MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Community Health

Bulletin Number: MSA 07-15

Distribution: Pharmacy

Issued: March 20, 2007

Subject: Multi-Ingredient Compound Drug Claim Submissions

Effective: May 3, 2007

Programs Affected: Medicaid, Maternity Outpatient Medical Services, Adult Benefits Waiver and Children's Special Health Care Services

The purpose of this bulletin is to transmit new policy that allows a pharmacy provider to submit an electronic point of sale pharmacy claim for a multi-ingredient compounded drug to the Michigan Department of Community Health (MDCH). The pharmacy provider will be able to bill each ingredient of a compounded drug, and the MDCH Pharmacy Benefits Manager (PBM) will be able to capture rebates on each ingredient of this compounded drug, if applicable.

Multi-Ingredient Compound Drug Claims

Pre-mixed infusion solutions cannot be billed to MDCH as a compounded drug. Multi-ingredient compound claims that include National Drug Codes (NDCs) from the list of the pre-mixed infusion solutions will deny. Providers cannot include the pre-mixed infusion solutions when submitting multi-ingredient compound claims to the MDCH PBM for reimbursement. A list of pre-mixed infusion solutions not covered by MDCH is attached to this bulletin. U6W powders (*except Co-Enzyme Q10 and Baclofen*) are no longer covered by MDCH. The MDCH PBM will only reimburse the ingredients of an approved Centers for Medicare & Medicaid Services (CMS) labeler for compound drug claims.

Instructions for Electronic Billing of Multi-Ingredient Compound Drugs

- Submit Compound Code Value "2" for all compounded drug claims. The Compound Segment must not be submitted unless Compound Code Value "2" identifies the claim as a compound claim. If this value is missing, the claim will reject with National Council for Prescription Drug Programs (NCPDP) error code 20 (*Missing/Invalid Compound Code*).

- Submit the "Claim Segment Product ID" field with eleven zeroes. If not all eleven zeroes are submitted as the Product ID, the claim will reject with NCPDP error code 21 (*Missing/Invalid Product /Service ID*).

- Submit the "Dosage Form Description Code" field with an acceptable value (e.g., cream, and ointment). If the field is blank or an invalid value is submitted, the claim will reject with NCPDP error code EF (*Missing/Invalid Dosage Form Description Code*).

- Submit Submission Clarification Code Value "8" to allow the processing the claim if at least one of the ingredients is covered. Prior authorization processing will occur at the ingredient level.

- The sum of the ingredient costs for all ingredients must equal the ingredient cost submitted on the claim. If the ingredient cost submitted on the claim is incorrect, the claim will reject with an NCPDP error code EE (*Missing/Invalid Compound Ingredient Drug Cost*).

- Submit the "Compound Dispensing Unit Form Indicator" field with an acceptable value (e.g., each, gram, and milliliter). If this field is blank or an invalid value is submitted, the claim will reject with the NCPDP error code EG (*Missing/Invalid Compound Dispensing Unit Form Indicator*).

- Submit the "Compound Route of Administration" field with an acceptable value (e.g., oral, topical, and transdermal). If this field is blank or an invalid value is submitted, the claim will reject with NCPDP error code EH (*Missing/Invalid Compound Route of Administration*).

Providers must submit the following for each compound ingredient specified:

- Compound Product ID Qualifier

- Compound Product ID field with the appropriate values - do not include null or spaces in this field

- Compound Ingredient Cost field with an amount greater than zero

The reimbursement of the dispensing fee is based on the route of administration. MDCH will not accept Compound Route of Administration Value "0" as a valid value. If the route of administration is unknown, providers must submit the Compound Route of Administration Value "12" (other/miscellaneous).

