




Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

MassHealth
Acute Outpatient Hospital Bulletin 35
April 2020

TO: Acute Outpatient Hospitals Participating in MassHealth

FROM: Amanda Cassel Kraft, Acting Medicaid Director 

RE: **New Billing Requirements and Payment Methodology for Acute Hospital Emergency Department-Distributed Nasal Naloxone Packages**

Summary

In accordance with Chapter 41 of the Acts of 2019 (FY20 Budget), line item 4512-0206, and Amendment 2 to the Amended Rate Year 2020 Acute Hospital Request for Applications and Contract (RFA), for dates of service beginning April 1, 2020, MassHealth will reimburse Acute Outpatient Hospitals (AOH) distributing nasal naloxone packages to MassHealth members through their emergency departments (ED) at the rate of \$125 per nasal naloxone package. This policy applies to AOHs rendering outpatient services pursuant to the RFA. See the separate MCE Bulletin 23 for instructions to Managed Care Organizations and Accountable Care Partnership Plans.

MassHealth will identify nasal naloxone packages distributed in the ED through a combination of HCPCS code, modifier, and Revenue Code on a single claim line, as detailed below. AOHs that fail to include all of these required elements when submitting claims may experience claim denials or underpayments for the nasal naloxone package.

This new payment methodology is designed to encourage the appropriate distribution of nasal naloxone packages by AOHs through their EDs, and to enable MassHealth to identify patterns of distribution of those packages.

This policy does not apply to MassHealth-enrolled pharmacies dispensing nasal naloxone packages to MassHealth members.

Description, Applicable Codes, Billing System Requirements, and Payment

A single nasal naloxone package consists of two nasal spray inhalers, with each inhaler containing 4 mg of naloxone. An AOH may dispense more than one nasal naloxone package to a MassHealth member if the member's treating practitioner determines that it is clinically appropriate and medically necessary.

For dates of service beginning April 1, 2020, AOHs must include all of the following information when submitting claims for nasal naloxone packages dispensed to MassHealth members through their EDs:

- HCPCS code: J3490
- Revenue code: 636
- Modifier: HG

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AOHs that fail to provide this information with claims for these dispensing services may experience denials or underpayments (including payments of \$0) for claim lines that represent the nasal naloxone package.

Such distribution would typically be part of an ED visit. The claim line that indicates such distribution need not be on a separate claim and can be included on the claim submitted for the ED visit that included distribution of the naloxone package. Payments for nasal naloxone packages will occur outside of the APEC.

Pursuant to Amendment 2 of the RFA, MassHealth will reimburse AOHs dispensing nasal naloxone packages through their Eds outside of the Adjudicated Payment per Episode of Care payment methodology, at the rate of \$125 per package, provided that the AOH complies in all respects with the RFA, this bulletin, and all other applicable laws, regulations, and subregulatory guidance. This payment is in addition to any payment to which the AOH may be entitled pursuant to the RFA.

Hospitals may not bill for distribution of the package as a Hospital-based Physician service.

Providers should continue to bill Medicare for services rendered to Medicare-enrolled members in accordance with current Medicare billing regulations and instructions

MassHealth Website

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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.