

BILLING UNIT STANDARD

IMPLEMENTATION GUIDE ***VERSION 2.0***

This is the NCPDP Billing Unit Standard Format that provides guidelines for consistent implementation of drug/product packaging for use in all applicable NCPDP Standards.



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Version 2.0

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1. INTRODUCTION

This NCPDP *Billing Unit Standard Implementation Guide* is intended to meet two needs within the pharmaceutical drug claim industry: 1) to provide practical guidelines for software developers throughout the industry and 2) to ensure a consistent implementation of standardized billing units.

If you have any questions regarding the availability or content of the NCPDP *Billing Unit Standard Implementation Guide*, see www.ncpdp.org, or contact the Council office at (480) 477-1000 or via e-mail at ncpdp@ncpdp.org.

1.1 DOCUMENT SCOPE

This document contains the specification and implementation guide. Users of this document should consult the NCPDP documents listed below for further information and clarification.

TELECOMMUNICATION STANDARD FORMAT VERSIONS 5 AND ABOVE AND CORRESPONDING IMPLEMENTATION GUIDES

Transmission formats for claim submission and response.

DATA DICTIONARIES AUGUST 1999 AND LATER AND EXTERNAL CODE LIST (ECL) MAY 2004 AND LATER

Full reference to all data elements with definition, sizes, and values used in NCPDP documents.

BATCH STANDARD IMPLEMENTATION GUIDE VERSION 1.1

Full reference to all fields and values used in the NCPDP *Batch Standard Version 1.1* with examples.

These documents are available to NCPDP members in the “Members” section of the website at www.ncpdp.org. Non-members may purchase the documents; please see www.ncpdp.org or contact the NCPDP office at 480-477-1000, or via Internet e-mail at ncpdp@ncpdp.org.

As used in this document,

NCPDP *Billing Unit Standard Implementation Guide* – refers to information contained in this document.

NCPDP *Billing Unit Standard* – refers to the standard usage of the billing units, which are contained in this document.

2. BACKGROUND

Many years ago the need for a billing unit standard became apparent as the growth of third party prescription plans continued at an ever-increasing pace. Because there were so many processors, fiscal intermediaries, plan administrators, and Medicaid programs, there had to be a "common billing unit language" in the submission of prescription claims. If one plan expected oral contraceptives to be billed in "cycles dispensed" or "day's supply" and another expected "number of tablets", there was always the chance for rejected claims, payment errors, and delayed payments. Almost every type of pharmaceutical product could be interpreted differently by each plan. In an effort to resolve this dilemma, the NCPDP Standard Billing Unit Work Group was formed. This work group is now known as Product Identification, Work Group 2.

During the two years that the group spent developing the first version of the NCPDP *Billing Unit Standard*, OBRA '90 rebates were introduced. This development made the need for a standard even more evident since manufacturers are required to report billing units to CMS in order to determine the rebate amounts due the states. The lack of standardization caused conflict between manufacturers, Centers for Medicare and Medicaid Services (CMS), and the state programs because of improper billing.

2.1 GOALS AND OBJECTIVES

The NCPDP *Billing Unit Standard* was developed to achieve the following goals and objectives:

1. To be simple and easy to use
2. To utilize good business sense
3. To standardize what is already used by the majority of the drug delivery industry
4. To minimize exceptions
5. To add value and clarification for all who use pharmaceutical product data

The guiding principle of the standard is that there are only three billing units necessary to describe all drug products. The billing units are as follows:

"each"
"ml"
"gm"

The use of "tablet", "capsule", "kit" and others are not appropriate, since these are dosage forms or package descriptions. Breaking billing units into dosage forms does not add value to the model and is contrary to the goals of the standard. Whether an "each" refers to a tablet, a capsule, a suppository, or a transdermal patch, is irrelevant to the pricing of the product.

With this definition in place, the rest of the standard describes how the various types of pharmaceutical products fit into one of these standard-billing units.

