
340B Program Billing Updates

Effective April 1, 2017, the NYS Department of Health (NYSDOH) will rely solely on claim identifiers for 340B drugs for exclusion from Medicaid drug rebates. Federal law (42 USC 256b(a)(5)(A)(i)) prohibits duplicate discounts.

340B claims submitted with a date of service on or after April 1, 2017, will be excluded from the drug rebate invoicing process only if submitted with the listed New York State mandated 340B claim level identifiers.

If the NYSDOH receives a rebate for a drug obtained via the 340B program due to incorrect claim level identifiers, the 340B-covered entity will be responsible for reimbursing the manufacturer the 340B discount.

Please note that the above NYS Medicaid billing process change does not negate the Covered Entity's responsibility for providing the Health Resources and Services Administration (HRSA) with any required information in relation to its determination on whether to use 340B drugs for Medicaid patients.

MVP updated the NDC policy and posted it in the Provider Resource Manual on March 1, 2017 with an effective date of April 1, 2017. MVP currently requires that all pharmaceuticals administered in the office be billed with the appropriate NDC #. MVP's policy excludes drugs purchased on the 340B program from the NDC requirement. However when billing MVP for a drug through the 340B program, it must be billed with a modifier UD. If the claim is not billed with a modifier UD or the appropriate NDC # the claim, will deny.

For more information please reference the Provider Resource Manual located at www.mvphealthcare.com/providers and log in with your username and password.

**If you have any questions with respect to this notice,
please contact your Professional Relations Representative.**

