



**Medical Services**  
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John Hoeven, Governor  
Carol K. Olson, Executive Director

## MEMORANDUM

**Date:** November 19, 2009

**To:** ND Medicaid providers billing drugs in an outpatient setting.

**From:** Barbara Fischer, Assistant Director Budget and Operations *Missie from BF.*

**Subject:** Denial of processed claims lacking NDC(s)

The Deficit Reduction Act of 2005 (DRA) included a requirement for state Medicaid agencies to collect the National Drug Code (NDC) whenever drugs are billed. The effective date for this process began January 1, 2008. To comply with this Federal Regulation, ND Medicaid implemented changes to the Medicaid Management Information System (MMIS) to capture the required information.

During our initial implementation, errors in programming the payment system caused claims to pay that did not have the required NDC(s) on the claim. We have identified claims processed incorrectly as of the date of implementation of the federal requirement and will be processing adjustments to recoup the payments made on these claims. The adjustment claims' ICN's will have the following format: x009320716xxx. The initial "x" will be "1" or "4", depending on the format of the initial claim (1=paper, 4=electronic). The final "xxx" is a sequence number.

Providers are welcome to re-submit (not adjust) these claims denied with an M117 or M119 EOB that will appear on future remittance advices. A new claim must be billed electronically and must have the required NDC information before payment can be made. Please note "Corrected NDC -ok timely filing" in the Notes field on the electronic claim.

If you have any questions, please contact Provider Relations at 701-328-4030.