

PHYSICIAN ADMINISTERED DRUGS, VACCINES, AND IMMUNIZATIONS

ELIGIBLE PROVIDERS

In order to receive payment, all eligible servicing and billing provider's National Provider Identifiers (NPI) must be enrolled with South Dakota Medicaid. Servicing providers acting as a locum tenen provider must enroll in South Dakota Medicaid and be listed on the claim form. Please refer to the [provider enrollment chart](#) for additional details on enrollment eligibility and supporting documentation requirement.

South Dakota Medicaid has a streamlined enrollment process for ordering, referring, and attending physicians that may require no action on the part of the provider as submission of claims constitutes agreement to the South Dakota Medicaid Provider Agreement.

The following providers may bill for physician administered drugs and vaccines/immunizations (hereafter referred to as "vaccines") as permitted by their licensure:

- Clinical nurse specialists
- Health department clinics
- Indian Health Service (IHS)
- Nurse midwives
- Nurse practitioners
- Outpatient and inpatient hospital departments
- Pharmacies
- Physician assistants
- Physicians
- Tribal 638 providers

South Dakota Medicaid does not enroll individual pharmacists.

ELIGIBLE RECIPIENTS

Providers are responsible for checking a recipient's Medicaid ID card and verifying eligibility before providing services. Eligibility can be verified using South Dakota Medicaid's [online portal](#).

The following recipients are eligible for medically necessary services covered in accordance with the limitation described in this chapter:

Coverage Type	Coverage Limitations
Medicaid/CHIP Full Coverage	Medically necessary services covered in accordance with the limitations described in this

	chapter.
Medicaid – Pregnancy Related Postpartum Care Only (47)	Coverage restricted to family planning and postpartum care only.
Qualified Medicare Beneficiary – Coverage Limited (73)	Coverage restricted to co-payments and deductibles on Medicare A and B covered services.
Medicaid – Pregnancy Related Coverage Only (77)	Coverage restricted to pregnancy related services only including medical issues that can harm the life of the mother or baby.
Unborn Children Prenatal Care Program (79)	Coverage restricted to pregnancy related services only including medical issues that can harm the life of the mother or baby.

Refer to the [Recipient Eligibility](#) manual for additional information regarding eligibility including information regarding limited coverage aid categories.

COVERED SERVICES AND LIMITS

General Coverage Principles

Providers should refer to the [General Coverage Principles](#) manual for basic coverage requirements all services must meet. These coverage requirements include:

- The provider must be properly enrolled;
- Services must be medically necessary;
- The recipient must be eligible; and
- If applicable, the service must be prior authorized.

The manual also includes non-discrimination requirements providers must abide by.

Physician Administered Drugs

South Dakota Medicaid covers most drugs and biologics administered in a physician or other licensed practitioner’s office that cannot be self-administered. Physician and other licensed practitioners are responsible for ensuring that the treatment is appropriate based on FDA-approved indications, peer-review journals, and standards of practice. To be covered drugs and biologicals must represent an expense to the physician, other licensed practitioner, or legal entity billing Medicaid. Injections by a physician or other licensed practitioner of medications that can be self-administered are not covered unless justified by the recipient’s condition.

Administration

For physician administered drugs, in addition to the HCPCS drug code, providers may separately bill the applicable administration procedure CPT code 96372 or 96373. The code may be billed once for each injection administered on a date of service

Units

Providers must ensure that the units of drugs or biologicals administered to patients are accurately reported in terms of the dosage/units specified in the complete HCPCS code descriptor. Prior to submitting claims providers should review the HCPCS code long descriptor. Provider should not bill units based on the way the drug is package, priced, stored or stocked. The following are examples of how to bill units:

- HCPCS drug descriptor is 10 mg. 700mgs of the drug is administered to the recipient. The units billed is 70.
- HCPCS drug descriptor is 5 mcg. 5 mcgs of drug is administered to the recipient. The units billed is 1.
- HCPCS drug descriptor is 25 mg. 250 mgs of the drug is administered to the recipient. The units billed is 10.

