MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Health and Human Services

Bulletin Number: MSA 17-07

Distribution: All Providers

Issued: March 1, 2017

Subject: Enhanced 340B Reporting Requirements

Effective: April 1, 2017

Programs Affected: Medicaid, Healthy Michigan Plan, Children's Special Health Care Services (CSHCS), Maternity Outpatient Medical Services (MOMS)

The purpose of this bulletin is to outline new reporting requirements for drugs purchased through the 340B program.

Section 340B of the Public Health Service Act requires participating drug manufacturers to provide outpatient drugs to eligible health care organizations at reduced prices. This program, known as the 340B program, also protects manufacturers from paying both a Medicaid rebate and a 340B discount on the same drug.

To further automate the process for the Michigan Department of Health and Human Services (MDHHS) to identify claims that must be excluded from the Medicaid drug rebate process, **providers are responsible for accurate reporting of drugs purchased through the 340B program for claims submitted on or after April 1, 2017.** Providers must indicate drugs purchased through the 340B program using the modifier U6 for institutional and professional claims, and enter the value 20 in the Submission Clarification Code field for pharmacy claims as outlined below. This process applies to Fee-for-Service (FFS) and Medicaid Health Plan (MHP) claims.

To register for the 340B Drug Pricing Program, providers must contact the U.S. Health Resources & Services Administration (HRSA). For more information on the registration process visit www.hrsa.gov.

Claim Type	Electronic	Paper
Institutional	837I; for each drug line, include value **U6** in the Procedure Modifier field; include the 11-digit National Drug Code (NDC) and any supplemental information using the N4 qualifier.	UB-04; for each drug line, include modifier **U6** after the procedure code in field 44; enter the 11-digit NDC in box 43 using the N4 qualifier.

Claim Type	Electronic	Paper
Professional	837P; for each drug line, include value **U6** in the Procedure Modifier field; include the 11-digit NDC and any supplemental information using the N4 qualifier.	CMS-1500; for each drug line, include modifier **U6** in the modifier area of Box 24D; enter the 11-digit NDC in box 24.
Pharmacy	NCPDP Version D.0; enter a value of **20** in the Submission Clarification Code field 420-DK.	NCPDP Universal Claim Form; enter a value of **20** in the Submission Clarification Code field 35.

If providers do not follow this process for drugs purchased through the 340B program, these claims will be included in the Medicaid drug rebate process and providers may be contacted by drug manufacturers, rebate staff, HRSA, and other entities about reversing and resubmitting the claims with the correct indicator.

These requirements replace the requirement that providers must contact the MDHHS Drug Rebate Specialist to exclude their claims from drug rebates as outlined in Bulletin MSA 10-26.

For questions regarding this process, contact the MDHHS Drug Rebate Specialist at MDHHSPharmacy340B@michigan.gov.

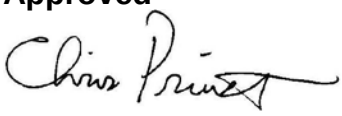
Manual Maintenance

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



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