

MO HealthNet Proper Drug Billing

**MO HealthNet Pharmacy Team
August 3, 2022**

National Drug Code Requirement

The Omnibus Budget Reconciliation Act (OBRA) of 1990 provides that a rebate must be paid for products of manufacturers participating in the National Rebate Agreement. These rebates are paid by the manufacturer to state Medicaid programs on the basis of National Drug Code (NDC) specific utilization data. Therefore, it is essential that providers submit claims utilizing the precise 11 digit NDC found on the package from which the product is administered.

References

1. http://manuals.momed.com/collections/collection_pha/print.pdf
2. http://manuals.momed.com/collections/collection_phy/print.pdf

Proper Billing of Drug Claims

Section 15.7 Medication Billing

The quantity to be billed for medications dispensed to MO HealthNet participants must be determined as follows:

- Containers of medication in solution (e.g., ampules, bags, bottles, vials, syringes) must be billed by the milliliter (mL) dispensed, even if the quantity includes a decimal (e.g., if three (3) 0.5 mL vials are dispensed, the correct quantity is 1.5mL).
- Single-dose syringes and single-dose vials must be billed per the number of milliliters (mL) in each syringe or vial (including waste), rather than per syringe or vial.
- Powder-filled vials and syringes that require reconstitution must be billed by the number of vials.
- Ointments must be billed per number of grams even if the quantity includes a decimal.
- Eye drops must be billed per the number of milliliters (mL) in each bottle, even if the quantity includes a decimal.
- Combination products, which consist of devices and drugs designed to be used together, are to be billed as a kit (e.g., Copaxone, Pegasys).
- The product Herceptin, by Genentech, must be billed by the milligram rather than by vial.
- Non-VFC immunizations and vaccines must be billed by the milliliters (mL) dispensed rather than per dose.

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 1

NDC	Drug	Generic	Strength	Dosage Form
00310461150	Imfinzi	Durvalumab	500mg/10mL	Vial

❖ Step 1

- Determine how the drug should be billed
 - Single dose: billed by milliliter (mL), including waste
 - Powder filled: billed by the number of vials/syringes
 - Multi-dose: billed by mL, excluding waste
- Resources to use:
 - [Missouri Maximum Allowable Cost \(MAC\) drug list](#)
 - <https://ndclist.com/> → Package Codes; (3) Dosage Forms and Strengths
 - [Package Insert](#) → How Supplied
 - Pharmacy Administration Unit

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 1 (cont.)

NDC	Drug	Generic	Strength	Dosage Form
00310461150	Imfinzi	Durvalumab	500mg/10mL	Vial

❖ Step 2

- Determine the amount of drug administered to the participant
- Chart notes state participant received 1,500mg

❖ Step 3

- Calculate the number of **milliliters** that need to be billed to MHD
 - $1,500\text{mg} / 500\text{mg} = 3 \text{ vials}$
 - $3 \text{ vials} \times 10\text{mL} = \mathbf{30 \text{ mL}}$

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 2

NDC	Drug	Generic	Strength	Dosage Form
00003373413	Opdivo	Nivolumab	240mg/24mL	Vial

❖ Step 1

- Determine how the drug should be billed
 - Single dose: billed by milliliter (mL), including waste
 - Powder filled: billed by the number of vials/syringes
 - Multi-dose: billed by mL, excluding waste
- Resources to use:
 - [Missouri Maximum Allowable Cost \(MAC\) drug list](#)
 - <https://ndclist.com/> → Package Codes; (3) Dosage Forms and Strengths
 - [Package Insert](#) → How Supplied
 - Pharmacy Administration Unit

References

1. MO HealthNet Pharmacy Manual 15.7
 - a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 2 (cont.)

NDC	Drug	Generic	Strength	Dosage Form
00003373413	Opdivo	Nivolumab	240mg/24mL	Vial

❖ Step 2

- Determine the amount of drug administered to the participant
- Chart notes state participant received 225mg

❖ Step 3

- Calculate the number of **milliliters** that need to be billed to MHD
 - $225\text{mg} / 240\text{mg} = 0.9375$ vials
 - $0.9375 \text{ vials} \times 24\text{mL} = 22.5 \text{ mL}$
 - Round up to full vials = 1 vial = **24 mL**

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 3

NDC	Drug	Generic	Strength	Dosage Form
68727071201	Zepzelca	Lurbinectedin	4mg	Vial

❖ Step 1

- Determine how the drug should be billed
 - Single dose: billed by milliliter (mL), including waste
 - Powder filled: billed by the number of vials/syringes
 - Multi-dose: billed by mL, excluding waste
- Resources to use:
 - [Missouri Maximum Allowable Cost \(MAC\) drug list](#)
 - <https://ndclist.com/> → Package Codes; (3) Dosage Forms and Strengths
 - [Package Insert](#) → How Supplied
 - Pharmacy Administration Unit

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 3 (cont.)

