

June 1, 2009

# Montana Healthcare Programs Notice

## Physicians, Mid-Level Practitioners, Public Health Clinics, Birth Centers, Outpatient Hospitals

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### Clarification of Required NDC Information for Coverage of 17 Alpha-Hydroxyprogesterone Caproate (17-AHP)

Effective April 1, 2008

#### A.R.M. 37.85.905(2) Physician-Administered Drugs, Requirements

Reimbursement will be made only on those drugs manufactured by companies that have a signed rebate agreement with the CMS.

#### Diagnosis and Single Gestation Requirement

17-AHP will only be reimbursed on claims with an ICD-9-CM diagnosis code of **V23.41** (supervision of pregnancy with history of pre-term labor). Providers' notes must reflect that the client's history includes a preterm delivery that occurred before 37 weeks gestation and that the current pregnancy is a single fetus.

#### Rebateable Manufacturer Requirements

It is required that the compounding pharmacy use bulk powder from a manufacturer who has signed a rebate agreement with the Center for Medicare and Medicaid Services (CMS). The list of rebateable manufacturers is at:

<http://medicaidprovider.hhs.mt.gov/pdf/currentlabelers.pdf>

Currently, the following manufacturers have signed rebate agreements for 17-AHP:

MEDISCA INC	38779-2102-xx (NDC#)
GALLIPOT	51552-1028-xx (NDC#)

#### Billing 17-AHP on CMS-1500

Providers must bill *all* compound drugs, including 17-AHP, with HCPCS procedure code J3490 (unclassified drugs), KP modifier and number of units given. The N4 qualifier followed by the NDC# of the primary ingredient must be above the date of service in block 24A. Following the NDC# for 17-AHP is the unit measure and the amount administered. Example: N438779210201GR.25. The claim must have an NDC Attachment form listing all remaining ingredients in the compound with the appropriate NDCs. Reimbursement is the cost to the provider (invoice amount). You may also bill the appropriate CPT code for the administration fee.

**Each claim must be submitted to:**

Physician and Related Services Claims  
P.O. Box 202951  
Helena, MT 59620-2951

The following must be attached to the claim:

- Original invoice or copy of the original invoice. The invoice must include:
  - Client’s name and Medicaid ID#
  - Name and NDC of all ingredients in the compound
  - Dosage given
  - Invoice pricing.
- NDC Attachment form listing the remaining NDCs in the compound.

**Billing 17-AHP on UB-04**

Providers must bill all compounds and all ingredients of the compound drug, including 17-AHP, with HCPCS procedure code J3490 (unclassified drugs) with number of units given.

- PPS hospitals: 33490 is a bundled service. Lines with this code on them will process and pay at zero.
- CAH hospitals: Lines with J3490 will process and pay at the hospital specific cost to charge ratio.

Providers that bill compound drugs on the UB 04 *paper* claim form must bill NDC for the primary ingredient in form locator 43 “Description” and submit an NDC Attachment form listing the additional NDC information associated with each ingredient. Provider must bill J3490 with modifier KP in form locator 44 “HCPCS/RATE/HIPPS CODE” on the claim line to signify the drug has more than one component. Provider must include an NDC Attachment form listing remaining NDCs in the compound.

If provider bills *electronically*, NDCs for all ingredients used in compounding must be listed on the line billing for the J3490. The NDC is reported in loop 2410, segment LIN, data element 03 of the 837I. You may report up to 25 NDCs for each CPT/HCPCS line code. The KP modifier and NDC Attachment form are not required.

Send UB-04 claims directly to ACS for claims processing.

**Contact Information**

For claims questions or additional information, call:

**(406) 444-3337 for CMS-1500s**  
**(406) 444-7002 for UB-04s**

or contact Provider Relations:

**Provider Relations toll-free in- and out-of-state: 1-800-624-3958**

**Helena: (406) 442-1837**

**E-mail: [MTPRHelpdesk@ACS-inc.com](mailto:MTPRHelpdesk@ACS-inc.com)**

Visit the Provider Information website:

**<http://www.mtmedicaid.org>**