Pharmacy Acquired Drugs

Drugs that are administered to a patient as part of a clinic or other outpatient visit are not covered under the pharmacy benefit. Do not bill drugs administered during an outpatient visit through the pharmacy POS system. South Dakota Medicaid does not allow “brown-bagging” or “white-bagging” of prescription drugs administered in an office setting. Pharmacies should not dispense drugs directly to a patient if the drugs are intended for use during a clinic or other outpatient visit.

Discarded Portion of Administered Drugs

When a provider must discard the remainder of a single use vial or other single use package after administering a dose or quantity of the drug or biological, provider must bill the amount of the unused and discarded drug on a separate claim line using the JW modifier. Providers are expected to use the package size that minimizes the amount of waste billed to South Dakota Medicaid. For example, if a patient needs 50 mg of drug and the product comes in 50 mg and 100 mg vials, providers should use the 50 mg vial. The line with the JW modifier pays at zero. The recipient may not be billed for discarded drugs.

Donated Drugs

South Dakota Medicaid does not reimburse providers for drugs donated to a recipient. The administration of the drugs by a provider is covered. Do not include the code for the drug on the claim for administration.

340B Drugs

South Dakota Medicaid does not cover drugs acquired through the 340B program. Providers must “carve out” and not bill South Dakota Medicaid for any drugs acquired through this program. For more information refer to the [340B Drugs](#) manual.

National Drug Code (NDC)

Physician administered drugs must be billed with both a HCPCS code and an 11-character NDC with no hyphens or spaces. The Federal Deficit Reduction Act of 2005 (DRA) requires Medicaid state

agencies to collect rebates from participating drug manufacturers for physician-administered or dispensed drugs. An NDC is required as it allows the state to identify which manufacture should be billed for rebates. The NDC is found on the drug container such as a vial, bottle, or tube. The NDC submitted on the claim must be the actual NDC number on the package or container from which the medication was administered. Refer to the [CMS 1500 Claim Instructions](#) for information regarding reporting the NDC on a claim.

Prior Authorization

The following physician administered drugs require a prior authorization:

- Botox
- CAR T Cell Therapy
- Makena
- Spinraza
- Synagis
- Zolgensma

Please refer to the [Prior Authorization website](#) for specific criteria and prior authorization forms.

Bezlotoxumab (Zinplava)

Bezlotoxumab (Zinplava) does not require prior authorization; the following criteria must be met and documented in the recipients' medical record for coverage of Zinplava:

1. The recipient is 18 years of age or older.
2. The recipient has a confirmed diagnosis of Clostridium difficile infection (CDI) as evidenced by both of the following:
 - a. Passage of 3 or more loose bowel movements in 24 or fewer hours; and
 - b. A positive stool test for toxigenic Clostridium difficile.
3. The recipient is starting or is currently receiving appropriate antibiotic treatment for CDI for at least 10 days; and
4. Zinplava will be administered during antibacterial drug treatment for recipient's CDI; and
5. The recipient is at high-risk for CDI recurrence as evidenced by 2 or more of the following risk factors:
 - a. Recipient is 65 years of age or older; or
 - b. Recipient has had one or more previous CDIs requiring treatment in the past 6 months; or
 - c. Recipient is immunocompromised.

Vaccine Coverage

South Dakota Medicaid covers medically necessary vaccines and follows the Center for Disease Control immunization schedule, which is available on the CDC website:

<https://www.cdc.gov/vaccines/schedules/index.html>.

Vaccines may be administered by physicians, other licensed practitioners, or nurses as allowed within their scope of licensure. Vaccines may be administered by a pharmacy when ordered by a physician, other licensed practitioners or under a collaborative agreement per [SDCL 36-11-19.1](#). Flu vaccines do not require an order by a physician or other licensed practitioner if pharmacist meets the criteria in [ARSD Ch. 20:51:28](#). A Primary Care Provider/Health Home Provider referral is not required for vaccines.