2.2 GENERAL RULES

The following general rules must apply and be issued as billing instructions to pharmacists. These instructions need not affect how a processor or state agency accumulates and reports quantities to CMS for billing purposes. If the general rules are consistently followed, the state agency should be able to conduct data manipulations to accurately report dispensed quantities in the CMS required metric decimal units. **NCPDP *Telecommunication Standard Version 5.0* and higher require metric decimal quantity.**

- A. When billing third party programs, values must be expressed in metric decimal units.
- B. The billing unit and quantity are taken from the product labeling that is affixed to the product and is readily available to the dispensing pharmacist. If the package size differs between the package label and the package insert, the size noted on the package label is used.
- C. Standard "apothecary conversions" must be used in determining billed quantities (i.e., One (1) ounce liquid equals 30 milliliters, one (1) ounce solid equals 30 grams) unless the package label of the manufacturer specifically states otherwise (i.e., 28.4 grams). Also, see section "*Frequently Asked Questions*", question 7.14 for further clarification.

Note: Earlier versions of the standard allowed rounding. This is no longer an acceptable practice. If the former "rounding" rules and examples are needed, refer to the NCPDP *Billing Unit Standard Version 1.4*.

2.3 RECOMMENDATIONS FOR MANUFACTURERS

Since payers and providers are using the billing unit standard for the processing of drug claims, it is highly recommended that these standards be used for reporting. As new products and packaging are being created, it is recommended that manufacturers contact NCPDP in the initial phase of packaging development (i.e. at the point when packaging and labeling begins, continuing to the market entry date) to assist in the determination of billing units. Additionally, as units are reported to CMS for rebate purposes, it is recommended that the billing units be confirmed with NCPDP for appropriateness.

This recommendation will decrease the erroneous invoicing of rebates and reduce disputes. For example, according to the NCPDP *Billing Unit Standard*, birth control pills are reported as the total number of tablets. For rebate purposes, some manufacturers reported the units as the number of packs. This results in a 21- to 28-fold discrepancy in the rebate claim.

Due to the changing dynamics of the marketplace, not all products can be readily classified via the standard guidelines defined here. These products need to be brought to WG2 for clarification prior to finalizing the official product labeling and packaging.

3. BUSINESS ENVIRONMENT

The NCPCP *Billing Unit Standard* is integral to all business that participates in the processing of drug-related claims.

The standard states that there are only three billing units necessary to describe any and all drug and health-related products. These billing units are "EA", "ML", and "GM".

The standard provides consistent billing unit representation of drugs and health-related products for accurate invoicing, reimbursement, rebate adjudication and clinical evaluation.

The section “*Assigning a Standard Billing Unit*” of this document provides detailed information on the application of the standard. Its use is imperative for the proper application of the standard.

4. BILLING UNIT STANDARD

Note: Drug Product names and examples were current at the time of the manual printing.

4.1 CONSIDERATIONS FOR APPLYING THE BILLING UNIT STANDARD

Goals of the NCPDP *Billing Unit Standard* are:

- Consistent and accurate billing of pharmaceutical products
- Common agreement on the application of the Billing Unit Standard by the industry
- Elimination of under- and over- payment of a claim

Billing unit questions and issues should be brought to the WG2 in a QUIC form for discussion and adjudication.

Items to consider when applying the NCPDP *Billing Unit Standard*:

- Precedence and perception in the industry
- Location of the NDC on the package and lowest dispensable unit/level that might be given to the patient
- How is the “dispenser” going to submit this product on a claim?
- How is the product going to be prescribed?
- How is the product going to be dispensed?
 - Is the package likely to be broken?
- Applicable good pharmacy practice
- Billing of pharmaceutical products at the point of dispensing
- Product and package labeling
- Patient and clinician understanding
- Quantity description on a product label received by the patient
- Impact on Rebate systems
- Impact on claims adjudication

4.2 THE BILLING UNITS

The standard contains three billing units of “EA”, “ML”, and “GM”. **Below are definitions and examples of each billing unit. Please refer to the section “Assigning a Standard Billing Unit” of this document for correct assignment of each billing unit.**

4.2.1 BILLING UNIT OF “EACH” (EA)

“EA” (each) is used when the product is dispensed in discreet units. These products are not measured by volume or weight. The Billing Unit of “EA” is also used to address exceptions where “GM” and “ML” are not applicable.

Examples of products defined as “EA” include but are not limited to:

- Tablets
- Capsules
- Suppositories
- Transdermal patches
- Non-filled syringes

- Tapes

For the following categories also billed as eaches, please refer to the section “Assigning A Standard Billing Unit” of this document for the correct application.

- Blister packs
- Oral powder packets
- Powder filled vials for injection
- Kits
- Unit-of-use packages with a quantity less than one milliliter or gram should be billed as “one each”. For example, ointment in packets of less than 1 gram or eye drops in droppettes that are less than 1 ml. This rule does not apply to injectable products.

