

**PARTNERSHIP HEALTHPLAN OF CALIFORNIA
POLICY / PROCEDURE**

Policy/Procedure Number: CLPM-29		Lead Department: Claims	
Policy/Procedure Title: National Drug Code (NDC) Requirements for Physician Administered Drugs		<input checked="" type="checkbox"/> External Policy <input type="checkbox"/> Internal Policy	
Original Date: 9/1/25		Next Review Date: 01/01/2026 Last Review Date:	
Applies to:	<input checked="" type="checkbox"/> Medi-Cal	<input type="checkbox"/> Employees	
Reviewing Entities:	<input type="checkbox"/> IQI	<input type="checkbox"/> P & T	<input type="checkbox"/> QUAC
	<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> EXECUTIVE	<input type="checkbox"/> COMPLIANCE <input checked="" type="checkbox"/> DEPARTMENT
Approving Entities:	<input type="checkbox"/> BOARD	<input type="checkbox"/> COMPLIANCE	<input type="checkbox"/> FINANCE <input type="checkbox"/> PAC
	<input type="checkbox"/> CEO <input type="checkbox"/> COO	<input type="checkbox"/> CREDENTIALING	<input checked="" type="checkbox"/> DEPT. DIRECTOR/OFFICER
Approval Signature: <i>Lisa Malvo</i>		Approval Date: 9/1/25	

I. RELATED POLICIES:

A. N/A

II. IMPACTED DEPTS:

A. Claims

III. DEFINITIONS:

A. N/A

IV. ATTACHMENTS:

A. N/A

V. PURPOSE:

To provide, for the provider, general guidelines and requirements relating to NDC requirements for physician administered drugs.

VI. POLICY / PROCEDURE:

Partnership follows Medi-Cal requirements and require the use of a valid NDC paired with a HCPCS code for all physician administered drugs. Physician administered drugs include any covered outpatient drug provided or administered to a patient which is billed by a provider other than a pharmacy. The NDC should be preceded by the qualifier "N4". See sample below.

Claims that do not meet the NDC reporting requirements to include a valid NDC paired with a HCPCS code will be denied.

Unit of Measure for NDC's Requirement

Effective for claims received on and after June 1, 2020 providers must bill with the appropriate units of measure when billing for physician administered drugs.

Use the appropriate HCPCS/CPT/revenue code and service units. NDC units are based on the numeric quantities administered to the patient and the unit of measure (UOM). The UOM codes are the following:

- F2: international unit
- GR: gram

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Original Date: 9/1/25		Next Review Date: 1/1/26	
		Last Review Date:	
Applies to:	<input checked="" type="checkbox"/> Medi-Cal		<input type="checkbox"/> Employees

- ML: milliliter
- UN: unit (each)

See sample below. See the Medi-cal website at www.medi-cal.ca.gov for additional information.

CMS-1500 Sample:

24.	A.	DATE(S) OF SERVICE				B.	C.	D. PROCEDURES, SERVICES, OR SUPPLIES		E.	F.	G.	H.	I.	J.	PHYSICIAN OR SUPPLIER INFORMATION
		From	To		PLACE OF SERVICE	EMG	(Explain Unusual Circumstances)	DIAGNOSIS	POINTER	\$ CHARGES	DAYS OF UNITS	SPRINT Family Plan	ID. QUAL.	RENDERING PROVIDER ID. #		
MM	DD	YY	MM	DD	YY		CPT/HCPCS	MODIFIER								
1		10	01	15	10	01	15	11			15600	13				
2																
3																
4																
5																
6																

Annotations for CMS-1500 Sample:

- Row 1: NDC with N4 qualifier (points to N400062179615)
- Row 1: 2-character unit of measure qualifier and numeric quantity (points to UN000028000)
- Row 1: Enter modifier UD if billing for Section 340B drugs (points to X7706)

UB-04 Sample:

42 REV. CD.	43 DESCRIPTION	44 HCPCS /RATE / HPPS CODE	45 SERV. DATE	46 SERV. UNITS	47 TOTAL CHARGES
1	N400062179615UN000028000	X7706	070108	13	156.00
2					
3					
4					

Annotations for UB-04 Sample:

- Row 1: N4 qualifier/NDC/ unit of measure/quantity (points to N400062179615UN000028000)
- Row 1: Enter modifier UD if billing for Section 340B drugs (points to X7706)

Electronic submissions should be entered as follows:

Field Name	Field Description	Loop ID	Segment
Product ID Qualifier	Enter N4 in this field	2410	LIN02
National Drug Code assigned to the drug administered	Enter the 11-digit NDC billing format	2410	LIN03
National Drug Unit Count	Enter the quantity (number of NDC units)	2410	CTP04
Unit or Basis for Measurement	Enter the NDC unit of measure for the prescription drug given (UN, ML, GR, or F2)	2410	CTP05

VII. REFERENCES:

A.

VIII. DISTRIBUTION:

A. PARTNERSHIP4ME PowerDMS Policies & Procedures

IX. POSITION RESPONSIBLE FOR IMPLEMENTING PROCEDURE: Senior Director, Claims Department

X. REVISION DATES: 9/1/25