Vaccine for Children Program

Providers must obtain vaccines for recipients 18 years of age and under from the Vaccines for Children Program. A list of available vaccines is provided [here](#). South Dakota Medicaid reimburses the administration fee for vaccines available through this program; vaccines are paid at \$0. Providers must bill state supplied vaccines with the SL modifier, indicating the vaccine was supplied through the Vaccine for Children's program. Claims for vaccines that are available through the Vaccines for Children program for recipients 18 years of age and under that do not include the SL modifier will pay at \$0.

FQHC/RHCs

Refer to the [FQHC/RHCs](#) manual for coverage, reimbursement, and claim instructions.

IHS/Tribal 638 Facilities

Refer to the [IHS and Tribal 638 Facilities](#) manual for coverage, reimbursement, and claim instructions.

Postpartum Coverage

Vaccinations during postpartum coverage are covered if indicated by the CDC. Please note that postpartum coverage may end before the full series of Hepatitis A and Hepatitis B vaccines are administered and the recipient may not have continued Medicaid coverage.

NON-COVERED SERVICES

General Non-Covered Services

Providers should refer to [ARSD 67:16:01:08](#) or the [General Coverage Principles](#) manual for a general list of services that are not covered by South Dakota Medicaid.

Vaccine Non-Covered Services

A vaccine code is not covered when billed without a vaccine administration code. A vaccine administration code is not covered when billed without a vaccine code. Reimbursement for vaccines is not available as a service provided by school districts under the individualized education program (IEP) or care plan.

DOCUMENTATION REQUIREMENTS

General Requirements

Providers must keep legible medical and financial records that fully justify and disclose the extent of services provided and billed to South Dakota Medicaid. These records must be retained for at least 6

years after the last date a claim was paid or denied. Please refer to the [Documentation and Record Keeping](#) manual for additional requirements.

REIMBURSEMENT AND CLAIM INSTRUCTIONS

Timely Filing

South Dakota Medicaid must receive a provider's completed claim form within 6 months following the month the service was provided. Requests for reconsiderations will only be considered if they are received within the timely filing period or within 3 months of the date a claim was denied. The time limit may be waived or extended by South Dakota Medicaid in certain circumstances. Providers should refer to the [General Claim Guidance](#) manual for additional information.

Third-Party Liability

Medicaid recipients may have one or more additional source of coverage for health services. South Dakota Medicaid is generally the payer of last resort, meaning Medicaid only pays for a service if there are no other liable third-party payers. Providers must pursue the availability of third-party payment sources and should use the Medicare Crossover or Third-Party Liability billing instructions when applicable. Providers should refer to the [General Claim Guidance](#) manual for additional information.

Reimbursement

The rate of payment for physician administered drugs, vaccines, and administration codes is limited to the lesser of the provider's usual and customary charge or the amount specified on the department's [physician non-laboratory services fee schedule](#). If the procedure code is not listed in the fee schedule, the procedure is payable at 40 percent of the provider's usual and customary charge. Claims for vaccines that are available through the Vaccines for Children program pay at \$0.

Physician administered drugs and vaccines provided by a nurse practitioner, clinical nurse specialist, or physician assistant are reimbursed at the same rate as a physician.

Claim Instructions

Physician administered drugs, vaccines, and administration are billed on a CMS 1500 Claim Form with the exception of IHS, Outpatient Hospitals, and Inpatient Hospitals which must be billed on a UB-04 claim form. Please refer to our [website](#) for CMS 1500 and UB-04 claim instructions.

The vaccine code should be billed as 1 unit per vaccine; do not bill in milliliters. Flu vaccine claims do not require a physician or other licensed practitioner order. All other vaccines must include the ordering physician or other licensed practitioner's name and NPI number in block 17 and 17b of the claim form.

UB-04 Claims Documentation

An itemized invoice must be submitted with claims that include billed charges totaling a \$100,000 or more for Revenue Codes 250-259, 630-636, and 890-899.

Pharmacy Claim Instructions

Pharmacies must submit vaccine claims on a CMS 1500 claim form using the pharmacy's NPI number.