4.2.2 BILLING UNIT OF “MILLILITER” (ML)

“ML” (milliliter) is used when a product is measured by its liquid volume.

Examples of products defined as “ML” include but are not limited to:

- Liquid non-injectable products of 1 ml or greater
- Liquid injectable products in vials/ampules/syringes
- Reconstitutable non-injectable products at the final volume after reconstitution except when they are in powder packets
- Inhalers (when labeled as milliliters on the product)

4.2.3 BILLING UNIT OF “GRAM” (GM)

“GM” (gram) is used when a product is measured by its weight.

Examples of products defined as “GM” include but are not limited to:

- Creams (of 1 gram or greater)
- Ointments (of 1 gram or greater)
- Inhalers (when labeled as grams on the product)

4.3 EXCEPTIONS

Due to the impact on invoicing, reimbursement, rebate adjudication and clinical evaluation, exceptions are rarely approved. Several products don't fit into any of the above categories or were assigned billing units before the standard specifically addressed the product type.

The following products have been grandfathered into this standard as exceptions.

- EpiPen™ (one EA)
- EpiPen Jr.™ (one EA)
- Imitrex™ kit refill (one EA)
- Prevpac™ (14 EA)
- Helidac™ (56 EA)
- Pravigard™ (30 EA)
- Nystatin powder – (see section “Frequently Asked Questions”, question 7.18)

5. ASSIGNING A STANDARD BILLING UNIT

Note: Drug Product names and examples were current at the time of the manual printing.

5.1 DOSAGE FORMS BILLED AS “EACH” (EA)

- 5.1.1 Solid Oral Dosage Forms (for example, tablets, capsules, lozenges, etc.)
- 5.1.2 Powder-filled vials and multi-component vials (i.e. mix-o-vial with solution and powder within the vial) are billed as a unit of "each" regardless of size or content of vial in metric decimal units. (For multi-component vials containing two liquids, see section 5.2.2.)
- 5.1.3 Powder-filled Blisters must be billed as the number of blisters, not by weight.
- 5.1.4 Suppositories must be billed as the number of individual suppositories dispensed, *not the number of packages, which may contain more than one suppository.*
- 5.1.5 Empty Hypodermic Syringes must be billed as the actual number of syringes and/or hypodermic needles dispensed (EA). *Do not bill the number of boxes or packages.*
- 5.1.6 Non-drug entities, such as test strips, swabs, or alcohol wipes, are billed as eaches and the quantity is the actual number in the container.
- 5.1.7 Antihemophilic products must be billed as an “EA” using the number of UNITS dispensed (i.e. International units or micrograms). For example, Novoseven and Kogenate.
- 5.1.8 Prolastin™ must be billed as an each using the number of MILLIGRAMS dispensed (each; 1 MG = 1 EA).
- 5.1.9 Powder Packets must be billed as “eaches”, *not the number of boxes or packages.* For example, Questran™ packets quantity 60 packets are billed as 60 EA.
- 5.1.10 Transdermal Patches must be billed as “eaches”, *not the number of boxes or packages.*
- 5.1.11 Tapes are billed as one “each” for the entire roll.
- 5.1.12 Convenience Packs, Therapy Packs, Starter Packs and packs of Oral Contraceptive must be billed as the number of individual tablets or capsules (EA) dispensed, *not the number of boxes or packages or cavities.*
- 5.1.13 Unit-of-use packages with a quantity less than one milliliter or gram should be billed as “one each”. For example, ointment in packets of less than 1 gram or eye drops in droppettes that are less than 1 ml. This rule does not apply to injectable products.

5.2 DOSAGE FORMS BILLED AS “MILLILITERS” (ML)

- 5.2.1 Non-Injectable Liquid Dosage Forms (for example solutions and suspension, etc.) must be billed as the total number of milliliters (ML) dispensed, including dropperettes if the volume is 1 ml or greater. If the volume is less than 1 ml for a non-injectable product, the product is billed as an “each” (see section 5.1.13 above).
- 5.2.2 Injectables that are liquid-filled vials, including multi-chamber products, ampoules, and syringes must be billed as the total number of milliliters (ML) dispensed. If multi-chambered vials with both components are liquid, the billing unit is the sum of the milliliters of the product. If a manufacturer has labeled a product for the quantity to dispense (i.e. includes the overfill). For example, Intron A™ contains 1.5 ml to be dispensed as six 0.2 ml doses. The reported quantity for dispensing should be 1.5 ml.
- 5.2.3 Reconstitutable Non-injectable Products must be billed as the total number of milliliters (ML) dispensed after reconstitution; i.e., once the powder has been reconstituted with diluent, according to manufacturer instructions. For example,

Amoxicillin Suspension 250 mg/150 ml is billed as 150 ml and Golytely™ 4000 ml bottle is billed as 4000 ml.

