

Michigan Department of Health and Human Services

Bulletin Number: MSA 17-12

Distribution: Pharmacy Providers, Prepaid Inpatient Health Plans (PIHP),
Community Mental Health Services Programs (CMHSP)

Issued: March 31, 2017

Subject: Coverage of Physician-Administered Injectable Drugs as Pharmacy
Claims for Administration in Residential Treatment Centers

Effective: May 1, 2017

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

Effective for dates of service on and after May 1, 2017, pharmacy claims for injectable drugs listed on the PIHP/CMHSP Physician Injectable Drug Coverage Database that are administered in a residential treatment center will be reimbursable under Michigan Medicaid and the Healthy Michigan Plan. The database is available on the Michigan Department of Health and Human Services (MDHHS) website at www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information >> Mental Health/Substance Abuse >> PIHP/CMH Injectable Drugs.

This change will allow pharmacy providers to be reimbursed for these injectable drugs when they are administered in a residential treatment center setting using a rate based on the National Drug Code (NDC). The appropriate Place of Service code must be entered in the National Council for Prescription Drug Programs (NCPDP) Patient Segment field 307-C7. For additional information on submitting these claims refer to the current Pharmacy Claims Processing Manual located at Michigan.fhsc.com >> Providers >> Manuals.

The rates for drug product reimbursement are outlined in the Michigan Medicaid State Plan. Professional and institutional claims for physician-administered injectable drugs will continue to be covered through the process described in the Michigan Medicaid Provider Manual. The Michigan Medicaid Provider Manual is available on the MDHHS website at www.michigan.gov/medicaidproviders >> Policy and Forms >> Medicaid Provider Manual. Pharmacies and prescribing practitioners must ensure that claims are not duplicated. Claims for these drugs are currently paid through the Fee-for-Service benefit for beneficiaries in Managed Care and Fee-for-Service.

Practitioners must submit the claim for the injectable drug using a professional claim format 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 these injectable drug products when administered in the residential treatment facility setting.

Consult the Pharmacy Chapter of the Michigan Medicaid Provider Manual, Section 14 – Special Product Coverage for requirements regarding dispensing, handling, and delivering injectable drugs.

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

A handwritten signature in black ink that reads "Chris Priest". The signature is written in a cursive style with a large, looped initial "C".

Chris Priest, Director
Medical Services Administration