

PROVIDER BULLETIN No. 14-31

September 2, 2014

TO: Hospitals Participating in the Nebraska Medicaid Program

FROM: Courtney Miller, Deputy Director *CM*
Division of Medicaid & Long-Term Care

BY: Lisa deVries, R.P., Pharmacy Consultant

RE: Outpatient Hospital Billing of CPT and HCPCS Codes for
Physician-Administered Drugs

Please share this information with Administrative, Billing, IT Staff and Trading Partners.

Federal law requires state Medicaid agencies to collect rebates on all claims for outpatient drugs. Nebraska Medicaid implemented the National Drug Code (NDC) billing requirements for outpatient physician administered drugs effective July 1, 2008.

Medicaid has implemented many edits since 2008 to validate and improve the accuracy of data for physician administered drug claims. A recent claims history review indicates many claims are still being submitted with incorrect NDC quantities. It was also determined that 60% of claims contain CPT/HCPCS codes and units submitted by providers.

Effective January 1, 2015, Medicaid is implementing a conversion system using CPT and HCPCS codes which will enhance the collection of rebates. To support this requirement, all pharmacy revenue codes on outpatient hospital claims will require a CPT or HCPCS code and CPT or HCPCS units in addition to the NDC code and NDC units. Revenue codes 250-259, 262, 263 and 631-637 will require the billable CPT or HCPCS code.

Nebraska Medicaid will review all hospital outpatient claims to ensure all pharmacy revenue codes are submitted with correct CPT or HCPCS, CPT or HCPCS units, NDC code and NDC units. This additional detail will ensure accurate rebate invoicing and reduce the necessity to recoup and adjust claims at rebate invoicing.

Questions on this provider bulletin should be submitted to:

dhhs.medicaidpharmacyunit@nebraska.gov.