

Janet T. Mills  
Governor

Jeanne M. Lambrew, Ph.D.  
Commissioner



Maine Department of Health and Human Services  
Office of MaineCare Services - Pharmacy Unit  
11 State House Station  
Augusta, Maine 04333-0011  
Toll Free: (866) 796-2463; TTY: Dial 711 (Maine Relay)  
Fax: (207) 287-8601

## January 1, 2021 Change in MaineCare 340B Payment Methodology

*December 8, 2020*

Effective **January 1, 2021**, as part of the Covered Outpatient Drug [Final Rule](#) (81 FR 5170), the Office of MaineCare Services (OMS) is changing its payment methodology and instituting a new claims reconciliation process for drugs acquired through the 340B drug pricing program.

With this methodology change, MaineCare will reimburse 340B providers for physician-administered drugs purchased through the federal 340B program at the 340B actual acquisition cost (AAC) instead of at the usual and customary charge amount. This change will also apply to payment for physician-administered specialty drugs.

### Process for 340B Claims Submission to MaineCare

Per current practice, MaineCare providers submitting claims through 340B should bill their usual and customary charge for the drug and populate it in the charge field of the claim. Providers must append a JG modifier to these claims.

Providers who bill Medicare as the primary payor for a 340B drug that does not require a JG modifier when billing Medicare will need to submit that claim to Medicare with a TB modifier. When MaineCare receives the crossover claim, the TB modifier will identify the service as a 340B drug. This is **only** for crossover claims where Medicare is billed as primary payor.

### New 340B Claims Reconciliation Process

340B providers will be responsible for cooperating with the claims reconciliation process that will be implemented upon the end of the first quarter of calendar year 2021. This process as follows will enable MaineCare to reconcile the difference between the AAC and the usual and customary charge amount we pay for the 340B claims at the time of service:

1. On a quarterly basis beginning on April 1, 2021, MaineCare will send each 340B provider a Quarterly 340B Utilization File in Excel that contains all drug claims that have been submitted to MaineCare in the past quarter.
2. Providers will need to identify each claim in the file that is eligible for 340B pricing.
3. For each 340B eligible claim in the file, providers will need to indicate the AAC for each drug for that quarter. If providers identify any 340B claims in the file that do not include the required JG or TB modifiers, they will need to reverse these claims and resubmit them with these modifiers included.
4. Providers must return the file to Gainwell (formerly DXC) within 45 days of receipt.
5. Once Gainwell has received the file, they will calculate the amount that the provider needs to refund to MaineCare; this will be the difference between AAC and what MaineCare initially paid the provider.

6. The Department plans to reconcile payment amounts through a claims offset process. This will prevent the need for providers to manually submit payment. The Department will be in touch with further details about this process.

MaineCare will confirm providers are billing AAC by conducting sample audits where we compare provider documentation of their AAC prices to the claim amounts being reconciled.

### **Reminder: Ongoing 340B Requirements**

As a reminder, OMS does not allow contract/retail pharmacies to enroll in the 340B Medicaid drug program, either directly or under subcontract with a 340B entity.

All 340B providers who submit claims to MaineCare must determine whether they will use 340B drugs for their MaineCare patients (carve-in to the program) or whether they will purchase drugs for these patients through other mechanisms (carve-out of the program).

In alignment with existing MaineCare [policy](#), 340B providers are responsible for completing the following steps:

- [Enrolling](#) with the Health Resources and Services Administration's (HRSA) Office of Pharmacy Affairs.
- Checking the HRSA Medicaid Exclusion File (MEF) to ensure that it accurately represents their proper Medicaid Exclusion status. The MEF lists 340B providers who have carved in their Medicaid populations.
- Completing the OMS 340B [Provider Agreement Form](#), which must be kept on file and up-to-date. As part of this form, providers must assign an individual contact to establish communications between the OMS Program Integrity reconciliation team and the provider. Additionally, they must provide a full list of their service locations that will dispense 340B drugs.
- Uploading the signed 340B Provider Agreement Form to the MIHMS Health PAS [Online Portal](#) when updating enrollments using a maintenance case.

OMS will verify 340B provider status on the HRSA website prior to reimbursing a 340B provider and on at least a quarterly basis thereafter. This helps ensure that MaineCare does not seek federal rebate on 340B discounted drugs.

Providers can contact provider relations specialist, Tia Bolduc [Tia.L.Bolduc@maine.gov](mailto:Tia.L.Bolduc@maine.gov) with any questions.