**Injectable Medications**

Current Policy:

The Department of Medical Assistance Services (DMAS) covers physician/practitioner administered drugs and devices through the medical benefit for fee-for-service members.

Change to Policy:

Effective 1st Quarter 2015, DMAS will deny pharmacy claims for drugs and devices typically administered by health care professionals at the point-of-sale

Administering providers must bill physician and clinic-administered drugs and devices to Virginia Medicaid as a medical claim.

Explanation:

DMAS will stop paying for the medication itself if it is administered at the same site where it is purchased. If a clinic orders and receives injectable antipsychotics and the injection is administered at the same clinic, it will not be able to bill Medicaid for the medication. This ONLY applies to billing for the medication itself, NOT the doctor visit or administration billing codes.

Creation of a Workgroup:

Originally, DMAS asked Magellan to conduct a study of the impact on the CSBs, and several CSB Medical Directors/Psychiatrists were asked to participate. The workgroup includes Dr. Asha Mishra (Chesterfield CSB), Kirk Morton and Kathy Tierney (RBHA), and Dr. David Moody (Region Ten). Dr. Mishra and Kirk Morton will Co-Chair the workgroup. Dr. Colton Hand (Fairfax-Falls Church CSB) and Dr. Nick McLean-Rice (Eastern Shore CSB) have agreed to participate in the first conference call or as time permits.

The work group then agreed to coordinate with Dr. Varun Choudhary. However, Dr. Choudhary let VACSB know that he hasn’t received any information from DMAS to conduct the study at this point, and suggested the CSBs convene the workgroup as time is of the essence due to budget implications.

Questions Posed to CSBs:

In preparation for a meeting to discuss the impact and to find a short-term solution for this issue, we sent a quick survey to the CSBs to determine the number currently on their caseload who are impacted and the strategies they are employing to continue with the medication but have not received all responses as of today. The following questions were posed:

1. Which CSBs have existing contracts with Westwood Pharmacy?
2. Number of clients currently on caseload that receive injectable antipsychotics and are reimbursed by Medicaid?
3. How each of the CSBs have managed since the new policy was effective?

Impact:

The degree to which the impact is felt seems to vary a bit, though the themes are consistent. To summarize the impact (from verbal conversations with CSBs plus what the physicians are hearing from colleagues in private practice):

* This is not just a CSB issue, all physicians who administer injectable antipsychotics and bill Medicaid are impacted
* Some of the CSBs’ pharmacy budgets will be depleted by December if they have to continue to purchase the injectables, as the rate Medicaid reimburses is roughly half of the cost of the medication
* Some CSBs are using samples to avoid purchasing injectables, but when the sample supply is depleted, they will be forced to purchase
* Some CSBs have reverted to using the tablets which defeats the purpose of using the injectable as a means to ensure the medication is taken as prescribed; also increases the Case Manager workload
* Some CSBs responded that they would have to establish their own Pharmacy in order to stay in compliance with the policy, yet do not have the resources for staff, inventory, etc. In addition, their volume wouldn’t offset the expense of the purchasing the medication.

Solution:

To bill for services, the Health Insurance Claim Form, CMS-1500 (02-12), invoice form must be used for claims received on or after April 1, 2014 (**Medicaid memo attachment dated 3-21-14**).

Effective with claims received on and after May 26, 2014, DMAS will begin capturing the NDC (National Drug Code) and Unit of Measure (UOM) for ALL Health Care Procedure Coding System (HCPCS) codes related to drug administration by a physician in an outpatient setting. DMAS will no longer limit this to only “J” codes (**Medicaid memo attachment dated 6-11-14**).

**If CSBs notice any inconsistency or that the reimbursement rates are substantially less than what they pay, contact DMAS so they can assist in recognizing a billing error (units not matching, incorrect codes, etc...) or edits on their end (system fail, incorrect edits, etc…).**

**CSBs are also involved in creating a comparable billing process to utilize profiler when submitting claims with minimal handling.**

Directions:

NDC and UOM information should be entered in the red shaded area with a qualifier of N4 (represents NDC is being used), NDC and UOM qualifier following the NDC (UOM: F2, GR, ML, UN) (e.g. Non-reconstituted injections (I.E. vial of Rocephin powder) – bill as UN (1 vial = 1 unit)).

The reimbursable amounts are listed in the **excel attachment**.

If there is an IC beside any of the fees in the column of “Rate” that means it’s up for “Individual Consideration” and we must submit an Invoice for maximum reimbursement.

Invoices are considered anything received as a bill from the company in which the agency buys medications. When submitting claims electronically, invoices require an assigned ACN (Attachment Control Number) and are submitted manually with any notes that may explain what occurred. Refer to any provider billing manual to find which field to enter the ACN on the electronic claim. All Invoices submitted to DMAS are considered and reviewed by nurses and it’s always helpful to note any waste on the invoice for coverage purposes (injectable medication was used but only a portion of the vial administered and the rest disposed of).