



June 12, 2024

Nevada Medicaid Web Announcement 3374

Reminders for Billing Outpatient Drugs for 340B-Covered Entities

The 340B Drug Pricing Program is a federal program that requires drug manufacturers to provide covered outpatient drugs to certain eligible 340B-enrolled entities at significantly reduced prices. The Division of Health Care Financing and Policy (DHCFP) cannot receive rebates for drugs that a manufacturer also provides to a covered entity with a 340B discount.

Providers were previously notified of billing instructions that were implemented July 1, 2022, for Physician-Administered Drug (PAD) 340B claims and Pharmacy Point-of-Sale (POS) 340B claims. The instructions ensure 340B policy is followed and DHCFP does not receive duplicate discounts. Following are the instruction reminders.

Billing PAD 340B claims (see Web Announcements [2801](#) and [2826](#)):

Procedure code modifiers are required on the 837P and 837I electronic claim transactions for physician-administered drug (PAD) claims.

The following Electronic Data Interchange (EDI) Companion Guides were updated with instructions on the use of the procedure code modifiers:

- Fee-For-Service 837I - Institutional Health Care Claim Companion Guide
- Fee-For-Service 837P - Professional Health Care Claim Companion Guide
- Encounter-Institutional 837I MCO Companion Guide
- Encounter-Professional 837P MCO Companion Guide

Billing POS 340B claims (see Web Announcements [2800](#) and [2825](#)):

Submission Clarification Code (420-DK) '20' and Basis of Cost Determination (423-DN) '08' are required on National Council for Prescription Drug Program (NCPDP) electronic claim transactions when the drug or biological was acquired with the 340B drug pricing program discount.

The following EDI Companion Guide was updated with instructions on the use of the Submission Clarification Code and Basis of Cost Determination:

- National Council for Prescription Drug Program (NCPDP) Encounter Claims Companion Guide

All of the EDI Companion Guides listed above are posted on the [Electronic Claims/EDI webpage](#) under "Inbound" EDI Companion Guides.