



**** Fee-For-Service Pharmacy Provider Notice #239 – 340B Procedures****

December 19, 2019

Kentucky Department for Medicaid Services (DMS) 340B Procedures

This notice contains Kentucky DMS's rebate procedures for covered entities participating in the 340B Drug Pricing Program. For all HRSA audits, please supply this notice. These procedures will be mandatory as of April 1, 2020.

Pharmacy Benefits

For all pharmacies participating in the 340B Program, a value of "20" in field 420-DK, "Submission Clarification Code" is required for all 340B purchased drugs dispensed to Medicaid beneficiaries in fee-for-service and managed care organizations.

When outpatient pharmacy claims include the "20" in the "Submission Clarification Code" field, Kentucky DMS will exclude these claims from the rebate invoicing process.

Medical Benefits

For all healthcare providers participating in the 340B Program, a "UD" modifier on CMS 1500 forms is required for all 340B purchased drugs dispensed to Medicaid beneficiaries in fee-for-service and managed care organizations. If claims are being submitted on an 837P electronic form, the UD modifier will follow the HCPCS code in Loop 2400 SV101-2.

When CMS 1500 and 837P claims include the "UD" modifier, Kentucky DMS will exclude these claims from the rebate invoicing process.

340B covered entities are responsible for reporting when 340B purchased drugs are used for eligible Medicaid patients and to subsequently ensure rebates are not invoiced to manufactures. All other fee-for-service, managed care, and dual eligible claims paid by Kentucky DMS are invoiced to drug manufacturers.

Thank you for helping Kentucky Medicaid members maintain access to prescription coverage by selecting drugs on the preferred drug list whenever possible. Please contact Magellan Medicaid Administration at kyproviders@magellanhealth.com for any additional information or questions you may have.

Sincerely,

ShaLeigh Hammons, CPhT

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Account Manager I

kyproviders@magellanhealth.com



****If you would like to be added to the Fee-For-Service Pharmacy Program distribution list to receive updates and information please email kyproviders@magellanhealth.com.****

Kentucky Medicaid Fee-for-Service Pharmacy Program's Contact Information		
Clinical Support Center	1-800-477-3071 Sunday – Saturday 24 hours a day	Please contact the Clinical Support Center to request a prior authorization (PA) or to check the status of a request.
Pharmacy Support Center	1-800-432-7005 Sunday – Saturday 24 hours a day	Please contact the Pharmacy Support Center when claims assistance is required. Timely filing, lock-in, and early refill (ER) overrides can be obtained through this Call Center.
Provider Services	1-877-838-5085 Monday – Friday 8:00 a.m. – 4:30 p.m.	Please contact Provider Services if you have questions about enrollment or when updating your license or bank information.
Member Services	1-800-635-2570 Monday – Friday 8:00 a.m. – 5:00 p.m.	Please contact Member Services if you are a member or if you as the provider have questions regarding the member's benefits or eligibility coverage dates.