

«PHYSICIAN ADMINISTERED DRUGS»

North Dakota Medicaid covers most drugs and biologic administered in a physician or other licensed practitioner's office that cannot be self-administered. Physician and other licensed practitioners are responsible for ensuring that the treatment is appropriate based on FDA-approved indications, compendia supported indications, and standards of practice. To be covered, drugs and biologicals must represent an expense to the physician, other licensed practitioner, or legal entity billing Medicaid. Injections by a physician or other licensed practitioner of medications that can be self-administered are not covered unless justified by the member's condition.

Administration

For physician administered drugs, in addition to the HCPCS drug code, providers may separately bill the applicable administration procedure CPT code 96372 or 96373. The code may be billed once for each injection administered on a date of service.

Units

Providers must ensure that the units of drugs or biologicals administered to patients are accurately reported in terms of the dosage/units specified in the complete HCPCS code descriptor. Prior to submitting claims providers should review the HCPCS code long descriptor. Provider should not bill units based on the way the drug is package, priced, stored or stocked. The following are examples of how to bill units:

- HCPCS drug descriptor is 10 mg. 700mgs of the drug is administered to the recipient. The units billed is 70.
- HCPCS drug descriptor is 5 mcg. 5 mgs of drug is administered to the recipient. The units billed is 1.
- HCPCS drug descriptor is 25 mg. 250 mgs of the drug is administered to the recipient. The units billed is 10.

Pharmacy Acquired Drugs

For drugs acquired directly from the pharmacy for administration in the clinic should be reported on the claim at zero dollars or a nominal amount of \$0.01 if required by the provider's billing system.

Discarded Portion of Administered Drugs

When a provider must discard the remainder of a single use vial or other single use package after administering a dose or quantity of the drug or biological, provider must bill the amount of the unused and discarded drug on a separate claim line using the JW

modifier. Providers are expected to use the package size that minimizes the amount of waste billed to North Dakota Medicaid. For example, if a patient needs 50 mg of drug and the product comes in 50 mg and 100 mg vials, providers should use the 50 mg vial. The line with the JW modifier pays at zero. The member may not be billed for discarded drugs.

National Drug Code (NDC)

Physician administered drugs must be billed with both a HCPCS code and an 11-character NDC with no hyphens or spaces. The Federal Deficit Reduction Act of 2005 (DRA) requires Medicaid state agencies to collect rebates from participating drug manufacturers for physician-administered or dispensed drugs. An NDC is required as it allows the state to identify which manufacture should be billed for rebates. The NDC is found on the drug container such as a vial, bottle, or tube. The NDC submitted on the claim must be the actual NDC number on the package or container from which the medication was administered. The NDC must be entered in Field 24D of the CMS 1500 or the 2410 Loop, LIN 03 field/element of the HIPAA 837 Professional Electronic form.

340B Drugs

The 340B Program requires drug manufacturers participating in Medicaid to provide outpatient drugs to covered entities at significantly reduced prices. To participate in the 340B Program, covered entities must register and be enrolled with the 340B program and comply with all [340B Program](#) requirements administered by HRSA.

Drugs billed to ND Medicaid that were acquired through a 340B contract or agreement should be identified on the claim line with one of the following modifiers;

- **UD** Medicaid level of care 13, as defined by each state - 340B acquired drug
- **JG** Drug or biological acquired with 340B drug pricing program discount, reported for informational purposes
- **TB** Drug or biological acquired with 340B drug pricing program discount, reported for informational purposes for select entities.

Limitations

Drugs that are not included in the Medicaid Drug Rebate Program are non-covered.