



MLN Matters[®]



Information for Medicare Fee-For-Service Health Care Professionals

MLN Matters Number: MM3830

Related Change Request (CR) #: 3830

Related CR Release Date: April 29, 2005

Effective Date: January 1, 2005 for editing claims submitted to Medicare Fiscal Intermediaries and October 1, 2005, for editing claims submitted to durable medical equipment regional carriers

Related CR Transmittal #: 551

Implementation Date: October 3, 2005

MMA - Supply Codes and Payments for Immunosuppressive Drugs

Note: This article was updated on March 28, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Pharmacies, hospitals not subject to the Outpatient Prospective Payment System (OPPS), and Dialysis Facilities in the State of Washington billing Medicare for immunosuppressive drugs

Provider Action Needed



STOP – Impact to You

Effective January 1, 2005, Medicare pays a supplying fee for immunosuppressive drugs, oral anti-cancer chemotherapeutic drugs, and oral anti-emetic drugs used as part of an anti-cancer chemotherapeutic regimen in accordance with Section 303(e) (2) of the Medicare Modernization Act (MMA).



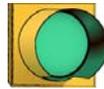
CAUTION – What You Need to Know

Most supplies of immunosuppressive drugs are billed to the Medicare durable medical equipment regional carriers (DMERCs). However, Medicare fiscal intermediaries (FIs) will also pay for 30-day supplies of immunosuppressive drugs when provided by a dialysis facility in the State of Washington, or by hospital outpatient departments not subject to OPPS. ***When billing Medicare, both the drug and the supply fee must be billed on the same claim. If the supply fee is***

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billed alone on the claim, it will be denied. Furthermore, you may only submit a claim for G0369 once per beneficiary per transplant.



GO – What You Need to Do

To ensure accurate claims processing, review the information included here and stay current with instructions for Medicare dispensing/supply fees.

Background

Section 303(e) (2) of the MMA implements a supplying fee for immunosuppressive drugs. Beginning January 1, 2005, Medicare pays a separately billable supplying fee of \$24.00 to a pharmacy or other entity providing an immunosuppressive drug to a Medicare beneficiary.

These payments are generally made by the DMERC to the pharmacy. However, in the state of Washington, FIs pay the supplying fee to the dialysis facility that supplies immunosuppressive drugs to kidney transplant beneficiaries. In addition, FIs will pay this \$24.00 supplying fee to non-OPPS hospitals supplying 30-day supplies of immunosuppressive drugs. The code for this supplying fee is G0370. The code description is as follows:

G0370 – Pharmacy supply fee for oral anti-cancer, oral anti-emetic or immunosuppressive drug(s)

Effective January 1, 2005, Medicare pays a supplying fee of \$50.00 to a pharmacy for the initial supplied prescription of immunosuppressive drugs to the patient during the first month following the transplant. The code for this supplying fee is G0369. This is a one-time payment per beneficiary, **per transplant**. The code description is as follows:

G0369 – Pharmacy supply fee for initial immunosuppressive drug(s) first month following transplant

Effective October 1, 2005 for claims submitted to DMERCs, edits will apply to the G0369 to ensure that only one such claim is paid per beneficiary for each transplant received by that beneficiary.

Note: You cannot bill both the G0369 and G0370 with the first prescription. G0369 must be billed within one (1) year of the date of the patient's discharge from the hospital stay during which the transplant was performed.

Implementation

The implementation date for this instruction is October 3, 2005.

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Additional Information

Beneficiaries are required to pay the normal co-pay and deductible on both the drug and the supplying fee. Your FI will process any adjustment requests you submit for immunosuppressive drugs with dates of service on and after January 1, 2005, and pay the supplying fee to the dialysis facility or non-OPPS hospital.

For complete details of CR 3830, on which this article is based, please see the official instruction issued to your intermediary regarding this change. That instruction may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R551CP.pdf> on the CMS website.

Additional information may also be found in MLN Matters Article MM3620, and the related CR 3620, which that addresses New Dispensing/Supply Fee Codes for Oral Anti-Cancer, Oral Anti-Emetic, Immunosuppressive, and Inhalation Drugs when billed to DMERCs.

MM3620 may be found at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM3620.pdf> on the CMS website.

CR3620 may be found at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R396CP.pdf> on the CMS website.

If you have any questions regarding this issue, please contact your DMERC or FI at their toll free number, which you will find at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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