

TO: Physicians and Independent Clinics

FROM: Change in Policy Regarding Reimbursement for Physician -
Administered Drugs

EFFECTIVE: Claims With Dates of Service On and After January 1, 1994

BACKGROUND: The New Jersey Division of Medical Assistance and Health Services recipient to receive a prescription from a physician and to obtain the drug from a pharmacy which directly billed the New Jersey Medicaid program.

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ACTION: The New Jersey Medicaid program will now reimburse physicians

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The New Jersey Medicaid program has assigned procedure codes and Medicaid maximum fee allowances for the approved drugs for physician administration. Reimbursement for these procedure codes is based on the Average Wholesale Price (AWP) of a single dose of an injectable or inhalation drug, or the physician's or clinic's acquisition cost, whichever is less, when the drug is administered in a physician's office or clinic. Reimbursement will be updated periodically to reflect changes in the AWP.

Unless otherwise indicated, the Medicaid maximum fee allowance shall be based on the AWP per unit which equals one cubic centimeter (cc) or milliliter (ml). For drug vials with a volume equal to one cc or ml, the Medicaid maximum fee allowance shall be based on the cost per vial.

Separate reimbursement will be available for the administration of the drug(s) in accordance with the appropriate procedure codes listed in the Physicians' Current Procedural Terminology (CPT) book.

Reimbursement for a physician office or independent clinic visit for the sole purpose of administering a drug shall be limited to the applicable reimbursement for the drug and administration. In these situations, there is no reimbursement for a physician office, home or independent clinic visit. However, if, in addition to the physician administration of a drug, the criteria of an office or home visit or independent clinic visit (except FQHC and ASC) is met, the drug and administration may, if medically indicated, be reimbursed in addition to the visit.

The procedure codes and Medicaid maximum fee allowances assigned by New Jersey Medicaid for approved physician administered drugs are listed below. The procedure codes and fees must be billed to Medicaid on the 1500 N.J. claim form completed as described in the Fiscal Agent Billing Supplement. Drugs not included in the list provided must be prescribed and obtained from a pharmacy which bills Medicaid directly for the drugs.

The Division shall periodically notify physicians regarding procedure codes and Medicaid maximum fee allowances for additional approved drugs for administration in the office, home or independent clinic setting.

<u>HCPCS Code</u>	<u>Description</u>	<u>Maximum Fee Allowance</u>
J0690	Cefazolin 500 mg	\$ 1.92
J0696	Ceftriaxone 250 mg	10.24
J1100	Dexamethasone 4 mg	0.80
J1200	Diphenhydramine 50 mg	0.55
J2550	Promethazine 50 mg	0.42
J2680	Fluphenazine Decanoate 25 mg	9.50
J9000	Doxorubicin 10 mg	42.00
J9010	Doxorubicin 50 mg	195.50
J9020	Asparaginase 10,000 units	50.36
J9031	BCG Live Vaccine 27 mg	152.13
J9040	Bleomycin Sulfate 15 units	255.08
J9045	Carboplatin 50 mg	72.01
J9060	Cisplatin Powder or Solution 10 mg	30.33
J9070	Cyclophosphamide 100 mg	4.91
J9100	Cytarabine 100 mg	6.72
J9130	Dacarbazine 100 mg	12.00
J9190	Fluorouracil 50 mg	0.18
J9217	Lupron 7.5 mg	451.25
J9230	Mechlorethamide HCl 10 mg	10.10
J9240	Medroxyprogesterone 100 mg	9.05
J924022	Medroxyprogesterone 400 mg	31.50
J9260	Methotrexate Sodium 50 mg	4.75
J9280	Mitomycin 5 mg	119.08
J9360	Vinblastine Sulfate 1 mg	3.25
J9370	Vincristine 1 mg	27.50
W9337	Cephadrine 250 mg	2.34
W9339	Lupron 3.75 mg	360.63
W9343	Lupron Depot Pediatric 7.5 mg	451.25
W9344	Lupron Depot Pediatric 11.25 mg	811.25
W9345	Lupron Depot Pediatric 15 mg	902.50

Garden State health Plan prior authorization policies and procedures remain in effect.

If you have any questions regarding this Newsletter, please contact the Chief Medical Consultant, Division of Medical Assistance and Health Services, at (609) 588-2751.

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