Pharmacies must bill vaccine administration using CPT codes 90471, 90472, 90473 or 90474. The administration code must be listed first, followed by the appropriate vaccine CPT code. Claims without both CPT codes in the correct order will deny.

Flu vaccine claims do not require a prescriber order. All other vaccines must include the prescriber's name in box 17 and their NPI number in box 17b of the claim form.

Claims for vaccines administered by the pharmacy must be submitted with a pharmacy taxonomy code beginning with 3336. Claims submitted without a taxonomy code or with a taxonomy code that does not begin with 3336 will deny.

Vaccines for Children Claim Instructions

Providers must bill state supplied vaccines with the SL modifier.

REFERENCES

- Administrative Rule of South Dakota (ARSD)
 - [67:16:11:05.01](#). Rate of payment – Immunizations
 - [67:16:02:03](#). Rate of payment – (9)
 - [67:16:02:16](#). Billing requirements -- Modifier codes -- Provider identification numbers
- [South Dakota Medicaid State Plan](#)
- [Code of Federal Regulations](#)

QUICK ANSWERS

1. Does a child/adult need a referral from their Primary Care Provider/Health Home Provider for South Dakota Medicaid to cover a vaccine?

No, a referral is not needed for the administration of a vaccine.

2. Can a pharmacist bill South Dakota Medicaid for a vaccine?

No, South Dakota Medicaid does not enroll individual pharmacists. Pharmacies may submit vaccine claims on a CMS 1500 claim form using the pharmacy's NPI number.

3. Can a pharmacy bill for vaccines through the Point of Sale system?

No, pharmacy vaccine claims must be submitted on a CMS 1500 claim form.

4. Can a recipient acquire a physician administered drug through a pharmacy and take it to a physician or other licensed practitioner for administration?

No, physician administered drugs must not be billed to South Dakota Medicaid through the point of sale.

5. If a recipient's primary health insurance requires a physician administered drug to be dispensed by a particular pharmacy, how should the drug be billed to South Dakota Medicaid?

South Dakota Medicaid does not cover physician administered drugs through the point of sale. The drug must be billed to South Dakota Medicaid on a CMS 1500 claim form.

6. What reimbursement is available for vaccines acquired through the Vaccines for Children Program?

South Dakota Medicaid reimburses vaccines available through this program that are administered to recipients under age 19 at \$0. The administration fee is reimbursed in accordance with the department's fee schedule.

7. What vaccines are covered for individuals with limited Medicaid coverage?

All medically necessary vaccines that South Dakota Medicaid covers for full coverage recipients are covered for women in aid categories 77, 79 and 47. Medicaid will pay the co-payments and deductibles for recipients on aid category 73 if the vaccine is a Medicare part B covered service. Vaccines in the postpartum period for women in Aid category 79 are limited to vaccines administered during the inpatient stay.

8. Are vaccines included in an FQHC/RHC encounter payment?

Vaccines/immunizations and administration are factored into each provider's PPS rate and are reimbursed as part of the PPS per diem when furnished incidental to a reimbursable medical PPS encounter. It is recommended that providers screen a recipient's immunization status and administer appropriate vaccines when seeing a recipient for their Well-Child or Well-Adult visit. For purposes of data collection, it is required that immunizations provided during a PPS encounter be included on the claim for PPS reimbursement.

FQHCs/RHCs are allowed to bill for vaccines/immunizations and the associated administration provided on a date of service when a billable medical encounter did not occur. Standalone vaccines/immunizations may not be billed under the FQHCs/RHCs billing NPI. FQHC/RHCs billing for standalone vaccines/immunizations must utilize/acquire a separate billing NPI under a group enrollment with associated servicing NPIs and bill accordingly. The servicing provider must be enrolled with South Dakota Medicaid. Standalone vaccines/immunizations and the associated administration code will be reimbursed on a fee for service basis. Vaccines/immunizations may not be administered on a separate day than an FQHC/RHC encounter for the purpose of increasing the provider's reimbursement. For more information please refer to the [FQHC/RHC Services](#) manual.