- 5.2.4 Inhalant and nebulizer solutions must be billed as the number of milliliters (ML) contained in the package according to manufacturer labeling.
- 5.2.5 If a preset compounded product is produced from a manufacturer that involves combining a cream into a liquid or a liquid into a cream, the billing unit is that of the final state of the resulting compound. See section “*Frequently Asked Questions*”, question 7.7.

5.3 DOSAGE FORMS BILLED AS “GRAMS” (GM)

- 5.3.1 Creams of 1 GM or greater (see section 5.1.13 above for weights of less than 1 GM).
- 5.3.2 Ointments of 1 GM or greater (see section 5.1.13 above for weights of less than 1 GM).
- 5.3.3 Powders, including powders for mixing by the customer/patient on a per dose basis, must be billed as the number of grams (GM) dispensed. For example, Questran™ can quantity 378 gm is billed as 378 gm and Metamucil™ powder container quantity 538 gm is billed as 538 gm. (For Bulk powders, refer to section 5.5.2 of this document.) However, if the powder is manufactured in a “packet”, the billing unit is “each” (see section 5.1.9)
- 5.3.4 If a preset compounded product is produced from a manufacturer that involves combining a cream into a liquid or a liquid into a cream, the billing unit is that of the final state of the resulting compound (i.e. First™ Testosterone, First™ Hydrocortisone, and First™ Testosterone MC). See section “*Frequently Asked Questions*”, question 7.7.

5.4 DOSAGE FORMS BILLED AS “MILLILITER” OR “GRAMS”

- 5.4.1 Inhalers, inhaler refills and aerosols should be represented as the metric decimal quantity contained in the packaging in grams (GM) or milliliters (ML) as specified by the manufacturer on the labeling. When both milliliters and grams are supplied on the package label, use the first measurement unit listed. For example, Alupent™ Inhaler includes “14 gms (10 ml)” on its label. Thus, the billing unit for Alupent™ inhaler is 14 GM.
- 5.4.2 Topical Products - These products must be billed as the number of grams (GM) or milliliters (ML) in the container. *Do not bill the number of ounces dispensed or the number of packages dispensed.* (Topical products less than 1 gm are billed as “eaches”; see section 5.1.13 of this document above.)

5.5 SPECIAL CONSIDERATIONS

5.5.1 KITS - BILLED AS AN “EACH”

Kits are defined as products that contain:

- 1) at least two distinct drug items with different billing units
- 2) one drug product packaged with alcohol swabs and/or cotton swabs/balls
- 3) meters packaged with test strips

Kits carry a single National Drug Code (NDC) for the combined items. Kits are designed with the intent to be dispensed and billed as a unit of “each”. Additionally, if a kit contains separate, distinct trays within the kit, the billing unit is an “each”, but the quantity is the number of trays rather than “1”.

The following items included with a drug should be ignored for purposes of billing. The billing unit of the drug item determines the billing unit for this product.

- Syringes
- Needles
- Diluents
- Tubing for administration
- Applicators
- Actuation devices (i.e. lancets, lancet devices)
- Inhalation aid (i.e. spacers)
- Mixing containers
- Nit combs
- Measuring devices
- Finger cots
- Oral syringes
- Mandatory patient education information

5.5.2 BULK CHEMICALS - BILLED AS AN “EACH”, A “GRAM”, OR A “MILLILITER”

Bulk Chemicals are stock containers of chemicals used in compounding. The Billing Unit can vary based upon the physical components inside the container.

- Bulk Chemicals that are labeled in “grams” have a billing unit of “GM”
- Bulk Chemicals that are labeled in “milliliters” have a billing unit of “ML”
- Bulk Chemicals with variable potencies are billed as one each with the exception of Nystatin.

Refer to the section “*Frequently Asked Questions*”, question 7.17 and question 7.18 for further clarification.

