



IMCare

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PROVIDER UPDATE

April 2018
#2018-08

To: IMCare Providers & Pharmacies
From: Adam J. Pavsek, Pharm.D, IMCare Pharmacy Director
Date: April 12, 2018
RE: Outpatient Provider/Physician Administered Drug Billing

Outpatient Physician-Administered Drugs

IMCare does not entertain medication prior authorization requests for provider-administered drugs. According to Minnesota Medicaid, outpatient provider-administered drugs must be billed as a medical claim using the appropriate HCPCS codes.

Minnesota Medicaid law (*MS 256B.0625 Subd. 13e.*) requires payment for drugs administered in an outpatient setting be made to the administering facility or practitioner. A retail or specialty pharmacy dispensing a drug for administration in an outpatient setting is not eligible for direct reimbursement.

Do not bill drugs administered during an outpatient visit through the pharmacy POS system. MHCP does not allow "brown-bagging" or "white-bagging" of prescription drugs administered in an office setting. Pharmacies should not dispense drugs directly to a patient if the drugs are intended for use during a clinic or other outpatient visit.

Pharmacies, including mail order pharmacies, who are providing the drugs for a clinic visit, should bill the clinic for the drugs dispensed. IMCare will make an exception only if a recipient has third-party liability and the third-party payer requires that the drugs be billed through the pharmacy benefit.

For injections that involve multiple national drug codes (NDCs), bill the initial line with the HCPC code, units and NDC with modifier KP (first drug of a multiple drug unit dose formulation). Bill the second, and any subsequent line item(s) of the same HCPC code with modifier KQ (second or subsequent drug of a multiple drug unit dose formulation). If billing the same HCPC code on more than two lines, the KQ modifier and an additional modifier are needed on each subsequent line

For questions regarding this law you may contact Minnesota Health Care Programs at 1-800-366-5411.

Adam J. Pavsek