NDC	Drug	Generic	Strength	Dosage Form
68727071201	Zepzelca	Lurbinectedin	4mg	Vial

❖ Step 2

- Determine the amount of drug administered to the participant
- Chart notes state participant received 5.4mg

❖ Step 3

- Calculate the number of **vials** that need to be billed to MHD
 - $5.4\text{mg} / 4\text{mg} = 1.35$ vials
 - Round up to full vials = **2 vials**

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 4

NDC	Drug	Generic	Strength	Dosage Form
54092070104	Vpriv	Velaglucerase Alfa	400 Units	Vial

❖ Step 1

- Determine how the drug should be billed
 - Single dose: billed by milliliter (mL), including waste
 - Powder filled: billed by the number of vials/syringes
 - Multi-dose: billed by mL, excluding waste
- Resources to use:
 - [Missouri Maximum Allowable Cost \(MAC\) drug list](#)
 - <https://ndclist.com/> → Package Codes; (3) Dosage Forms and Strengths
 - [Package Insert](#) → How Supplied
 - Pharmacy Administration Unit

References

1. MO HealthNet Pharmacy Manual 15.7
 - a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 4 (cont.)

NDC	Drug	Generic	Strength	Dosage Form
54092070104	Vpriv	Velaglucerase Alfa	400 Units	Vial

❖ Step 2

- Determine the amount of drug administered to the participant
- Chart notes state participant received 2,400 units

❖ Step 3

- Calculate the number of **vials** that need to be billed to MHD
 - $2,400 \text{ units} / 400 \text{ units} = \mathbf{6 \text{ vials}}$

References

1. MO HealthNet Pharmacy Manual 15.7
 - a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 5

NDC	Drug	Generic	Strength	Dosage Form
00143974505	Granisetron	Granisetron	4mg/4mL	Vial

❖ Step 1

- Determine how the drug should be billed
 - Single dose: billed by milliliter (mL), including waste
 - Powder filled: billed by the number of vials/syringes
 - Multi-dose: billed by mL, excluding waste
- Resources to use:
 - [Missouri Maximum Allowable Cost \(MAC\) drug list](#)
 - <https://ndclist.com/> → Package Codes; (3) Dosage Forms and Strengths
 - [Package Insert](#) → How Supplied
 - Pharmacy Administration Unit

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Example 5 (cont.)

NDC	Drug	Generic	Strength	Dosage Form
00143974505	Granisetron	Granisetron	4mg/4mL	Vial

❖ Step 2

- Determine the amount of drug administered to the participant
- Chart notes state participant received 0.75 mg

❖ Step 3

- Calculate the number of **milliliters** that need to be billed to MHD
 - $0.75\text{mg} / 4\text{mg} = 0.1875$ vials
 - $0.1875 \text{ vials} \times 4\text{mL} = \mathbf{0.75 \text{ mL}}$

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

Correct Billing Additional Examples

Containers of medication in solution (e.g., ampules, **bags**, **bottles**, vials, syringes) must be billed by the milliliter (mL) dispensed, even if the quantity includes a decimal (e.g., if three (3) 0.5 mL vials are dispensed, the correct quantity is 1.5mL).

➤ Children's Ibuprofen: 100mg/5mL

- Chart notes states participant received 200mg
- $(200\text{mg} / 100\text{mg}) \times 5\text{mL} = \mathbf{10\text{mL}}$ billed to MHD

➤ Sodium Chloride/Saline Bag: 500mL/1 bag

- Charts notes states participant received 2 bags
- $2 \text{ bags} \times 500\text{mL} = \mathbf{1,000\text{mL}}$ billed to MHD

