



June 9, 2022

Web Announcement 2800

## **New Electronic Claim Billing Instructions for Pharmacy Point-of-Sale (POS) 340B Claims Effective July 1, 2022**

The 340B Drug Pricing Program is a federal program that requires drug manufacturers to provide covered 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.

In order to ensure that DHCFP does not receive duplicate discounts, **effective July 1, 2022, Submission Clarification Code (420-DK) '20' and Basis of Cost Determination (423-DN) '08' will be 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 new billing requirements will ensure the new 340B policy is followed and will prevent rebate invoicing for both Fee-for-Service (FFS) and Managed Care Organization (MCO) 340B claims.

The Medicaid Management Information System will be updated to accept the Submission Clarification Code and Basis of Cost Determination. The Nevada Medicaid Managed Care Organizations are also updating their systems to reflect the new policies.

The following Electronic Data Interchange (EDI) Companion Guide will be 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

The updated EDI Companion Guide will be posted on the [Electronic Claims/EDI webpage](#) under "Inbound" EDI Companion Guides.