

# This Computes!



**Department of Health Care Services  
Children's Medical Services Network  
(CMS Net) - Information Bulletin #329**

## **Determining Units and Quantity on SARs**

This is a refresher on how a SAR is coded when authorizing HCPCS or NDC-type service codes.

National Drug Code (NDC) is an 11-digit number formulated by manufacturers to uniquely identify a specific human drug. In some instances, manufacturers of non-drug products, such as enteral nutrition products and diabetic supplies will identify products with NDC-like numbers, containing 11-digits; most are numeric but can be alpha-numeric. Sometimes these NDC-like codes are referred to as UPN (Universal Product Number) or UPC (Uniform Product Code) codes.

Healthcare Common Procedure Coding System (HCPCS) codes are comprised of two levels of codes, Level I and Level II.

- Level I codes, commonly called CPT (Current Procedural Terminology), is a 5-numeric digit code to uniformly identify medical services and procedures rendered by physicians or other health professionals.
- Level II codes are a standardized coding system, comprised of a single alpha character followed by 4 numeric digits and are used to identify products, services, and supplies not covered by CPT codes.

### **SAR Coding:**

If the requested service is by a NDC or NDC-like code:

SAR Units is the # of dispensing by the provider over the time span of the SAR (begin date through end date) and is the total of the original dispensing plus any refills.

SAR Quantity is the # Medi-Cal billing units at each dispensing by the provider (i.e. tablets, capsules, lancets, test strips, grams of ointment, etc). The Medi-Cal billing unit is comprised of “each”, milliliter”, or “gram”.

If the requested service is by a HCPCS code:

SAR Units is calculated by multiplying the # of dispensing (or administrations) by the provider with the Medi-Cal billing unit or HCPCS unit of use. The calculated value is inputted into the SAR Units column.

SAR Quantity is NOT USED.

### **EXAMPLE-Drug:**

#### Novoseven®, a hemophilia blood factor drug

1. Pharmacy wants a SAR for this drug, NDC 00169706001 (1200mcg per vial). Dose is 1000mcg per week for 20 weeks. Pharmacy wants to dispense 4 weeks at a time.

Provider supplied an NDC code and SAR coding is:

- the NDC belongs in the Service Code field.
- the Service Description field defaults a description corresponding to the NDC code.
- the Units field is 5 as pharmacy wants to dispense a 4 week supply per dispensing (5 x 4 = 20 weeks, duration as prescribed).
- the Quantity field is 4800 as the client will use one 1200mcg vial per week and the pharmacy will be dispensing 4 vials at a time (4 x 1200mcg) as the Medi-Cal billing unit is “each mcg”.

2. Hematology Clinic wants to administer same drug, HCPCS J7189, 1000mcg per week for 20 weeks.

Provider supplied HCPCS code and SAR coding is:

- the HCPCS code belongs in the Service Code field.
- the Service Description field defaults a description corresponding to the HCPCS code.
- the Units field is a calculated number, 24000 (1200 mcg per vial x 20 doses). A 1200mcg vial is used since the prescribed dose is 1000mcg and 1200mcg is the closest vial size to what has been prescribed. The Medi-Cal billing unit is “per 1 mcg”.
- the **Quantity field is blank** (always blank if code is not a NDC or NDC-like code).

### **EXAMPLE-Medical Supply:**

#### Heparin Lock Flushes, Diabetic Test Strips, and Lancets

Only a pharmacy provider may bill for these medical supply items and they are billable to Medi-Cal (likewise applies to CCS and GHPP) by an 11-digit NDC-like

(UPN or UPC) type code. As CMSNET is set up to treat all 11-digit codes like a NDC, authorizations should follow the rules for a NDC.

1. Pharmacy wants a SAR to dispense #200 lancets and #100 diabetic test strips a month for a year.

Provider supplies NDC-like code and SAR coding is:

- the NDC-like code belongs in the Service Code field.
- the Service Description field defaults a description corresponding to the NDC-like code. If the code is not in CMSNET, ask the pharmacy to verify the code. If verified and still not in CMSNET, verify the code is identified in the Medi-Cal Provider Manual as a contracted code at:  
[http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/mcsupproddia\\_a04p00.doc](http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/mcsupproddia_a04p00.doc)
- contact CCS Branch personnel identified below if code is contracted for but not in CMSNET.
- if not contracted for, in most instances it is considered a non-benefit. Contact CCS Branch personnel identified below to verify.
- for lancets: the Units field is 12 as pharmacy wants to dispense a month supply per dispensing for one year. The Quantity field is 200 as pharmacy will be dispensing 200 test strips per dispensing. Medi-Cal billing unit is "each" lancet.
- for diabetic test strips: the Units field is 12 as pharmacy wants to dispense a month supply per dispensing for one year. The Quantity field is 100 as pharmacy will be dispensing 100 test strips per dispensing. Medi-Cal billing unit is "each" test strip.

2. Pharmacy wants a SAR to dispense a month supply of heparin lock flushes for 2 months. Code is 17474012303 for Heparin Lock Flush Monoject Prefill Syringe-10 units/ml, 3ml per syringe. Dose is 30 units 3 times a week for 2 months. Pharmacy wants to dispense a month supply at a time.

Provider supplied an NDC-like code and SAR coding is:

- the NDC-like code belongs in the Service Code field.
- the Service Description field defaults a description corresponding to the NDC-like code. If the code is not in CMSNET, ask the pharmacy to verify the code. If verified and still not in CMSNET or is end-dated, contact CCS Branch personnel identified below.
- the Units field is 2 as pharmacy wants to dispense a 4 week supply (1-month supply) per dispensing for 2 months.
- the Quantity field is 36 (3ml per syringe x 3 syringe per week x 4 week per month). Medi-Cal billing unit is each "ml".

3. Pharmacy wants a SAR to dispense a month supply of heparin lock caps for 2 months. A new cap is to be used after heparin lock flushes are

administered, as prescribed in the example above. Pharmacy wants to dispense a month supply at a time.

Provider supplied an HCPCS code of A4223 and SAR coding is:

- the HCPCS code belongs in the Service Code field.
- the Service Description field defaults a description corresponding to the HCPCS code. If the code is not in CMSNET, ask the pharmacy to verify the code. If verified and still not in CMSNET or is end-dated, contact CCS Branch personnel identified below.
- the Units field is 24 as pharmacy wants to dispense a 4 week supply (1-month supply) per dispensing for 2 months (1 each cap x 3 caps per week x 4 weeks per month x 2 months). Medi-Cal billing unit is "each".
- the **Quantity field is blank** as the billing code is a HCPCS and not an NDC or NDC-like code.

If you have any questions, please contact:

Edan Lum, Pharm D., CMS Branch Pharmaceutical Consultant,  
916-324-8906 or 510-286-0722, [edan.lum@dhcs.ca.gov](mailto:edan.lum@dhcs.ca.gov)