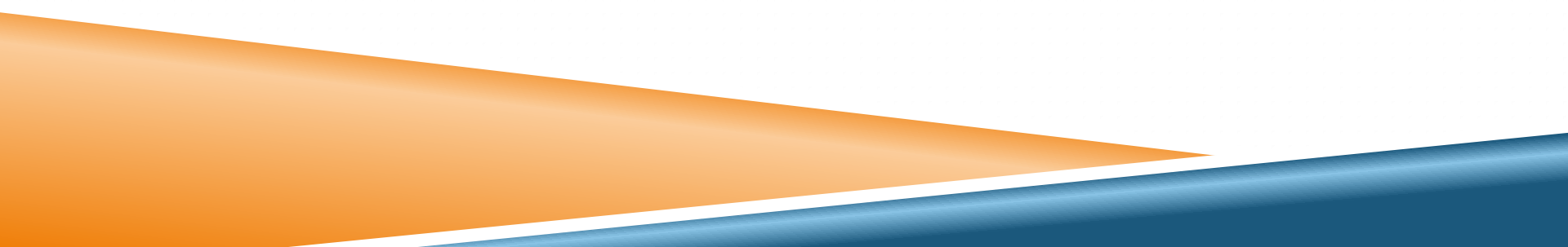
❖ Solid dosage forms (i.e., tablets, capsules) should be billed by each → never bill with decimals

References

1. MO HealthNet Pharmacy Manual 15.7

a. http://manuals.momed.com/collections/collection_pha/print.pdf

White & Brown Bagging

- ❖ **White Bagging:** shipping of participant-specific medication from a pharmacy to the physician's office, hospital, or clinic for administration.
 - The provider holds the product until the patient arrives for treatment
 - Specialty medications
 - ❖ **Brown Bagging:** participant picks up their prescription at a pharmacy and then takes the medication — as if in a metaphorical brown lunch bag — to the physician's office, hospital, or clinic for administration on the day of treatment.
 - Depo-Provera, long-acting antipsychotics
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Example 6

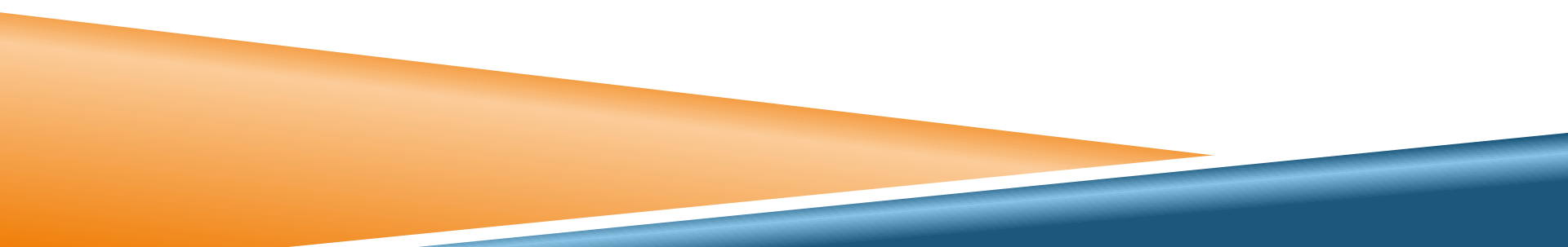
- ❖ Two providers billing for the dispensing of a participant's medication when one provider should be billing only for administration
 - Claim from Hospital A would be fully recoverable as the hospital administered the medication and did not actually supply it.

Dispensed Date	Provider	Medication	Qty	Billed Amount
01/22/2022	Pharmacy A	Drug A	1	\$13,000
01/28/2022	Hospital A	Drug A	1	\$13,000

Dispensed Date	Provider	Medication	Qty	Billed Amount
10/09/2021	Pharmacy B	Drug A	1	\$13,000
10/10/2021	Hospital B	Drug A	1	\$0.01

- ❖ Bill for administration of the drug using the CPT code.
- ❖ Only bill for the drug if it was purchased by the provider.

Example 7

- ❖ Participant's medication is shipped to physician's office, hospital, or clinic for administration from the pharmacy
 - ❖ Physician's office, hospital, or clinic never administers the medication to the participant
 - ❖ Medication intended for the participant is destroyed
 - Utilization of participant-specific medication for another participant is prohibited
 - ❖ Pharmacy will be responsible for the cost if the participant never receives the medication
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Claims Integrity

- ❖ Ensure the accuracy of claims data

- ❖ 13 CSR 70.3.030

- Sanctions may be imposed against a provider for failure to take reasonable measures to review claims for accuracy.
- Billing errors, including but not limited to, incorrect ingredient indicators, quantities, days supply, prescriber identification, dates of service, and usual and customary charges, caused or committed by the provider or their employees are subject to adjustment or recoupment.

