equal 2 digits.

**Placement of an NDC when filing a claim:**

**Paper:**

- If billing on a paper claim, an original Red & White form must be used - not a copy of an original.
  - UB-04 location – Box 43 (Please refer to the NUBC for additional guidelines)
  - CMS 1500 location – Box 24A (shaded area) (Please refer to NUCC for additional guidelines)

**EDI:**

- 837 I/P – 2410 LIN N4 – Example: LIN**N4*01234567891~
- Refer to the [Washington Publishing Company’s Implementation Guide](http://www.cms.gov/McrPartBDrugAvgSalesPrice/01a19_2010aspfiles.asp) for specific details on requirements for this loop and segment

Last updated 6/12/13