5.6 PRODUCTS NOTED AS “EXCEPTIONS”

Due to the impact on invoicing, reimbursement, rebate adjudication and clinical evaluation, exceptions are rarely approved. Several products don't fit into any of the above categories or were assigned billing units before the standard specifically addressed the product type.

The following products have been grandfathered into this standard as exceptions.

1. EpiPen™ (one each)
2. EpiPen Jr™. (one each)
3. Imitrex™ Kit Refill (one each)
4. Prevpac™ (14 each; see section “*Frequently Asked Questions*”, question 7.5)
5. Helidac™ (56 each; see section “*Frequently Asked Questions*”, question 7.5)
6. Pravigard™ (30 each; see section “*Frequently Asked Questions*”, question 7.5)
7. Nystatin powder (see section “*Frequently Asked Questions*”, question 7.18)

6. VERSION IDENTIFICATION SYSTEM

A Version/Release level reference scheme is in place for the NCPDP *Billing Unit Standard Implementation Guide*. The reference scheme consists of a two-digit enumerator in the format X.Y, where:

X = Version Identification
Y = Release Identification

The Release Identification changes are "downward compatible" with their corresponding Master Version Identification. New releases enable additional functionality through the use of the new fields, additional values that may be placed in an existing field, and updated documentation or clarification of existing or new data elements.

The Version Identification changes are made when non-compatible changes are made to the existing standard; these are typically changes that alter the interpretation of the standard. This may involve changes in field sizes, field formats, deletions of values, fields, and re-definitions of existing values used in a particular field.

NCPDP maintains and makes available the latest release from the last two (2) Master Versions of the NCPDP *Billing Unit Standard Implementation Guide*.

7. FREQUENTLY ASKED QUESTIONS

Note: Drug Product names and examples were current at the time of the manual printing.

7.1 WHAT IS A QUIC FORM?

The Quantity Unit Information Communication (QUIC) form is used to request clarification of and/or suggest modifications to the NCPDP *Billing Unit Standard*. The NCPDP *Billing Unit Standard* addresses the standard indications of package sizes and other quantities in on-line claim submissions and reporting. Blank QUIC forms and adjudicated QUIC forms can be found on the NCPDP web site (www.ncpdp.org). It is recommended that QUIC forms be submitted 30 days prior to the next Work Group meeting.

7.2 WHERE DO I GO TO GET INFORMATION ON THE BILLING UNIT STANDARD?

Information on the NCPDP *Billing Unit Standard Implementation Guide* is available from the NCPDP office. Members can obtain copies of the standard from the NCPDP web site at www.ncpdp.org. The current version of the NCPDP *Billing Unit Standard Implementation Guide* is version 2.0. Workgroup 2, Product Identification, is responsible for the NCPDP *Billing Unit Standard Implementation Guide*.

7.3 WHAT IS THE BILLING UNIT BY DOSAGE FORM?

Generally, the billing unit for a given dosage form is noted in the table below.

Dosage Form	Each	Gram	Milliliter	Reference Sections
Tablet (all forms)	√			4.2.1; 5.1.1
Capsule (all forms)	√			4.2.1; 5.1.1
Non-Injectable Liquid of 1 ml or greater (i.e. Solution/Liquid/Suspension)			√	4.2.2; 5.2.1
Non-Injectable Liquid less than 1 ml (i.e. Solution/Liquid/Suspension)	√			4.2.1; 5.1.13
Injectable Liquid (i.e. Solution/Liquid/Suspension)			√	4.2.2; 5.2.2
Non-Injectable Solution or Suspension for Reconstitution			√	4.2.2; 5.2.3
Injectable Solution or Suspension for Reconstitution	√			4.2.1; 5.1.2
Cream/Ointment (1 gm or greater)		√		4.2.3; 5.3.1/5.3.2
Cream/Ointment (less than 1 gm)	√			4.2.1; 5.1.13
Powder		√		4.2.3; 5.3.3
Powder Packet	√			4.2.1; 5.1.9
Suppositories	√			4.2.1; 5.1.4
Aerosol inhalers		√	√	4.2.2/4.2.3; 5.2.4/5.4.1
Gel		√	√	4.2.2/4.2.3; 5.4.2
Transdermal Patches	√			4.2.1; 5.1.10
Lotion		√	√	4.2.2/4.2.3; 5.4.2
Strips	√			4.2.1; 5.1.6

Dosage Form	Each	Gram	Milliliter	Reference Sections
Device	√			4.2.1; 5.1.6
Kits	√			4.2.1; 5.5.1
Bulk chemicals (liquid)	√	√	√	5.5.2
Bulk chemicals (solid)	√	√		5.5.2

7.4 HOW DO I BILL KITS, SUCH AS IMITREX™ REFILLS?

In general, kits are billed as “1 each” kit. Imitrex Kit Refill is classified as an exception to the NCPDP *Billing Unit Standard* because it is treated as a “kit” when it doesn’t fit the definition of a “kit” in section 5.5.1 and should be billed as a “1 each”.

