



STATE OF MARYLAND

DHMH

Office of Health Services  
Medical Care Programs

Maryland Department of Health and Mental Hygiene  
201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

## MARYLAND MEDICAL ASSISTANCE PROGRAM

Dialysis Transmittal No. 1

August 18, 2008

**TO:** Freestanding Dialysis Facilities

**FROM:** Susan J. Tucker, Executive Director  
Office of Health Services

**NOTE:** Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

**RE:** Reporting the National Drug Code (NDC)/Quantity Effective  
September 1, 2008

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Effective September 1, 2008 the Medical Assistance Program will require dialysis centers to use the National Drug Code (NDC) on all claims with the bill type 0721 for revenue code 0250. **This implementation date is specific for claims submitted for payment on or after September 1, 2008 for dates of service on or after July 1, 2008.** For example, for claims submitted for payment on or after September 1, 2008, for dates of service on or after July 1, 2008, the NDC is required. If a claim is submitted after September 1, 2008 but the date of service was prior to July 1, 2008, then the NDC is not required.

Federal regulations require States to collect NDC numbers from providers for the purposes of billing manufacturers for drug rebates. As a result Maryland Medicaid:

- Will not reimburse providers for drugs obtained from companies that do not participate in the Medicaid Drug Rebate Program; and
- Will not reimburse providers for drugs unless a valid 11-digit NDC number and the quantity administered are reported on the UB-04 for dialysis claims.

Maryland Medical Assistance billing instructions have been updated to reflect the reporting requirements for the NDC on the UB 04. To find the instructions, go to [www.dhmh.state.md.us](http://www.dhmh.state.md.us), click on Medical Care Programs, and then click on National Provider Identifier (NPI) link. Once on the NPI link, click on billing instructions and finally, go to the UB 04 billing instructions for Freestanding Dialysis Facility Services.

In order to identify the unit of measure of the various drugs, the Program has created a National Drug Code (NDC) Unit of Measure Listing on the Maryland Medical Programs Web Services site at <https://encrypt.emdhealthchoice.org/emedicaid/>. The listing can be accessed via the "NDC Unit of Measure" link on the left menu on the first screen that you will be presented with, after you have successfully logged in the system. This list will be updated monthly.

All providers are asked when reporting a compound drug, to list the most expensive ingredient first, followed by the rest of the ingredients. Detailed instructions on how to report compound drugs can be found in the UB 04 billing instructions on the DHMH website.

Should you have questions regarding the contents of this transmittal, please contact Glenn Taylor, the staff specialist for free-standing dialysis facilities at 410-767-1462.