Rule Number 13 CSR 70-20.340

Use a “SEPARATE” rule transmittal sheet for EACH individual rulemaking.

Name of person to call with questions about this rule:
Content Sharie Hahn Phone (573) 522-8368 FAX (573) 522-6092
Email address Sharie.L.Hahn@dss.mo.gov

Data Entry Aaron Mealy Phone (573) 526-0414 FAX (573) 522-6092
Email address Aaron.Mealy@dss.mo.gov

Interagency mailing address DLS, Broadway Bldg, 221 W High Street, Room 230

TYPE OF RULEMAKING ACTION TO BE TAKEN
☐ Emergency Rulemaking ☐ Rule ☐ Amendment ☐ Rescission ☐ Termination
Effective Date for the Emergency

☒ Proposed Rulemaking ☒ Rule ☒ Amendment ☐ Rescission
☐ Rule Action Notice ☐ In Addition ☐ Rule Under Consideration
☐ Request for Non-Substantive Change
☐ Statement of Actual Cost
☐ Order of Rulemaking ☐ Withdrawal ☐ Adopt ☐ Amendment ☐ Rescission
Effective Date for the Order
☐ Statutory 30 days OR Specific date

Does the Order of Rulemaking contain changes to the rule text? ☐ NO
☐ YES—LIST THE SECTIONS WITH CHANGES, including any deleted rule text:
January 15, 2020

Sharie Hahn  
Special Counsel  
Missouri Department of Social Services  
Broadway State Office Building  
Jefferson City, MO 65102

Dear Sharie:

This office has received your Proposed Rulemaking for the following regulation:

- 13 CSR 70-20.340 National Drug Code Requirement

Executive Order 17-03 requires this office's approval before state agencies release proposed regulations for notice and comment, amend existing regulations, rescind regulations, or adopt new regulations. After our review, we approve the submission of this rule to JCAR and the Secretary of State.

Sincerely,

Caroline M. Coulter  
Legal Counsel
January 16, 2020

John R. Ashcroft
Secretary of State
Administrative Rules Division
600 West Main Street
Jefferson City, Missouri 65101


Dear Secretary of State Ashcroft:

CERTIFICATION OF ADMINISTRATIVE RULE

I do hereby certify that the attached is an accurate and complete copy of the proposed rulemaking lawfully submitted by the MO HealthNet Division, Department of Social Services.

The MO HealthNet Division, Department of Social Services further certifies that it has conducted an analysis of whether or not there has been a taking of real property pursuant to section § 536.017, RSMo 2000, that the proposed rulemaking does not constitute a taking of real property under relevant state and federal law.

The MO HealthNet Division, Department of Social Services has determined and hereby also certifies that if the proposed rulemaking does affect small business pursuant to sections 536.300 to 536.310, RSMo, a small business impact statement has been filed as required by those sections. If no small business impact statement has been filed the proposed rulemaking either does not affect small business or the small business requirements do not apply pursuant to section 536.300.4, RSMo.

Statutory Authority: sections 208.201 and 660.017, RSMo.

If there are any questions regarding the content of this proposed rulemaking, please contact:

Sharie Hahn
221 West High Street, Room 230
Jefferson City, MO 65102
573-526-0414
Sharie.L.Hahn@dss.mo.gov

Sincerely,

[Signature]
Jennifer Tidball
Acting Director
Department of Social Services

Enclosures

AUXILIARY AIDS AND SERVICES ARE AVAILABLE UPON REQUEST TO INDIVIDUALS WITH DISABILITIES
TDD / TTY: 800-735-2966
RELAY MISSOURI: 711

Missouri Department of Social Services is an Equal Opportunity Employer Program.
January 16, 2020

Waylene W. Hiles, Director
Joint Committee on Administrative Rules
Capitol Building, Room B-8
Jefferson City, MO 65101

Dear Ms. Hiles:


Attached is an accurate and complete copy of the proposed order regarding the amendment of 13 CSR 70-20.340. This proposed order will be filed concurrently with the Secretary of State.

Statutory authority: sections 208.201 and 660.017, RSMo.

Sincerely,

[Signature]
Jennifer Tidball
Acting Director
Department of Social Services

Attachment
DECLARATION
OF PUBLIC COST

I, Jennifer Tidball, Acting Director of the Department of Social Services, do declare that it is my opinion that the cost of proposed rule 13 CSR 70-20.340, is less than five hundred dollars ($500) in the aggregate to this agency, any other agency of state government, or any political subdivision thereof.

[Signature]
Jennifer Tidball
Acting Director
Department of Social Services
PROPOSED AMENDMENT

13 CSR 70-20.340 National Drug Code Requirement

PURPOSE: The purpose of this amendment is remove the reference to J-Code and expand the National Drug Code (NDC) requirement to all drug HCPCS procedure codes.