There are several products that are considered exceptions within the NCPDP *Billing Unit Standard*. These exceptions are found in sections 4.3 and 5.6 “*Exceptions*” of this implementation guide.

7.5 HOW DO I BILL KITS THAT HAVE MULTIPLE TRAYS?

Kits with multiple, distinct trays are subject to be dispensed by the tray. Thus, kits with trays would be billed as “each” with a quantity of the number of trays. For example, Avonex™ contains 4 distinct trays. It’s billing quantity and unit is “4 ea”.

7.6 HOW DO I BILL TABLETS AND CAPSULES THAT ARE PACKAGED AS VARIOUS COMBINATIONS OF DOSAGE FORMS, STRENGTHS AND/OR DRUG CONTENT?

These kinds of products (except those as explained below) should be billed as eaches equal to the total number of tablets and capsules. This applies without regard to the content and strength of each tablet or capsule. For example, a starter pack blister card that contains 5 tablets of one strength and 10 tablets of another strength would be billed as 15 eaches. Similarly, a 14 days supply convenience pack comprised of blister cards containing one day's dose equal to one tablet of one drug and one capsule of another drug would be billed as 28 eaches.

Before the standard specifically answered this FAQ, several items were being billed in a different manner. In order to avoid creating confusion and errors in billing where none existed, exceptions were granted for these products:

Prevpac™.

This product should be billed as "eaches" equal to the number of blister cards dispensed. Each blister card contains a morning and evening administration of 1 capsule of lansoprazole, 2 capsules of amoxicillin, and 1 tablet of clarithromycin.

Helidac™:

This product should be billed as "eaches" equal to the number of administrations dispensed. Each administration is packaged individually and consists of 2 bismuth subsalicylate tablets, 1 metronidazole tablet and 1 capsule of tetracycline.

Pravigard™:

This product should be billed as "eaches" equal to the number of administrations dispensed. Each administration is packaged individually and consists of 1 Pravachol™ tablet and 1 buffered aspirin tablet.

7.7 WHAT ARE THE BILLING UNITS FOR A PRE-PACKAGED TOPICAL PRODUCT TO COMPOUND?

If a topical product is mixed into another product, the billing unit for the resulting product is the billing unit for the product. For example, in First™ Testosterone, testosterone propionate in oil is mixed into a petrolatum base resulting in an ointment. The billing units for this product would be “GM”.

7.8 DO CMS AND/OR THE STATE MEDICAIDS USE THE NCPDP BILLING UNIT STANDARD?

CMS does not require the use of the NCPDP *Billing Unit Standard*. Manufacturers are strongly encouraged to use the NCPDP *Billing Unit Standard* when submitting products to CMS for inclusion in the rebate program. This reduces confusion when determining rebates. If a quantity and/or a billing unit is submitted to CMS that differs from the NCPDP standard, a conversion must be done from the NCPDP billing unit submitted to the CMS assigned billing unit to ensure proper rebate reimbursement.

State Medicais, in rebate situations where billing units submitted by providers do not match billing units submitted for rebates by manufacturers, are required to do conversions to properly submit quantities for rebate that may otherwise result in rebate disputes.

7.9 WHY ARE THERE EXCEPTIONS TO THE STANDARD?

Exceptions may be granted in the future only as a last resort. Exceptions to the standard happened when products did not fit into any of the normal billing unit categories in previous versions of the standard or were assigned billing units before the standard specifically addressed the product type.

One of the goals of NCPDP *Billing Unit Standard Implementation Guide Version 2.0* was to clarify situations that led to exceptions in the past. The standard avoids assigning an exception status to a product whenever possible. Exceptions currently exist. Exceptions can be found in sections 4.3 and 5.6 “*Exceptions*” of this implementation guide. Future product exceptions require review and approval following NCPDP policies and procedures.

