



**Department For Medicaid Services,
HP, and
Magellan Medicaid Administration**

June 1, 2010

Physician Injectable Drug List

Physician-administered drugs are those drugs, other than vaccines, that are covered under section 1927(k)(2) of the Social Security Act and that 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.

Accessing the PIDL

- The PIDL is located on the Department for Medicaid Services' website at <http://chfs.ky.gov/dms/fee>. Or the link is also located on the Magellan Medicaid Administration's website at <https://kentucky.fhsc.com> under the tab labeled PIDL.
- The PIDL will be updated on a regular basis, at least quarterly.



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.

Billing Instructions (BIs)

- The online billing instructions are located on the Department for Medicaid Services' website at: <http://chfs.ky.gov/dms/provider.htm>.
- Or the link is also located on the Magellan Medicaid Administration's website at: <https://kentucky.fhsc.com> under the tab labeled PIDL.

National Drug Code (NDC)



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.

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, i.e. 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.

- 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**

- 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:

01234-5678-90

12345-**0**678-90

12345-6789-**00**

How To Determine If The Product Is A Drug?

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

- **NDC** –Is found on the drug container, i.e. 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** - This 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.



Additional Resources

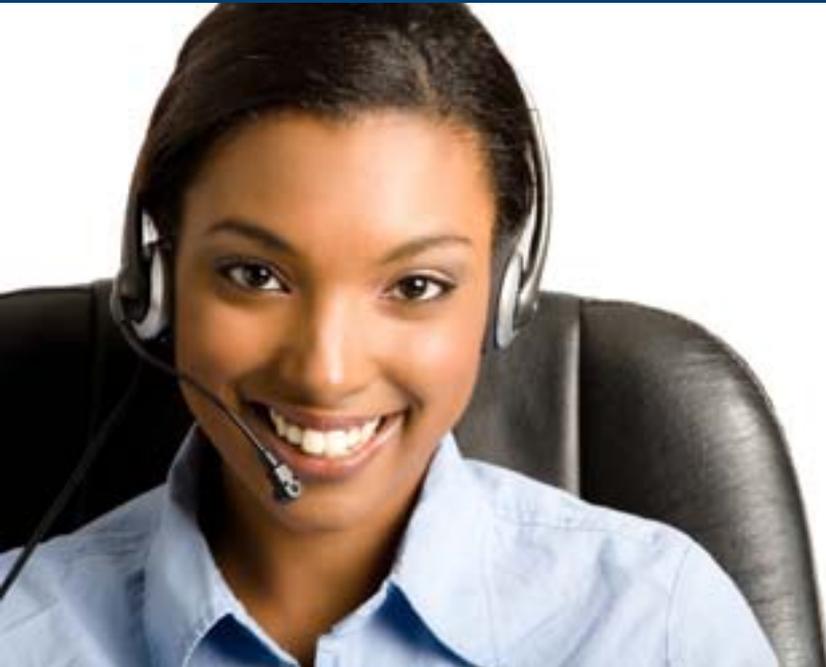
Additional Resource Information

- 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 Medicaid Administration, please refer to the following website:
<https://kentucky.fhsc.com/Providers/Bulletins.asp>.

- 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>.



Contacts For Questions

Contact Information

- If you have questions regarding the submission of a claim, procedure code(s), remittance advice, and/or payment, please 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, please contact Magellan Medicaid Administration at (314)387-4793.