(1) Drug charges submitted by providers on an electronic Professional or Institutional ASC X12 837 Health Care claim transaction or manually entered on a medical or outpatient claim into MHD’s billing website eMOMED (www.emomed.com), are to be billed with a valid [J-Code] Healthcare Common Procedure Coding System (HCPCS) procedure code and a valid NDC for each medication, including injections, provided to the participant. Medical or outpatient claim lines submitted with a [J-Code] HCPCS procedure code without the corresponding NDC will be denied. For medical or outpatient claims correctly submitted with the appropriate [J-Code] HCPCS procedure code and the corresponding NDC, the system will automatically generate a separate drug claim for the NDC to process as a pharmacy claim, and will appear as a separate claim on your Remittance Advice. The corresponding line with [J-Code] HCPCS procedure code and NDC will be dropped from the medical or outpatient claim. If an NDC is not provided, the [J-Code] HCPCS procedure code will remain on the claim to report the denied line. [If the drug being provided does not have a J-Code associated with it, the appropriate Healthcare Common Procedure Coding System (HCPCS) procedure code should be submitted with an NDC.] For drugs without a valid HCPCS procedure code, revenue code 0250 “General Classification: Pharmacy” must be used with the appropriate NDC. Only drugs and items used during outpatient care in the hospital are covered. Take-home medications and supplies are not covered by MHD under the Hospital Program.

(2) A critical component to submitting claims with an NDC is to ensure that the appropriate HCPCS procedure code is billed with each NDC. To ensure accurate billing of drug charges, MHD will use the Noridian Crosswalk (www.dmepdac.com) to determine whether the appropriate HCPCS procedure code is billed for the submitted NDC. Claims will be denied if the NDC submitted is not valid for the HCPCS procedure code submitted.

(3) Effective for dates of service on or after April 1, 2016, the MO HealthNet Division (MHD) will require the National Drug Code (NDC) for all medications administered in the clinic or outpatient hospital setting, to comply with federal law. MHD must collect the eleven- (11-) digit NDC on all outpatient drug claims submitted to MHD from all providers for rebate purposes in order to receive federal financial participation. Providers are required to submit their claims with the exact NDC that appears on the product dispensed or administered to receive payment from MHD. The NDC is found on the medication’s packaging and must be submitted in the five (5) digit – four (4) digit – two (2) digit format. If the NDC does not appear in the five (5) digit – four (4) digit – two (2) digit format on the packaging, zero(s) (0) may be entered in front of the section that does not have the required number of digits.
All drug claims shall be routed through an automated computer system to apply edits specifically designed to ensure effective drug utilization. The Preferred Drug List (PDL) and clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. The edits are based on evidence-based clinical criteria and nationally recognized peer-reviewed information. This clinical information is paired with fiscal evaluation and then developed into a therapeutic class PDL recommendation. The PDL process incorporates clinical edits, including step therapies, into the MHD pharmacy program. Claims for drugs will automatically and transparently be approved for those patients who meet any of the system approval criteria. For those patients who do not meet the system approval criteria, the drugs will require a call to the MHD Drug Prior Authorization hotline at (800) 392-8030 to initiate a review and potentially authorize payment of claims. Providers may also use the CyberAccess tool to prospectively determine if a drug is a preferred agent or requires edit override, electronically initiate an edit override review, and to review a participant’s MHD paid claim history.

The quantity to be billed for injectables and other types of medications dispensed to MHD participants must be calculated as follows:

(A) Containers of medication in solution (for example, ampoules, bags, bottles, vials, syringes) must be billed by exact cubic centimeters or milliliters (cc or mL) dispensed, even if the quantity includes a decimal (e.g., if three (3) 0.5 mL vials are dispensed, the correct quantity to bill is 1.5 mL);

(B) Single dose syringes and single dose vials must be billed per cubic centimeters or milliliters (cc or mL), rather than per syringe or per vial;

(C) Ointments must be billed per number of grams even if the quantity includes a decimal;

(D) Eye drops must be billed per number of cubic centimeters or milliliters (cc or mL) in each bottle even if the quantity includes a decimal;

(E) Powder filled vials and syringes that require reconstitution must be billed by the number of vials;

(F) Combination products, which consist of devices and drugs, designed to be used together, are to be billed as a kit. Quantity will be the number of kits used;

(G) The product Herceptin, by Genentech, must be billed by milligram rather than by vial due to the stability of the drug; and

(H) Non-Vaccines for Children (VFC) Immunizations and vaccines must be billed by the cubic centimeters or milliliters (cc or mL) dispensed, rather than per dose.

Radiopharmaceuticals used in radiologic procedures may be billed separately using the appropriate HCPCS code and/or the NDC representing the materials or agent used in the procedure. If available, MHD would prefer the NDC for reporting purposes. If the material or agent used does not have an NDC, the appropriate HCPCS code alone is acceptable. All HCPCS codes for radiopharmaceuticals are manually priced and must be billed with the manufacturer’s invoice of cost attached to the claim.


PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars ($500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars ($500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, Legal Services Division-Rulemaking, P.O. Box 1527, Jefferson City, MO 65102-1527, or by email to Rules.Comment@dss.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.