7.10 WHY ARE INHALERS BILLED AS GRAMS AND NOT DOSES?

Doses are defined as the exact amount of medication to be given or taken at one time or at stated intervals. Since this amount may vary from patient to patient, a more consistent unit of measurement is needed. This is why inhalers and aerosols should be billed as the metric decimal quantity contained in the packaging in grams (GM) or milliliters (ML) as specified by the manufacturer on the labeling.

7.11 HOW ARE ANTIHEMOPHILIC PRODUCTS BILLED?

The activity level of antihemophilic products can differ from batch to batch or it can be specific. Because of the possible inconsistency between batches, a package price may not be able to be established for an NDC. To ensure correct reimbursement and consistency among antihemophilic products, the price per unit has been identified per unit, international unit, or mcg. The billing unit for antihemophilic products is “EA” and the billing quantity is “1”.

This is noted in section 5.1.7 of this document.

7.12 HOW DO I BILL FOR PRODUCTS LIKE VIDEX PEDIATRIC™?

Videx Pediatric requires reconstitution with water followed by mixing with a liquid antacid. To be reimbursed for both the Videx Pediatric and the antacid, this product should be submitted for billing as a compound consisting of the following ingredients:

- reconstituted Videx
- liquid antacid

7.13 IF THE PRODUCT HAS APOTHECARY UNITS (I.E. OUNCES) ON THE PACKAGE, CAN I SUBMIT THAT QUANTITY?

No, the valid NCPDP *Billing Unit Standard* values are “EA”, “GM”, and “ML”.

7.14 IF THE PRODUCT LABELING/BOX STATES PACKAGE SIZE IN OUNCES WITHOUT THE SPECIFIC METRIC QUANTITY AND THE PACKAGE INSERT STATES THE PACKAGE SIZE IN METRIC QUANTITY, WHAT IS THE BILLING UNIT AND QUANTITY I SHOULD SUBMIT?

In the absence of metric quantity on the product label and packaging, the number of ounces noted should be converted to milliliters or grams using a conversion factor of “30”. This is the billing unit and quantity for the product.

7.15 IF THE PRODUCT LABELING/BOX INCLUDES BOTH THE PACKAGE SIZE IN OUNCES AND SPECIFIC METRIC QUANTITY, WHAT IS THE BILLING UNIT AND QUANTITY I SHOULD SUBMIT?

Use the specific metric quantity.

7.16 HOW DO I BILL REBETRON™?

REBETRON® -Rebetron Combination Therapy Pak's consists of two separate medications, REBETOL® Capsules (ribavirin) and INTRON® A Injection (interferon). There are also 12 Alcohol swabs and 6 needles within the PAK. .

The Rebetron PAK is billed as an “each” (kit) because it carries a single NDC number, has at least two different drug items (Rebetol and Intron A) and is designed to be dispensed as a single unit.

7.17 WHY DO SOME BULK CHEMICALS HAVE A BILLING UNIT OF “GM” AND OTHERS HAVE “EA” AND OTHERS HAVE “ML”?

Bulk chemicals are billed as the number of grams (gm) or milliliters (ml) dispensed unless gram weight amount is variable from lot to lot. Bulk chemicals with variable potencies are billed as one each with the exception of Nystatin. Additionally, liquid bulk chemicals may be listed in grams rather than ml. This is due to the fact that the volume changes based upon the specific gravity. Thus, defining the billing unit in grams gives you a consistent amount that the volume would not give you. For example, Valproic Acid is a liquid bulk chemical, but it is sold only in grams.

Examples of bulk chemicals with variable potency include Bacitracin and Colistin. These types of bulk chemical powders are billed as “one each” because the only constant factor is they are in a single container.

Nystatin powder is an exception to this policy since Nystatin states only an estimated weight. Other bulk chemicals with variable weights do not list an estimated weight.

7.18 WHY IS NYSTATIN POWDER AN EXCEPTION?

The gram weights are only estimated since they vary from batch to batch. The constant factor is the number of units in the container. The package size will indicate estimated gram weight for the contents of the vial. Where the manufacturer states estimated gram weight on the label, it will be used. Any product using a range of gram weights will be listed as the average of that range. Since the units are expressed in millions and billions of units, this is not a practical method of billing. The average gram weight was decided upon as a compromise. The fact that the product is a powder and should be expressed in grams is also a factor.

