

Bulletin Number: MSA 15-19

Distribution: All Providers

Issued: June 1, 2015

Subject: Coverage of Pharmacy Claims for Certain Outpatient Physician-Administered Injectable Drugs

Effective: July 1, 2015

Programs Affected: Medicaid, Healthy Michigan Plan, Maternity Outpatient Medical Services (MOMS)

NOTE: Implementation of this policy is dependent upon approval of a State Plan Amendment by the Centers for Medicare & Medicaid Services (CMS).

Effective for dates of service on and after July 1, 2015, pharmacy claims for the following physician-administered injectable drugs administered on an outpatient basis will be reimbursable under Michigan Medicaid and the Healthy Michigan Plan:

- Mental health and substance abuse injectable drugs, as listed on the Prepaid Inpatient Health Plan (PIHP)/Community Mental Health Services Program (CMHSP) Physician Injectable Drug Coverage Database, found at www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information >> Mental Health/Substance Abuse >> PIHP/CMH Injectable Drugs
- 17 Alpha Hydroxyprogesterone Caproate (17P and Makena)

This change will allow pharmacy providers to be reimbursed for these injectable drugs for administration in an outpatient setting using a rate based on the National Drug Code (NDC). The rates for drug product reimbursement are outlined in the Michigan Medicaid State Plan. Professional or institutional claims for physician-administered injectable drugs will continue to be covered. Pharmacies and prescribing practitioners must ensure that claims are not duplicated. This policy applies to Fee-for-Service claims.

For Practitioners

Practitioners must submit the claim for the injectable drug as a professional or institutional claim if the practitioner purchases the drug directly through a pharmacy, distributor or wholesaler. If the practitioner uses a pharmacy to acquire the drug for administration, the pharmacy must submit the claim as a pharmacy claim. There is no copayment responsibility to the beneficiary for the injectable drug; however, there may be a copayment for the office visit to administer the drug.

For Pharmacy Providers

As a reminder, pharmacy providers may not dispense a physician-administered injectable drug directly to the beneficiary – to ensure the content and integrity of the drug administered to the beneficiary the drug must be delivered from the pharmacy directly to the physician for administration. The method of delivery of the injectable drug to the physician should be agreed upon by the pharmacy and physician. The refrigeration, stabilization, and other storage and handling requirements of the drug must be met during delivery and at all points of the transaction. The costs associated with the delivery of the injectable drug to the physician are not reimbursable by the Michigan Department of Health and Human Services (MDHHS).

The injectable drug must be administered to the beneficiary within 14 days of the arrival of the drug to the physician's office. For multi-dose vials, the first dose must be administered to the beneficiary within 14 days of the arrival of the drug to the physician's office. For the safety of our program beneficiaries and to minimize waste, procedures should be established to return unused medications to the pharmacy when appropriate. Restocking returned product should be compliant with Michigan Board of Pharmacy guidelines.

This policy does not apply to coverage of pharmacy claims for vaccines.

Manual Maintenance

Retain this bulletin until the information is incorporated into the 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



Stephen Fitton, Director
Medical Services Administration