References

1. MO HealthNet Pharmacy Manual 2.6.A – Claim Integrity for MO HealthNet Providers
 - a. http://manuals.momed.com/collections/collection_pha/print.pdf
2. 13 CSR 70.3.030 Sanctions for False or Fraudulent Claims for MO HealthNet Services
 - a. <https://www.sos.mo.gov/cmsimages/adrules/csr/current/13csr/13c70-3.pdf>

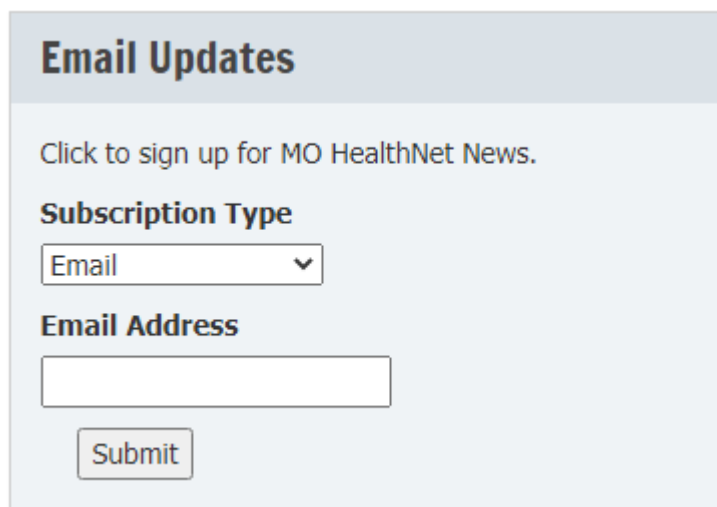
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❖ Sign Up for our Hot Tips and Provider Bulletins

➤ <https://dss.mo.gov/mhd/>

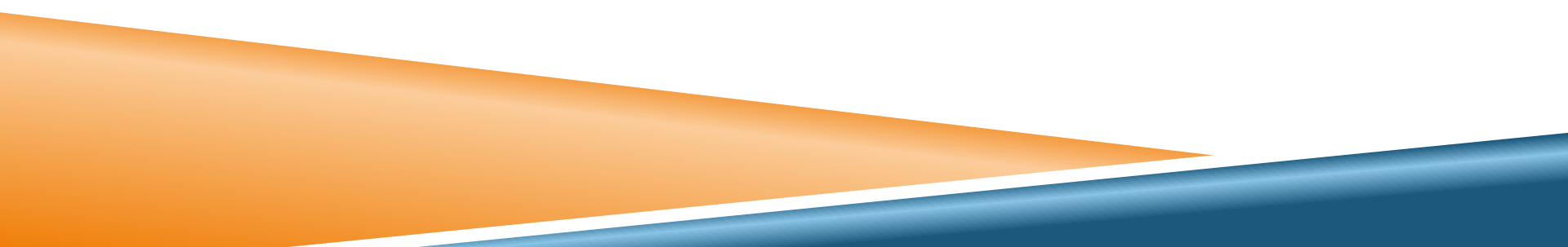


A dark blue pop-up window with a close button (X) in the top right corner. It features the Missouri Department of Social Services logo and the MoHealthNet logo. The text inside says "Click to Sign Up for MO HealthNet News." Below this is a white input field labeled "Email Address" and a dark blue button labeled "SUBSCRIBE". At the bottom, there are two links: "No Thanks" and "Remind Me Later".



A light blue form titled "Email Updates". It contains the text "Click to sign up for MO HealthNet News." followed by a "Subscription Type" dropdown menu with "Email" selected. Below this is an "Email Address" input field and a "Submit" button.

Additional References & Links

- ❖ Pharmacy and Clinical Services Home
 - ❖ Frequently Updated Documents
 - ❖ Clinical Edit and PDL Documents
 - ❖ Calendar of Events
 - ❖ Advisory Group Home
 - ❖ PDL Searchable Database
- 

Who You Gonna Call?

- ❖ MO HealthNet billing questions or issues, unrelated to prior authorizations, can be directed to the Pharmacy Administration Unit (PAU):
 - Email: MHD.PharmacyAdmin@dss.mo.gov
 - Phone: (573) 751-6963

Questions?