

July 2021

## Physician Administered Drug Program

- North Carolina Department of Health and Human Services (NC DHHS) Medicaid and Blue Cross and Blue Shield of North Carolina (Blue Cross NC) consider pharmacy products and medical injectables that are purchased and administered in a provider's office or in an outpatient clinic setting covered through the medical benefit as part of their Physician Administered Drug Program (PDP) for Healthy Blue providers.
- Drugs covered in the PDP include therapeutic drugs, biologic agents, immune globulins, vaccines, some implantable drugs, and therapeutic radiopharmaceutical agents.
- Injectable medications are covered only when oral medications are contraindicated.
- The PDP covers many, **but not all**, drugs administered by injection or infusion:
  - Many injectable drugs and drugs for IV administration are covered through the PDP.
  - Several injectable drugs and biologicals are covered **only** through the outpatient pharmacy program.
  - Although drugs covered under the PDP do **not** require a prior authorization (PA), the Prior Authorization Look Up Tool contains specific information for North Carolina providers for many medications, including PDP, and can be found here: [Prior Authorization Look Up Tool](#).
  - Please verify benefit coverage prior to rendering services.
- Drugs reimbursable through the PDP and their reimbursement rates may be found on the [PDP Fee Schedule](#).
- Within the PDP, indications approved by the Food and Drug Administration (FDA) are generally covered. In addition, off-label uses of an approved drug may be covered if the data on the drug's use are consistent with the compendia and peer-reviewed medical literature (for example, ACIP for vaccines, and NCCN for oncology medications) on a case-by-case basis.
- NC DHHS and Blue Cross NC have specific requirements for the drug to be covered under the program. The full list of requirements can be found in the [PDP Catalog](#).
- NC DHHS and Blue Cross NC cover some FDA-approved drugs that do not have an assigned procedure (HCPCS) code. Healthy Blue providers must bill unlisted or miscellaneous HCPCS codes such as J3490 (Unclassified drugs), J3590 (Unclassified biologics), or J9999 (Not Otherwise Classified, antineoplastic drug), with the NDC assigned to the drug or the claim will be denied.

### Frequently Asked Questions (FAQ)

- **What J-Codes or HCPCS codes are covered?**
  - NC DHHS updates the PDP fee schedule monthly and it can be viewed here: [PDP Fee Schedule](#).

Note: Availity, LLC is an independent company providing administrative support services for Healthy Blue providers on behalf of Blue Cross and Blue Shield of North Carolina.

<https://provider.healthybluenc.com>

Healthy Blue is a Medicaid plan offered by Blue Cross and Blue Shield of North Carolina. Blue Cross and Blue Shield of North Carolina is an independent licensee of the Blue Cross and Blue Shield Association. ® Marks of the Blue Cross and Blue Shield Association.

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- **Is prior authorization required?**
  - **No**, Blue Cross NC does not require prior approval for drugs in the Physician Drug Program when administered in a provider clinic or outpatient setting.
  - There are post-administration **claims edits** based on the Food and Drug Administration (FDA) indications and ICD-10 codes in most situations. Providers should consult the **PDP Catalog** regularly to review the circumstances for which a drug is covered.
- **How may I request use of a PDP drug for an indication that falls outside of the FDA labeling?**
  - If a provider determines that the indications or dosing for a particular drug is medically necessary for a beneficiary, but those parameters fall outside of the guidelines for that drug, he or she may submit medical record information and published evidence-based guidelines and/or compendia support through the Healthy Blue physician grievance process via Availity for clinical review on a case-by-case basis.
- **How would drugs or HCPCS codes not covered by the PDP Fee Schedule be obtained?**
  - Not all drugs administered by injection or infusion are covered in the PDP as a part of the medical benefit. Some drugs are covered **only** under the **outpatient pharmacy benefit** when approved by **Prior Authorization (PA)/Clinical Criteria** and dispensed by a retail or specialty pharmacy.
  - If the drug is not listed on the most recently published **PDP Fee Schedule**, then the drug is not covered in the PDP under the medical benefit, and medical claims submitted for these drugs will be denied.
- **Other general billing information:**
  - Unless otherwise indicated, the PDP catalog contains procedure codes representing drugs, biologics, devices, and vaccines that are covered for **FDA-approved indications only**.
  - Maximum daily and monthly quantity limits apply to PDP drugs. Amounts billed in excess of these limits will be denied.
  - 11-digit National Drug Codes (NDCs) are required to be billed along with their corresponding procedure (HCPCS) code.
  - Drugs and biologics (and associated NDCs) must be classified as CMS-covered outpatient drugs from a labeler/manufacturer participating in the Medicaid Drug Rebate Program (MDRP).
    - **Exceptions:**
      - Crofab is non-CMS rebatable but is **covered** under the PDP
      - Vaccines
      - Radiopharmaceuticals
- **How do I contact Blue Cross NC for support or questions regarding the Physician Administered Drug Program?**
  - PDP@healthybluenc.com
  - **Blue Cross NC website — Medicaid providers**
  - **Availity login page**

**References:**

- [Physician Administered Drug Program Catalog](#)
- [Physician Administered Drug Program Fee Schedule](#)
- [Physician Administered Drug Program Clinical Coverage Policies](#)