# Physician Injectable Drug List (PIDL)

**Department for Medicaid Services, HP, and Magellan Rx Management**

June 1, 2010

# *Physician-Administered Drugs*

- Physician-administered drugs are drugs, other than vaccines, that are covered under section 1927(k)(2) of the Social Security Act and are typically administered by a medical professional in a physician's office or other outpatient clinical setting.

- Reimbursement for physician-administered drugs is allowed only if the drug qualifies for rebate in accordance with 42 USC 1396r-8.

- The injection must be reasonable and medically necessary for diagnosis or effective treatment of a specific illness or injury based on accepted standards of medical practice.

- Therapeutic injections should be utilized only if equally effective oral medications cannot be prescribed without significant or increased side effects.

Magellan Rx
MANAGEMENT.

# Accessing the PIDL

- The PIDL is located on the **Department for Medicaid Services website:**
  - http://chfs.ky.gov/dms/fee
- The link is also located on the **Magellan Rx Management website:**
  - https://kyportal.magellanmedicaid.com/provider/public/documents.xhtml under the tab labeled Drug Info
- The PIDL will be updated on a regular basis, at least quarterly.

Magellan Rx
MANAGEMENT.

# Billing Instructions

# *Billing Your Claims*

- Drugs that are covered through the Physician's Drug Program will be listed on the PIDL and must be billed through the medical benefit on a CMS-1500 claim form or the electronic 837P.

- Drugs that are **NOT** covered through the Physician's Drug Program may be covered through the Pharmacy Program.

- Drugs covered through the Pharmacy program must be obtained by prescription and billed through the online point-of-sale (POS) system at the pharmacy.

MagellanRx
MANAGEMENT.

# *Billing Instructions (BIs)*

- The online billing instructions are located on the **Department for Medicaid Services website:**
  - http://chfs.ky.gov/dms/provider.htm
- The link is also located on the **Magellan Rx Management website:**
  - https://kyportal.magellanmedicaid.com/provider/public/documents.xhtml under the tab labeled Drug Info

# National Drug Code (NDC)

# The Federal Deficit Reduction Act of 2005

- The Federal Deficit Reduction Act of 2005 (DRA) requires State Medicaid Programs to **collect rebates** from participating drug manufacturers for physician-administered or dispensed drugs.

- In order to collect these rebates, states must collect the **National Drug Codes (NDC)** for the physician-administered drugs.

- This requirement also applies to Medicare crossover claims.

Magellan Rx MANAGEMENT.

# *National Drug Codes (NDC)*

- The National Drug Code (NDC) is a **unique product identifier** for drugs.
  - Drug products are identified and reported to the Food and Drug Administration (FDA) using the NDC identifier.
- An NDC consists of **10 digits** separated into 3 sections by hyphens.
- The NDC is found on the drug container (e.g., vial, bottle, or tube).
- The NDC submitted to Medicaid **MUST** be the actual NDC number on the package or container from which the medication was administered.
- It is considered a fraudulent billing practice to bill using an NDC other than the one administered to the patient.

# *National Drug Codes (continued...)*

- The first **4 or 5** digit segment is the **drug labeler code.**
  - A labeler is an entity that manufactures, repacks or distributes a drug product. This code is assigned by the FDA.
- The next **3 or 4** digit segment identifies the **product and the specific strength, dosage form, and formulation**.
- The last **1 or 2** digit segment is the **package form and size**.

- **Examples:**
  - **1234**-5678-90
  - 12345-**678**-90
  - 12345-6789-**0**

# *National Drug Codes (continued…)*

- Each NDC-coded product package bears a **barcode with a Universal Product Code** that begins with a 3 (UPC-A) or 03 (EAN-03). The remainder of the number is the 10 NDC digits, plus the check digit.
- The Centers for Medicare and Medicaid Services (CMS) has created an **11-digit** NDC derivative. **Leading 0's must be added to each segment resulting in a 5-4-2 configuration.**

- **Conversion Examples:**
  - **0**1234-5678-90
  - 12345-**0**678-90
  - 12345-6789-**0**0

# How to Determine if the Product is a Drug?

The following items will help identify whether or not a product is a drug:

- **NDC** – Found on the drug container (e.g., vial, bottle, or tube).

- **Lot and Expiration Date** – All drugs have both a lot number and an expiration date located on the drug or package.

- **Legend** – Refers to statements such as, "Caution: Federal law prohibits dispensing without prescription," "Rx only" or similar wording.

  - All prescription drugs have these types of statements.

MagellanRx
MANAGEMENT.

# Additional Resources

# How to Determine if the Product is a Drug?

- **Participating Labelers**
  - CMS maintains the list of labelers on the following website: http://www.cms.hhs.gov/medicaiddrugrebateprogram/10_drugcomcontactinfo.asp
- **Provider Notices**
  - For the Department for Medicaid Services, please refer to the following website: http://chfs.ky.gov/dms/physician.htm
  - For Magellan Rx Management, please refer to the following website: https://kyportal.magellanmedicaid.com/provider/public/documents.xhtml under the tab labeled, "Notices"
- **Conversion Factors**
  - For a list of J Code to NDC conversion factors please refer to the following website: https://www.dmepdac.com/crosswalk/index.html
- **HCPCS List**
  - For a list of HCPCS codes please refer to the following website: http://www.cms.hhs.gov/HCPCSReleaseCodeSets/ANHCPCS/list.asp

# Questions

# *Contact Information*

- If you have questions regarding the **submission of a claim, procedure code(s), remittance advice, and/or payment**
  - Contact a HP (formerly EDS) Provider Representative at **800-807-1232**

- If you have questions relating to **rebates for physician administered drugs or NDC numbers**
  - Contact Magellan Rx Management at **314-387-4793.**

MagellanRx
MANAGEMENT.

# *Confidentiality Statement*

*By receipt of this presentation, each recipient agrees that the information contained herein will be kept confidential and that the information will not be photocopied, reproduced, or distributed to or disclosed to others at any time without the prior written consent of Magellan Health, Inc.*

*The information contained in this presentation is intended for educational purposes only and is not intended to define a standard of care or exclusive course of treatment, nor be a substitute for treatment.*

*\*If the presentation includes legal information (e.g., an explanation of parity or HIPAA), add this: The information contained in this presentation is intended for educational purposes only and should not be considered legal advice. Recipients are encouraged to obtain legal guidance from their own legal advisors.*

MagellanRx
MANAGEMENT.

# Thank You