***Commonwealth of Massachusetts***

***Executive Office of Health and Human Services***

***Office of Medicaid***

[*www.mass.gov/masshealth*](http://www.mass.gov/masshealth)

MassHealth

Acute Outpatient Hospital Bulletin 34

December 2019

**TO**: Acute Outpatient Hospitals Participating in MassHealth

**FROM**: Daniel Tsai, Assistant Secretary for MassHealth

**RE: New Requirements for Completion of Data Fields on Claims for Clinician-Administered Drugs**

# Summary

For dates of service beginning January 1, 2020, MassHealth will require the National Drug Code (NDC) field, in addition to all previously required fields (some of which are noted in the table that follows), to be completed on most claims for clinician-administered drugs provided to MassHealth members in Acute Outpatient Hospital settings. This policy will apply to all MassHealth Acute Outpatient Hospital providers and will include claims for 340B drugs provided to MassHealth members. MassHealth identifies 340B drugs on clinician-administered claim lines when a modifier of “UD” is submitted on a MassHealth prime claim in any of the four procedure code modifier fields. Crossover claims should be billed to Medicare in accordance with current Medicare billing instructions.

Starting March 1, 2020, MassHealth will begin denying Acute Outpatient Hospital claims for clinician-administered drugs that lack these required elements.

# Background

The required information is necessary for MassHealth to have a clear understanding of the care provided to its members and to ensure compliance with the requirements of the federal Medicaid Drug Rebate Program.

# Applicable Codes and Billing System Requirements

For dates of service beginning January 1, 2020, MassHealth will require any single line for a single clinician administered drug provided to a MassHealth member in an Acute Outpatient Hospital setting to include an NDC, unless the limited exception (discussed below) applies. Clinician-administered drugs may be identified on a claim by either of the following.

* HCPCS codes: All HCPCS codes representing a clinician-administered drug; or
* Revenue codes: All revenue codes starting with the digits “63” (e.g., 63x) or 343 or 344.

Please note that MassHealth will not require revenue codes starting with “25” (e.g., 25x) to include NDCs for lines for a single drug that would otherwise be subject to this new policy, provided that the charge for the drug is less than $10,000. (As under current practice, MassHealth does not require “25x” revenue codes to include HCPCS codes.)

MassHealth

Acute Outpatient Hospital Bulletin 34

December 2019

Page 2 of

If multiple drugs are combined on a “25x” revenue code claim line and the total billed amount is equal to or greater than $10,000, the provider must split the claim lines so that no single claim line for drugs displays a billed amount equal to or greater than $10,000.

Providers must ensure that their billing systems are configured to specify the NDC, Units, Unit of Measure, and Product ID Qualifier on all claims.

**General Guidelines for including NDC on a HIPAA transmission**

| **Field Name** | **Field Description** | **Loop ID** | **Segment** |
| --- | --- | --- | --- |
| Product ID Qualifier | Enter N4 in this field. | 2410 | LIN02 |
| National Drug Code | Enter the 11-digit NDC billing format assigned to the drug administered. | 2410 | LIN03 |
| National Drug Unit Count | Enter the quantity (number of NDC units). | 2410 | CTP04 |
| Unit or Basis for Measurement | Enter the NDC unit of measure for the prescription drug given (UN, ML, GR, or F2). | 2410 | CTP05 |

Note: Total charge amount for each line of service must be included for the Monetary Amount in Loop ID, Segment SV203.

# MassHealth Website

This bulletin is available on the [MassHealth Provider Bulletins](http://www.mass.gov/masshealth-provider-bulletins) web page.

To sign up to receive email alerts when MassHealth issues new bulletins and transmittal letters, send a blank email to join-masshealth-provider-pubs@listserv.state.ma.us. No text in the body or subject line is needed.

# Questions

If you have questions about the information in this bulletin, please contact the MassHealth Customer Service Center at (800) 841-2900, email your inquiry to providersupport@mahealth.net, or fax your inquiry to (617) 988‑8974.