Louisiana Department of Health
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Physician-Administered Drugs – Reimbursement Changes

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) has mandated that Louisiana Medicaid revise the reimbursement methodology for physician-administered drugs in a physician office setting. This revision will update current reimbursement rates and will provide a mechanism for annual updates to the rates.

Effective for dates of service on and after July 1, 2018, Louisiana Medicaid adjusted the reimbursement rates on the fee-for-service (FFS) file for physician-administered drugs and payable vaccines in the physician office setting. The procedure codes for physician-administered drugs are typically listed as a Healthcare Common Procedure Coding System (HCPCS) procedure code beginning with "J" and payable vaccines by the relevant CPT code.

FFS claims previously submitted for physician-administered drugs or vaccines with dates of service on or after July 1, 2018 will be systematically adjusted in the upcoming weeks to ensure proper payment. No action is required by the provider. Each MCO is to revise their reimbursement rates for these medications within 30 days of the published Medicaid fee schedule and recycle any claims that were not paid in accordance with the updated rates within 15 days.

Going forward, updates to the reimbursement rates for physician-administered drugs and payable vaccines will occur annually at the beginning of each year as part of the annual Healthcare Common Procedure Coding System (HCPCS) process.

The rate changes are reflected on the Professional Services, Take Charge Plus and applicable Immunization fee schedules.

Please contact Molina Provider Relations at (800) 473-2783 or (225) 924-5040 if there are questions related to this matter for fee for service claims. Questions related to the Healthy Louisiana managed care organizations' updates should be directed to the specific health plan.