7.19 WHAT IS THE BILLING UNIT QUANTITY FOR A LIQUID WITH OVERFILL?

When a liquid product is labeled with both an amount contained as well as the amount delivered, the package size will be based on the amount of the product contained according to the product label affixed to the package. For example, Intron A™ contains 1.5 ml (i.e. amount contained) to be dispensed as six 0.2 ml doses (i.e. amount delivered). The reported quantity for dispensing should be 1.5 ml.

7.20 WHAT IS THE BILLING UNIT AND QUANTITY FOR DIASTAT RECTAL GEL...1 OR 2?

Diastat Rectal Gel should be billed as a 1 each. Diastat is available as two vials, two packs of petroleum jelly, and one patient package insert. It fits the BUS Implementation Guide for a definition of a kit; a kit is a product containing at least two distinct drug items with different billing units. The vials and the jelly are two different billing units (ea and gm or ml respectively). Additionally, the definition of the “kit” does not include for consideration “mandatory patient education information”. Thus, the billing unit is “ea” for a kit. The question if the quantity should be one or two is addressed by the intent of the kit. Per the Implementation Guide, “kits are designed with the intent to be dispensed and billed as a unit of “each”. Given this and the current established industry acceptance of this as a quantity of one, this should be billed as a “one”.

7.21 WHAT IS THE BILLING UNIT FOR PEDIALYTE FREEZER POPS?

Pedialyte Freezer Pops are liquid as they leave the pharmacy and are then frozen by the patient or caregiver. Thus, the Billing Unit is “ML” for the liquid form at dispensing.

8. UPDATES AND CORRECTIONS TO STANDARDS

The Data Element Request Form (DERF) provides the mechanism for changing NCPDP standards and using or requesting new data elements and new code set values in business functions. To request a change in NCPDP standards, complete an NCPDP Data Element Request Form, available at www.ncpdp.org. Appropriate NCPDP Work Groups and Committees consider information submitted on the DERF. The Data Element Request Form process makes it possible for NCPDP working committees to adequately address these concerns before accepting or approving new information requests into a standard. The final acceptance of new requests into the standard is made by NCPDP at the suggestion or recommendation of the Work Group or Committee, and must be approved by consensus or consensus ballot of the membership.

9. APPENDIX A. HISTORY OF SPECIFICATION CHANGES

9.1 VERSION 1.1

Version 1.1 of the Standard Document was released in May 1994. An editorial modification was made and item number 6, *Ventolin Rotacaps with Rotahaler (100 each, 24 each)* was added to the section on “*Dosage Form Billed As “Exception”*”.

9.2 VERSION 1.2

Version 1.2 of the Standard Document was release in May 1996. Besides editorial modifications, a footnote was removed and clarification to the subsection on Antihemophilia Products was added.

9.3 VERSION 1.3

Version 1.3 of the Standard Document was released in February 1997. A subsection to “*Dosage Form Billed As “Each”*” was added to explain the unit of use for packages with a quantity less than one.

9.4 VERSION 1.4

Version 1.4 of the Standard Document was released in September 1997. Examples were provided for the rounding of quantities not equal to whole numbers under the section on “*Metric Decimal Quantities and the Standard*”. In November 2000 the first Implementation Guide for the NCPDP *Billing Unit Standard* was created and released.

9.5 Version 2.0

Version 2.0 of the NCPDP *Billing Unit Standard Implementation Guide* was released in January 2005. This version of the standard was incorporated into the Standard Implementation Guide Template, which merged both the Standard Document and Implementation Guide into one document. Clarifications were made to implementation of the NCPDP *Billing Unit Standard* to enable consistency, while no changes were made to the standard itself, several “exceptions” were included due to the manner that multi-component dose packs were handled after the adoption of Version 1.4 and before they were formally included in Version 2.0. References to “rounding” and versions of NCPDP *Telecommunications Standard* prior to 5.1 have been removed.

9.6 Version 2.0 Publication June 2005

Two new *Frequently Asked Questions* were added “*What Is The Billing Unit And Quantity for Diastat Rectal Gel... 1 or 2?*” and “*What Is The Billing Unit For Pedialyte Freezer Pops?*”

10. APPENDIX B. QUIC FORM

Refer to www.ncdp.org for the QUIC form (http://www.ncdp.org/PDF/QUIC_form.doc)

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