Manual Maintenance

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

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, 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

Paul Reinhart, Director
Medical Services Administration

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
Excluded Products From Compounds

Label Name	National Drug Code	Innovator Indicator	Obsolete Date	Gcn Sequence Number	HIC 3 Specific Ther Code	Drug Class	Route Description Code	HIC Ingred Code Seq	Drug Category Code	Add Date	Drug Form Code	Generic Name	Drug Strength Description	Package Size
METRO IV 500 MG/100 ML	00264553532	0	12/31/3001	9588	W4E	F	A	8,259	0	3/7/1985	2	METRONIDAZOLE/SODIUM CHLORIDE	500MG/0.1L	100
DIFLUCAN/SALINE 200 MG/100 ML	00049343526	1	12/31/3001	13726	W3B	F	A	4,869	0	2/8/1990	2	FLUCONAZOLE/SODIUM CHLORIDE	200MG/0.1L	100
DIFLUCAN/SALINE 400 MG/200 ML	00049343626	1	12/31/3001	15331	W3B	F	A	4,869	0	2/8/1990	2	FLUCONAZOLE/SODIUM CHLORIDE	400MG/0.2L	200
CIPRO I.V. 200 MG/100 ML D5W	00085175502	1	12/31/3001	15920	W1Q	F	A	6,071	0	8/25/2005	2	CIPROFLOXACIN LACTATE/D5W	200MG/0.1L	100
CIPRO I.V. 400 MG/200 ML D5W	00085174102	1	12/31/3001	15921	W1Q	F	A	6,071	0	8/24/2005	2	CIPROFLOXACIN LACTATE/D5W	400MG/0.2L	200
PEN GK 1MM UNITS/50ML ISO-OSM	00338102141	1	12/31/3001	15932	W1A	F	A	6,077	0	3/28/1991	2	PEN G POT/DEXTROSE-WATER	1MMU/50ML	50
PEN GK 2MM UNITS/50ML ISO-OSM	00338102341	1	12/31/3001	15933	W1A	F	A	6,077	0	3/28/1991	2	PEN G POT/DEXTROSE-WATER	2MMU/50ML	50
PEN GK 3MM UNITS/50ML ISO-OSM	00338102541	1	12/31/3001	15934	W1A	F	A	6,077	0	3/28/1991	2	PEN G POT/DEXTROSE-WATER	3MMU/50ML	50
DOBUTAMINE 250 MG/D5W 500 ML	00074234534	1	12/31/3001	21501	A1C	F	A	8,777	0	11/23/1993	2	DOBUTAMINE HCL/D5W	500MCG/ML	500
DOBUTAMINE 250 MG/D5W 250 ML	00338107302	0	12/31/3001	21502	A1C	F	A	8,777	0	2/8/1994	2	DOBUTAMINE HCL/D5W	1000MCG/ML	250
DOBUTAMINE 500 MG/D5W 250 ML	00338107502	0	12/31/3001	21503	A1C	F	A	8,777	0	2/8/1994	2	DOBUTAMINE HCL/D5W	2000MCG/ML	250
DOBUTAMINE 1 GM/D5W 250 ML	00002750001	0	12/31/3001	21504	A1C	F	A	8,777	0	2/3/1994	2	DOBUTAMINE HCL/D5W	4000MCG/ML	250
PRIMACOR 0.2 MG/ML/D5W 100 ML	00024120301	1	12/31/3001	23159	A1C	F	A	9,744	0	9/15/1994	2	MILRINONE LACTATE/D5W	200MCG/ML	100
LEVAQUIN 250 MG/50 ML D5W	00045006701	1	12/31/3001	29925	W1Q	F	A	12,383	0	1/9/1997	2	LEVOFLOXACIN/DEXTROSE 5%-WATER	250MG/50ML	50
LEVAQUIN 500 MG/100 ML D5W	00045006801	1	12/31/3001	29929	W1Q	F	A	12,383	0	1/9/1997	2	LEVOFLOXACIN/DEXTROSE 5%-WATER	500MG/0.1L	100
DIFLUCAN/SALINE 200 MG/100 ML	00049337126	1	12/31/3001	59584	W3B	F	A	4,869	0	2/8/1990	2	FLUCONAZOLE/SODIUM CHLORIDE	200MG/0.1L	100
DIFLUCAN/SALINE 400 MG/200 ML	00049337226	1	12/31/3001	59585	W3B	F	A	4,869	0	2/8/1990	2	FLUCONAZOLE/SODIUM CHLORIDE	400MG/0.2L	200
AVELOX IV 400 MG/250 ML	00085173701	1	12/31/3001	49742	W1Q	F	A	25,388	0	8/25/2005	2	MOXIFLOXACIN HCL/SOD CL	400MG/.25L	250