

Division of Medicaid	New: X	Date: 01/01/08
State of Mississippi	Revised:	Date:
Provider Policy Manual	Current:	
Section: Injectables/ Physician Office	Section: 56.04	
Subject: Drug Rebates (NDC Drug Numbers)	Pages: 2	
	Cross Reference:	

In accordance with provisions of the Deficit Reduction Act of 2005, Section 1927 (a) (7) of the Security Act, and the federal regulations published by CMS on July 17, 2007, Mississippi Medicaid will implement the following policies for the purpose of collecting Medicaid drug rebates from manufacturers on physician-administered drugs.

Requirement for National Drug Code (NDC)

Effective for all drugs administered on and after January 1, 2008, providers will be required to submit the National Drug Code (NDC) for physician-administered drugs on the claim. Physician-administered drugs is defined as "covered outpatient drugs under 1927 (k) (2) of the Act (many are also covered under Medicare Part B) that are typically furnished incident to a physician's service".

- This is applicable to all drugs (including injectable, intravenous, biologicals, oral, radiological contrast agents, and compounded drugs) in the following ranges: J0000 through J9999, S0000 through S9999, and Q0000 through Q9999.
- An NDC will be required in addition to the HCPCS code.
- Claims billed for these drugs without an NDC will be denied.
- An NDC is not required for vaccines or other drugs in the CPT code ranges 01000 through 99999.
- The NDC must be 11 digits in the 5-4-2- grouping, e.g., 00169706101. Providers may need to enter "leading zeros" in order to constitute an 11 digit NDC code.
- The NDC must be valid. The NDC will be matched against a database to ensure its validity.

Providers that are reimbursed for the drugs based on a fee must submit the NDC with the HCPCS code(s). This includes providers such as ambulance, independent radiology clinics, dialysis facilities (freestanding or hospital based, nurse practitioners, optometrists, physicians (individual or group), physician assistants, and podiatrists.

Providers that are reimbursed based on a rate are not required to submit the NDC or HCPCS code(s) for drugs. This would include providers such as hospitals, federally qualified health centers, rural health clinics, ambulatory surgical centers, home health agencies, nursing homes or other long term-term care facilities, and other providers that are paid on a per diem, encounter, or other type rate.

Drugs Covered Under Federal Rebate Program

Mississippi Medicaid will only reimburse drugs that are subject to a drug manufacturer rebate and are not considered a DESI (Drug Efficacy Study Implementation) drug.

- Drugs that are not under the federal rebate program will not be covered.
- Drugs that are considered DESI will no longer be covered. A list of DESI drugs is available from CMS at the following link:

http://www.cms.hhs.gov/MedicaidDrugRebate_Program/12LTEIRSDrugs.asp

Providers must not rely on the DOM fee schedule for HCPCS codes to determine whether a drug is covered. A single HCPCS code could map to several NDC's, some of which may not be covered.

Division of Medicaid	New: X	Date: 01/01/08
State of Mississippi	Revised:	Date:
Provider Policy Manual	Current:	
Section: Ambulance	Section: 8.18	
Subject: Drug Rebates (NDC Drug Numbers)	Pages: 1	
	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
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Provider Policy Manual	Current:	
Section: Nursing Services	Section: 27.05	
Subject: Drug Rebates (NDC Drug Numbers)	Pages: 1	
	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
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Provider Policy Manual	Current:	
Section: Vision	Section: 29.16	
Subject: Drug Rebates (NDC Drug Numbers)	Pages: 1	
	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
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Provider Policy Manual	Current:	
Section: Dialysis	Section: 41.10	
	Pages: 1	
Subject: Drug Rebates (NDC Drug Numbers)	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
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Provider Policy Manual	Current:	
Section: Foot Care	Section: 42.27	
	Pages: 1	
Subject: Drug Rebates (NDC Drug Numbers)	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
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Provider Policy Manual	Current:	
Section: Radiology	Section: 46.08	
Subject: Drug Rebates (NDC Drug Numbers)	Pages:	
	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.

Division of Medicaid	New: X	Date: 01/01/08
State of Mississippi	Revised:	Date:
Provider Policy Manual	Current:	
Section: Physician	Section: 55.17	
Subject: Drug Rebates (NDC Drug Numbers)	Pages: 1	
	Cross Reference: Injectables/ Physician Office 56.04	

Refer to Provider Policy Manual Section 56.04 for Drug Rebate policy.