Enhanced Reimbursement for Select Part B Injectable Drugs

Beginning first quarter 2016, Individual Medicare Advantage plans will reimburse providers with enhanced payments for using less expensive but select therapeutically equivalent Part B injectable drugs. The reimbursement change is specific to the following drugs only:

- Intravitreal. HCPCS (drug) – C9257 injection (Avastin)
- Antiemetics. HCPCS (drug) – J1626 (Kytril), J2405 (Zofran)
- Folinic Acid. HCPCS (drug) – J0640 (Leucovorin)
- Osteoporosis. HCPCS (drug) – J3489 (Reclast)

The health plan in collaboration with Magellan Rx Management, a healthcare management company, is implementing a new reimbursement methodology for specific injectables effective 1/1/2016. For certain drugs, this will represent an increase in reimbursement over current average sales price (ASP) rates. The favorable reimbursement change impacts individual Medicare Advantage member claims.

This new methodology prices certain lower cost injectable drugs in classes with therapeutic alternatives at the maximum allowable cost. Use of lower cost alternative agents within a therapeutic class will have increased reimbursement over current ASP rates, with margins comparable to higher cost agents within the same therapeutic class. The lower cost alternatives that will be reimbursed at a higher rate are listed below.

The health plan will review and adjust reimbursement levels in the provider-administered injectable drug fee schedule on a quarterly basis to reflect changes in market prices for acquiring and administering drugs. Providers are encouraged to use lower cost therapeutic alternatives when clinically appropriate.

You can help your patients who are using higher cost brand injectable drugs save out-of-pocket costs. To help your patients, we review ways to lower the cost of health care and make health benefits more affordable.

What are the benefits of using lower-cost drugs?

This new method prices some lower cost injectable drugs in the same class with therapeutic alternatives at a maximum allowable cost. By using these drugs, you'll:

- Receive higher payments above current ASP rates with margins comparable to higher cost agents
- Lower the overall cost of health care without affecting your practice
- Help your patients save out-of-pocket costs
Which drugs does this affect?

<table>
<thead>
<tr>
<th>Therapeutic Class</th>
<th>HCPCS</th>
<th>HCPCS Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intravitreal Anti-VEGF Injections</td>
<td>C9257</td>
<td>Injection, bevacizumab, 0.25 mg</td>
</tr>
<tr>
<td>IV Antiemetics for CINV</td>
<td>J1626</td>
<td>Injection, granisetron hydrochloride, 100 mcg</td>
</tr>
<tr>
<td>IV Antiemetics for CINV</td>
<td>J2405</td>
<td>Injection, ondansetron hydrochloride, per 1 mg</td>
</tr>
<tr>
<td>IV Folinic Acids</td>
<td>J0640</td>
<td>Injection, leucovorin calcium, per 50 mg</td>
</tr>
<tr>
<td>Bone Resorption Inhibitors: Osteoporosis</td>
<td>J3489</td>
<td>Injection, zoledronic acid, 1 mg</td>
</tr>
</tbody>
</table>

For more information
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