



June 9, 2022

Web Announcement 2801

New Electronic Claim Billing Instructions for Physician-Administered Drug (PAD) 340B Claims Effective July 1, 2022

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.

In order to ensure that DHCFP does not receive duplicate discounts, **effective July 1, 2022, procedure code modifiers will be required on the 837P and 837I electronic claim transactions for physician-administered drug (PAD) claims.** 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 procedure code modifiers. The Nevada Medicaid Managed Care Organizations are also updating their systems to reflect the new policies.

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

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