***Commonwealth of Massachusetts***

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

***Office of Medicaid***

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MassHealth

# Managed Care Entity Bulletin 51

January 2021

**TO**: MassHealth Plans Participating in MassHealth

**FROM**: Daniel Tsai, Assistant Secretary for MassHealth [signature of Daniel Tsai]

RE: Reminder of Required 340B Identifier for Clinician-Administered Drugs

## Applicable Managed Care Entities and PACE Organizations

Accountable Care Partnership Plans (ACPPs)  
 Managed Care Organizations (MCOs)  
 MassHealth’s behavioral health vendor  
 One Care Plans  
 Senior Care Organizations (SCOs)  
 Program of All-inclusive Care for the Elderly (PACE) Organizations

## Background

MassHealth identifies 340B drugs on clinician-administered claim lines when a modifier of “UD” is submitted on a MassHealth claim or encounter in any of the three procedure code modifier fields. All MassHealth outpatient and professional claims and encounters must include the “UD” modifier for any claims for drugs purchased through the 340B program provided to MassHealth members. 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.

## Required 340B Indicator for Clinician-Administered Drugs

MassHealth reminds Accountable Care Partnership Plans, Managed Care Organizations, Senior Care Organizations and the Massachusetts Behavioral Health Vendor (together “managed care plans”) that under their contracts with MassHealth, they must instruct providers to use the UD identifier to the HCPCS for clinician-administered drugs. However, when the provider is required to follow Medicare instructions concerning the use of modifiers for drugs purchased through the 340B program (for example, for certain dual-eligible members enrolled in MassHealth and Medicare), the provider should follow the Medicare instructions.

## MassHealth Website

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

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## Questions

If you have any 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](mailto:providersupport@mahealth.net), or fax your inquiry to (617) 988‑8974.