

Physician-Administered Drugs for Medicaid and BadgerCare Plus

Physician-Administered Drug MCO Carve-Out

- Effective for dates of service on or after 1/1/09, physician-administered drugs, including the administration fee, will be carved out of the managed care organizations (MCO).
- Providers will be required to bill fee-for-service (FFS) for all physician-administered drugs and administration fees.
- The carve out includes all J-codes, drug related Q-codes and S4993 and the related administration fees, which are CPT codes.
- All existing FFS co-payments, co-payment upper limits, and co-payment exemptions will apply.
- All existing FFS policies and procedures for physician administered drugs will apply
- Existing FFS pricing for physician administered drugs and administration fees will apply.
- Existing FFS diagnosis restriction and prior authorization policies will apply.
- Vaccines and radiopharmaceuticals will not be carved out and will remain the responsibility of the MCO. Providers should continue billing those codes to the MCOs.
- The covered physician administered drug list is dynamic. It will be updated quarterly with additions and deletions. Please refer to the Physician Fee Schedule on the ForwardHealth website for information. <http://dhs.wisconsin.gov/medicaid4/maxfees/maxfee.htm#Physician>

Deficit Reduction Act of 2005 (DRA)—Physician Administered Drug Claims and National Drug Codes

- The DRA requires that all outpatient physician administered drug claims include a corresponding NDC on the claim. Claims where Medicaid or BadgerCare Plus is the secondary payer also require an NDC.
- The 837P, the CMS 1500 claim form and the UB-04 accept NDCs.
- Four pieces of information must be included on these claim are the N4 modifier, the 11-digit NDC of the product dispensed, the unit of issue for the NDC (ea, gm, ml, etc) and the quantity of the NDC dispensed.
- ESRD facilities billing on a UB-04 are required to submit NDCs.
- All policies, procedures, reimbursement and co-payment will be based on the HCPCS code, not the NDC
- The websites for information for these claim forms can be found at www.nucc.org and www.nubc.org.
- Medicare crossover claims for physician administered drugs must also include an NDC.
- Vaccines and radiopharmaceuticals are excluded from the DRA requirement.
- If the provider includes an NDC on a claim that is not a covered ForwardHealth service, the claim will be denied. For example, NDCs terminated by Centers for Medicaid and Medicare Services (CMS); drug products considered less than effective by CMS; drug products considered a device by the FDA.
- Providers who are reimbursed a bundled rate are excluded from this requirement; this includes inpatient and outpatient hospitals and other institutional providers using the UB-04.
- Information on DRA ForwardHealth requirements can be found in the following updates:
 - ✓ <http://dhs.wisconsin.gov/ForwardHealth/updates/pdfs/2008-126.pdf>
 - ✓ <http://dhs.wisconsin.gov/ForwardHealth/updates/pdfs/2008-64.pdf>
 - ✓ <http://dhs.wisconsin.gov/ForwardHealth/updates/pdfs/2008-90.pdf>
- Additional information to verify if a NDC is valid can be found at:
 - ✓ <http://www.wisconsinedi.org/SeniorCareDrugInquiry/jsp/home.jsp>
 - ✓ <http://www.dmeptac.com/crosswalk/index.html>
 - ✓ http://dhs.wisconsin.gov/medicaid4/pharmacy/data_tables/pdfs/manufacturers.pdf

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